Adagio IV CLO Designated Activity Company

(formerly known as Adagio IV CLO Limited, a designated activity company incorporated under the laws of Ireland, under company number 560032)

€200,500,000 Class A-1 Senior Secured Floating Rate Notes due 2029
€5,000,000 Class A-2 Senior Secured Fixed Rate Notes due 2029
€39,200,000 Class B-1 Senior Secured Floating Rate Notes due 2029
€7,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2029
€18,000,000 Class C Deferrable Mezzanine Floating Rate Notes due 2029
€18,600,000 Class D Deferrable Mezzanine Floating Rate Notes due 2029
€25,200,000 Class E Deferrable Junior Floating Rate Notes due 2029

This Prospectus incorporates, as an integral part of this Prospectus, the final Prospectus dated 7 September 2015 (the "**2015 Prospectus**") relating to the Original Notes (defined below). Capitalised terms used herein and not otherwise defined shall have the meanings given to such terms in the 2015 Prospectus. The 2015 Prospectus is attached hereto as Annex A.

The assets securing the Notes will consist predominantly of a portfolio of Secured Senior Loans and Secured Senior Bonds, Mezzanine Obligations, Corporate Rescue Loans and High Yield Bonds managed by AXA Investment Managers, Inc. (the "**Investment Manager**").

On 8 September 2015 (the "**Original Closing Date**") Adagio IV CLO Designated Activity Company (formerly known as Adagio IV CLO Limited) (the "**Issuer**") issued the Class A-1 Notes (the "**Original Class A-1 Notes**"), the Class A-2 Notes (the "**Original Class A-2 Notes**"), the Class B-1 Notes (the "**Original Class B-1 Notes**"), the Class B-2 Notes (the "**Original Class B-2 Notes**"), the Class C Notes (the "**Original Class C Notes**"), the Class D Notes (the "**Original Class D Notes**") and the Class E Notes (the "**Original Class E Notes**" and, together with the Original Class A-1 Notes, the Original Class A-2 Notes, the Original Class B-1 Notes, the Original Class B-2 Notes, the Original Class C Notes and the Original Class D Notes, the "**Refinanced Notes**"), the Class F Notes and the Subordinated Notes (the Refinanced Notes together with the Class F Notes and the Subordinated Notes, the "**Original Notes**"). The Original Notes were issued and secured pursuant to a trust deed (the " **Original Trust Deed**") dated 8 September 2015, made between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited, in its capacity as trustee (the "**Trustee**").

On or about 16 October 2017 (the "**Refinancing Date**", and with respect to the Refinanced Notes, the "**Redemption Date**"), the Issuer will, subject to certain conditions, refinance the Original Class A-1 Notes, the Original Class A-2 Notes, the Original Class B-1 Notes, the Original Class B-2 Notes, the Original Class C Notes, the Original Class D Notes and the Original Class E Notes by issuing €200,500,000 Class A-1 Senior Secured Floating Rate Notes due 2029 (the "**Class A-1 Notes**"), €5,000,000 Class A-2 Senior Secured Fixed Rate Notes due 2029 (the "**Class A-2 Notes**" and, together with the Class A-1 Notes, the "**Class A Notes**"), €39,200,000 Class B-1 Senior Secured Floating Rate Notes due 2029 (the "**Class B-1 Notes**"), €7,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2029 (the "**Class B-2 Notes**" and, together with the Class B-1 Notes, the "**Class B Notes**"), €18,000,000 Class C Senior Secured Deferrable Floating Rate Notes due 2029 (the "**Class C Notes**"), €18,600,000 Class D Deferrable Mezzanine Floating Rate Notes due 2029 (the "**Class D Notes**") and €25,200,000 Class E Deferrable Junior Floating Rate Notes due 2029 (the "**Class E Notes**" and, together with the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the "**Refinancing Notes**" and, together with the Class F Notes and the Subordinated Notes, the "**Notes**").

The Refinancing Notes will be issued and secured pursuant to a Supplemental Trust Deed (the "**Supplemental Trust Deed**") dated on or about 16 October 2017 (the "**Refinancing Date**"), made between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited, in its capacity as trustee (the "**Trustee**").

Interest on the Notes will be payable quarterly in arrear on 15 April, 15 July, 15 October and 15 January prior to the occurrence of a Frequency Switch Event (as defined herein) and semi-annually in arrear on 15 April and 15 October (where the Payment Date (as defined herein) immediately prior to the occurrence of a Frequency Switch Event falls in either April or October) or 15 January and 15 July (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either January or July) following the occurrence of a Frequency Switch Event (or, in each case, if such day is not a Business Day (as defined herein), then on the next succeeding Business Day (unless it would fall in the following month, in which case it shall be moved to the immediately preceding Business Day)) in each year and ending on the Maturity Date (as defined herein) in accordance with the Priorities of Payments described herein and in the 2015 Prospectus.

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

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

This Prospectus does not constitute a prospectus for the purposes of Article 5 of Directive 2003/71/EC (as such directive may be amended from time to time, the "**Prospectus Directive**"). The Issuer is not offering the Refinancing Notes in any jurisdiction in circumstances that would require a prospectus to be prepared pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange plc (the "**Irish Stock Exchange**") for the Refinancing Notes to be admitted to the official list (the "**Official List**") and to trading on the Global Exchange Market of The Irish Stock Exchange (the "**Global Exchange Market**") which is the exchange regulated market of the Irish Stock Exchange. There can be no assurance that such listing will be granted or, if granted, maintained. Application has been made to the Irish Stock Exchange to approve this Prospectus as listing particulars for such application.

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

THE REFINANCING NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") AND WILL BE OFFERED ONLY: (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")); AND (B) WITHIN THE UNITED STATES TO PERSONS AND OUTSIDE THE UNITED STATES TO U.S. PERSONS (AS SUCH TERM IS DEFINED IN REGULATION S ("**U.S. PERSONS**")), IN EACH CASE, WHO ARE BOTH QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT AND QUALIFIED PURCHASERS FOR THE PURPOSES OF SECTION 3(C)(7) OF THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE ISSUER WILL NOT BE REGISTERED UNDER THE INVESTMENT COMPANY ACT. INTERESTS IN THE REFINANCING NOTES WILL BE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER, AND EACH PURCHASER OF REFINANCING NOTES OFFERED HEREBY IN MAKING ITS PURCHASE WILL BE REQUIRED TO OR DEEMED TO HAVE MADE CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS AND AGREEMENTS. SEE "*PLAN OF DISTRIBUTION*" AND "*TRANSFER RESTRICTIONS*".

The Refinancing Notes will be offered by the Issuer through Barclays Bank PLC in its capacity as initial purchaser of the offering of such Notes (the "**Initial Purchaser**") subject to prior sale, when, as and if delivered to and accepted by the Initial Purchaser, and to certain conditions. It is expected that delivery of the Refinancing Notes will be made on or about the Refinancing Date. The Initial Purchaser may offer the Refinancing Notes at prices as may be negotiated at the time of sale which may vary among different purchasers.

Barclays
as Sole Arranger and Initial Purchaser

The date of this Prospectus is 13 October 2017

The Issuer accepts responsibility for the information contained in this document and to the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Investment Manager accepts responsibility for the information contained in the sections of this document and the 2015 Prospectus headed "Risk Factors—Relating to certain Conflicts of Interest—Investment Manager", "Risk Factors—Conflicts of Interest—Certain Conflicts of Interest Involving the Investment Manager and its Affiliates", "The Investment Manager" and "Description of the Investment Management and Collateral Administration Agreement – Cross Transactions, Principal Transactions and Conflicts of Interest". To the best of the knowledge and belief of the Investment Manager (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Bank of New York Mellon acting through its London Branch in its capacity as Calculation Agent, Principal Paying Agent, Account Bank and Custodian accepts responsibility for the information contained in the section of the 2015 Prospectus headed "The Calculation Agent, Principal Paying Agent, Account Bank and Custodian". To the best of the knowledge and belief of The Bank of New York Mellon acting through its London Branch in its capacity as Calculation Agent, Principal Paying Agent, Account Bank and Custodian (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Bank of New York Mellon S.A./N.V. acting through its Dublin Branch in its capacity as Collateral Administrator and the Information Agent accepts responsibility for the information contained in the section of the 2015 Prospectus headed "The Collateral Administrator and the Information Agent". To the best of the knowledge and belief of The Bank of New York Mellon S.A./N.V. acting through its Dublin Branch in its capacity as Collateral Administrator and the Information Agent (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Investment Manager in its capacity as the Retention Holder accepts responsibility for the information contained in the sections of the 2015 Prospectus headed "The Retention Holder and Retention Requirements – Description of the Retention Holder", "The Retention Holder and Retention Requirements – Origination Procedures" and "The Retention Holder and Retention Requirements – The Retention – Background". To the best of the knowledge and belief of the Investment Manager in its capacity as the Retention Holder (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Except for the sections of the 2015 Prospectus and this document headed "Risk Factors—Relating to certain Conflicts of Interest—Investment Manager", "Risk Factors—Conflicts of Interest—Certain Conflicts of Interest Involving the Investment Manager and its Affiliates", "The Investment Manager" and "Description of the Investment Management and Collateral Administration Agreement – Cross Transactions, Principal Transactions and Conflicts of Interest" in the case of the Investment Manager, "The Calculation Agent, Principal Paying Agent, Account Bank and Custodian" in the case of The Bank of New York Mellon acting through its London Branch, "The Collateral Administrator and the Information Agent" in the case of The Bank of New York Mellon S.A./N.V. acting through its Dublin Branch and "The Retention Holder and Retention Requirements – Description of the Retention Holder", "The Retention Holder and Retention Requirements – Origination Procedures", "The Retention Holder and Retention Requirements – The Retention – Background" in the case of the Investment Manager in its capacity as the Retention Holder, none of the Investment Manager, the Collateral Administrator, the Agents or the Retention Holder accept any responsibility for the accuracy and completeness of any information contained in this Prospectus. The delivery of this Prospectus at any time does not imply that the information herein is correct at any time subsequent to the date of this Prospectus.

*The Issuer has only made very limited enquiries with regards to the accuracy and completeness of the information under the sections of this Prospectus and the 2015 Prospectus entitled "Risk Factors – Risks relating to certain Conflicts of Interest – Investment Manager", "Risk Factors—Conflicts of Interest—Certain Conflicts of Interest Involving the Investment Manager and its Affiliates", "The Investment Manager", "Description of the Investment Management and Collateral Administration Agreement – Cross Transactions, Principal Transactions and Conflicts of Interest", "The Collateral Administrator and Information Agent", "The Calculation Agent, Principal Paying Agent, Account Bank and Custodian", "The Retention Holder and Retention Requirements – Description of the Retention Holder", "The Retention Holder and Retention Requirements – Origination Procedures" and "The Retention Holder and Retention Requirements – The Retention – Background" in this Prospectus (together, the "**Third Party Information**"). As far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Prospective investors in the Notes should not rely upon, and should make their own independent investigations and enquiries in respect of, the accuracy and completeness of the Third Party Information.*

None of the Sole Arranger, the Initial Purchaser nor any of its Affiliates, the Trustee, the Investment Manager (save in respect of the sections of this Prospectus and the 2015 Prospectus headed "Risk Factors—Relating to

certain Conflicts of Interest—Investment Manager", "Risk Factors—Conflicts of Interest—Certain Conflicts of Interest Involving the Investment Manager and its Affiliates", "The Investment Manager", and "Description of the Investment Management and Collateral Administration Agreement – Cross Transactions, Principal Transactions and Conflicts of Interest"), the Collateral Administrator and the Information Agent (save in respect of the section headed "The Collateral Administrator and the Information Agent"), any Agent (save in respect of the section headed "The Calculation Agent, Principal Paying Agent, Account Bank and Custodian"), any Hedge Counterparty, the Investment Manager in its capacity as the Retention Holder (save in respect of the sections headed "The Retention Holder and Retention Requirements – Description of the Retention Holder", "The Retention Holder and Retention Requirements – Origination Procedures" and "The Retention Holder and Retention Requirements – The Retention – Background") or any other party has separately verified the information contained in this Prospectus or the 2015 Prospectus and, accordingly, none of the Sole Arranger, Initial Purchaser nor any of its Affiliates, the Trustee, the Investment Manager (save as specified above), any Agent (save as specified above), any Hedge Counterparty, the Investment Manager in its capacity as the Retention Holder (save as specified above) or any other party (save for the Issuer as specified above) makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained in this Prospectus, the 2015 Prospectus or in any further notice or other document which may at any time be supplied in connection with the Refinancing Notes or their distribution or accepts any responsibility or liability therefor. None of the Sole Arranger, Initial Purchaser (nor any of its Affiliates), the Trustee, the Investment Manager, any Agent, any Hedge Counterparty, the Investment Manager in its capacity as the Retention Holder or any other party undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Prospectus or the 2015 Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the aforementioned parties which is not included in this Prospectus or the 2015 Prospectus. None of the Sole Arranger, Initial Purchaser (nor any of its Affiliates), the Trustee, the Investment Manager (save as specified above), any Agent (save as specified above), any Hedge Counterparty, the Investment Manager in its capacity as the Retention Holder (save as specified above) or any other party (save for the Issuer as specified above) accepts any responsibility for the accuracy or completeness of any information contained in this Prospectus or the 2015 Prospectus.

*This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Sole Arranger and Initial Purchaser or any of its Affiliates, the Investment Manager, the Collateral Administrator or any other person to subscribe for or purchase any of the Notes. The distribution of this Prospectus and the offering of the Refinancing Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Sole Arranger, Initial Purchaser to inform themselves about and to observe any such restrictions. In particular, the communication constituted by this Prospectus is directed only at persons who are (a) persons in member states of the European Economic Area ("**EEA**") that are "qualified investors" within the meaning of Article 2(1)(e) of EU Directive 2003/71/EC ("**Qualified Investors**"), (b) in the United Kingdom ("**UK**"), are Qualified Investors of the kind described in Article 48(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or who otherwise fall within an exemption set forth in such Order so that section 21(1) of the Financial Services and Markets Act 2000 (as amended and including the Financial Services Act 2012) does not apply to the Issuer, and (c) persons to whom such communications can be sent lawfully in accordance with all other applicable securities laws (all such persons together being referred to as "**relevant persons**"). This communication must not be distributed to, acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. For a description of certain further restrictions on offers and sales of Refinancing Notes and distribution of this Prospectus, see "Plan of Distribution" and "Transfer Restrictions" below.*

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

*In this Prospectus, unless otherwise specified or the context otherwise requires, all references to "**Euro**", "**euro**", "**€**" and "**EUR**" are to the lawful currency of the member states of the European Union that have adopted and retain the single currency in accordance with the Treaty establishing the European Community, as amended from time to time; provided that if any member state or states ceases to have such single currency as its lawful currency (such member state(s) being the "**Exiting State(s)**"), the euro shall, for the avoidance of doubt, mean for all*

*purposes the single currency adopted and retained as the lawful currency of the remaining member states and shall not include any successor currency introduced by the Exiting State(s), all references to "**Sterling**" and "**£**" shall mean the lawful currency of the United Kingdom and any references to "**U.S. Dollar**", "**U.S. dollar**", "**USD**", "**U.S. Dollar**" or "**$**" shall mean the lawful currency of the United States of America.*

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

In connection with the issue of the Refinancing Notes, no stabilisation will take place and neither Barclays Bank PLC nor any Affiliate thereof will be acting as stabilising manager in respect of the Refinancing Notes.

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

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

NOTICE TO KOREAN INVESTORS

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

Retention Requirements

PURSUANT TO THE U.S. RISK RETENTION RULES, THE SPONSOR IS REQUIRED TO DISCLOSE OR CAUSE TO BE DISCLOSED TO INVESTORS THE PORTION OF THE NOTES THAT THE SPONSOR IS REQUIRED TO ACQUIRE AS AN ELIGIBLE VERTICAL INTEREST DESCRIBED UNDER "*CREDIT RISK RETENTION*." IN ADOPTING THE U.S. RISK RETENTION RULES, THE RELEVANT REGULATORY AUTHORITIES INDICATED THAT THE PURPOSE OF THE FOREGOING DISCLOSURES IS TO ALLOW INVESTORS TO ANALYZE THE AMOUNT OF THE SPONSOR'S ECONOMIC INTEREST ("SKIN IN THE GAME") IN THE TRANSACTIONS DESCRIBED IN THE 2015 PROSPECTUS AND HEREIN. AS SUCH, THE VERTICAL INTEREST DISCLOSURES SET FORTH HEREIN SHOULD NOT BE USED FOR ANY OTHER PURPOSE, INCLUDING, WITHOUT LIMITATION, IN MAKING AN INVESTMENT DECISION WITH RESPECT TO ANY OF THE NOTES.

Investors are directed to the further descriptions of the Retention Requirements in "*Risk Factors—The Dodd Frank Act and US Risk Retention Rules*", "*Risk Factors – European Risk Retention*" and "*The Retention Holder and Retention Requirements*" in the 2015 Prospectus and "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence*" and "*Credit Risk Retention*" below. Each prospective investor in the Refinancing Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction (including the Reports) are sufficient to comply with the Retention Requirements or any other applicable legal, regulatory or other requirements. None of the Issuer, the Investment Manager, any Investment Manager Related Person, the Initial Purchaser, the Sole Arranger any Agent, the Trustee, the Retention Holder, their respective Affiliates, corporate officers or professional advisors or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy the Retention Requirements or any other applicable legal, regulatory or other requirements other than, in the case of the Investment Manager, where such failure results from a breach of the Risk Retention Letter (as defined in the terms and conditions of the Refinancing Notes) by the Investment Manager. Each prospective investor in the Refinancing Notes should consult with its own legal, accounting, regulatory and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain. Each recipient of this Prospectus, to the extent it considers the U.S. Risk Retention Rules to be relevant to its decision to invest, should independently assess and determine the sufficiency, for the purposes of complying with the U.S. Risk Retention Rules, of the information set forth in this Prospectus, and should consult with its own legal, accounting and other advisors or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and with respect to any other related requirements of which it is uncertain.

The Monthly Reports will include a statement as to the receipt by the Issuer, the Collateral Administrator, the Trustee and the Initial Purchaser of a confirmation from the Retention Holder as to the holding of the Retention Notes and that the Retention Holder has not hedged or otherwise mitigated its credit risk associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, which confirmation the Retention Holder will undertake in the Risk Retention Letter to provide to the Issuer, the Collateral Administrator, the Trustee and the Initial Purchaser on a monthly basis.

Information as to placement within the United States

The Refinancing Notes of each Class offered pursuant to an exemption from registration under Rule 144A under the Securities Act ("**Rule 144A**") (the "**Rule 144A Notes**") will be sold only to "qualified institutional buyers"

(as defined in Rule 144A) ("**QIBs**") that are also "qualified purchasers" for purposes of Section 3(c)(7) of the Investment Company Act ("**QPs**"). Rule 144A Notes of each Class will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Rule 144A Global Certificate**" and together, the "**Rule 144A Global Certificates**") or in some cases definitive certificates (each a "**Rule 144A Definitive Certificate**" and together the "**Rule 144A Definitive Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg or in the case of Rule 144A Definitive Certificates, the registered holder thereof. The Refinancing Notes of each Class sold outside the United States to non-U.S. Persons in reliance on Regulation S ("**Regulation S**") under the Securities Act (the "**Regulation S Notes**") will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Regulation S Global Certificate**" and together, the "**Regulation S Global Certificates**"), or in some cases by definitive certificates of such Class (each a "**Regulation S Definitive Certificate**" and together, the "**Regulation S Definitive Certificates**") in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank SA/NV, as operator of the Euroclear system ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or, in the case of Regulation S Definitive Certificates, the registered holder thereof. Neither U.S. Persons nor U.S. residents (as determined for the purposes of the Investment Company Act) ("**U.S. Residents**") may hold an interest in a Regulation S Global Certificate or a Regulation S Definitive Certificate. Ownership interests in the Regulation S Global Certificates and the Rule 144A Global Certificates (together, the "**Global Certificates**") will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their respective participants. Refinancing Notes in definitive certificated form will be issued only in limited circumstances. In each case, purchasers and transferees of notes will be deemed, and in certain circumstances will be required, to have made certain representations and agreements. See "*Form of the Notes*", "*Book Entry Clearance Procedures*", "*Plan of Distribution*" and "*Transfer Restrictions*" in the 2015 Prospectus.

The Issuer has not been registered under the Investment Company Act in reliance on Section 3(c)(7) of the Investment Company Act. Each purchaser of an interest in the Refinancing Notes (other than a non-U.S. Person outside the U.S.) will be deemed to have represented and agreed that it is a QP and will also be deemed to have made the representations set out in "*Transfer Restrictions*" in the 2015 Prospectus. The purchaser of any Refinancing Note, by such purchase, agrees that such Refinancing Note is being acquired for its own account and not with a view to distribution and may be resold, pledged or otherwise transferred only (1) to the Issuer (upon redemption thereof or otherwise), (2) to a person the purchaser reasonably believes is a QIB which is also a QP, in a transaction meeting the requirements of Rule 144A, or (3) outside the United States to a non-U.S. Person in an offshore transaction in reliance on Regulation S, in each case, in compliance with the Trust Deed and all applicable securities laws of any state of the United States or any other jurisdiction. See "*Transfer Restrictions*".

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

THE REFINANCING NOTES OFFERED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH, OR APPROVED BY, ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

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

Available Information

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

General Notice

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

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

IF TRADING OR ENTERING INTO HEDGE AGREEMENTS WOULD RESULT IN THE ISSUER'S ACTIVITIES FALLING WITHIN THE DEFINITION OF A "COMMODITY POOL" UNDER THE COMMODITY EXCHANGE ACT, THE INVESTMENT MANAGER WOULD EXPECT TO BE EXEMPT FROM REGISTRATION WITH THE COMMODITY FUTURES TRADING COMMISSION (THE "**CFTC**") AS A COMMODITY POOL OPERATOR (A "**CPO**") PURSUANT TO CFTC RULE 4.13(a)(3). THEREFORE, UNLIKE A REGISTERED CPO, THE INVESTMENT MANAGER WOULD NOT BE REQUIRED TO DELIVER A CFTC DISCLOSURE DOCUMENT TO PROSPECTIVE INVESTORS, NOR WOULD IT BE REQUIRED TO PROVIDE INVESTORS WITH CERTIFIED ANNUAL REPORTS THAT SATISFY THE REQUIREMENTS OF CFTC RULES APPLICABLE TO REGISTERED CPOs.

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OVERVIEW

The following Overview does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this prospectus (this "**Prospectus**") and related documents referred to herein. Capitalised terms not specifically defined in this Overview have the meanings set out in Condition 1 (*Definitions*) under "*Terms and Conditions of the Notes*" in the 2015 Prospectus or are defined elsewhere in this Prospectus. It should be read in conjunction with the section entitled "*Overview*" beginning on page 1 of the 2015 Prospectus. An index of defined terms appears at the back of this Prospectus. References to a "**Condition**" are to the specified Condition in the "*Terms and Conditions of the Notes*" in the 2015 Prospectus and references to "**Conditions of the Notes**" are to the "*Terms and Conditions of the Notes*" in the 2015 Prospectus. For a discussion of certain risk factors to be considered in connection with an investment in the Refinancing Notes, see "*Risk Factors*".

Issuer	Adagio IV CLO Designated Activity Company (formerly known as Adagio IV CLO Limited), a designated activity company incorporated under the laws of Ireland.
Investment Manager	AXA Investment Managers, Inc.
Trustee	BNY Mellon Corporate Trustee Services Limited
Sole Arranger and Initial Purchaser.....	Barclays Bank PLC
Collateral Administrator and Information Agent	The Bank of New York Mellon S.A./N.V., Dublin Branch, acting through its office at Riverside II, Sir John Rogerson's Quay, Dublin 2, Ireland.
Custodian, Account Bank, Calculation Agent and Principal Paying Agent.....	The Bank of New York Mellon, London Branch, acting though its office at One Canada Square, London, E14 5AL.
Transfer Agent and Registrar.....	The Bank of New York Mellon S.A./N.V., Luxembourg Branch

Refinancing Notes[1]

Class of Refinancing Notes	Principal Amount	Initial Stated Interest Rate[2]	Alternative Stated Interest Rate[3]	Fitch Ratings of at least[4]	Moody's Ratings of at least[4]	Maturity Date
A-1	€200,500,000	3 month EURIBOR + 0,66%	6 month EURIBOR + 0.66%	AAAsf	Aaa(sf)	October 2029
A-2	€5,000,000	1.10% *per annum*	1.10% *per annum*	AAAsf	Aaa(sf)	October 2029
B-1	€39,200,000	3 month EURIBOR + 1.15%	6 month EURIBOR + 1.15%	AAsf	Aa2(sf)	October 2029
B-2	€7,000,000	1.80% *per annum*	1.80% *per annum*	AAsf	Aa2(sf)	October 2029
C	€18,000,000	3 month EURIBOR + 1.60%	6 month EURIBOR + 1.60%	Asf	A2(sf)	October 2029
D	€18,600,000	3 month EURIBOR + 2.50%	6 month EURIBOR + 2.50%	BBBsf	Baa2(sf)	October 2029
E	€25,200,000	3 month EURIBOR + 4.90%	6 month EURIBOR + 4.90%	BBsf	Ba2(sf)	October 2029

[1] The Initial Purchaser may offer the Refinancing Notes at prices as may be negotiated at the time of sale which may vary among different purchasers and which may be different to the issue price of the Refinancing Notes.

[2] Applicable to each three month Accrual Period.

[3] Applicable to each six month Accrual Period, provided that the rate of interest of the Refinancing Notes of each Class (other than the Class A-2 Notes and the Class B-2 Notes) for the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date will, if such first mentioned Payment Date falls in July 2029, be determined by reference to three month EURIBOR.

[4] A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by the applicable Rating Agency. As of the date of this Prospectus, each of the Rating Agencies is established in the European Union and is registered under Regulation (EC) No 1060/2009 (as amended) ("**CRA3**"). As such, each Rating Agency is included in the list of credit rating agencies published by the

European Securities and Markets Authority on its website in accordance with CRA3. The ratings assigned to the Class A Notes and the Class B Notes by Fitch address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, Class D Notes, the Class E Notes and the Class F Notes address the ultimate payment of principal and interest. The ratings assigned to the Notes by Moody's address the expected loss posed to investors by the legal final maturity on the Maturity Date.

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

Distributions on the Notes

Original Closing Date.....	8 September 2015
Refinancing Date.....	16 October 2017
Payment Dates.....	15 April, 15 July, 15 October and 15 January prior to the occurrence of a Frequency Switch Event and on 15 April and 15 October (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either April or October) or on 15 January and 15 July (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either January or July) following the occurrence of a Frequency Switch Event in each year commencing in January 2018 and ending on the Maturity Date (subject to any earlier redemption of the Notes and in each case to adjustment for non Business Days in accordance with the Conditions).
Interest.....	Interest in respect of the Notes of each Class will be payable quarterly in arrear in respect of each three month Accrual Period and semi-annually in arrear in respect of each six month Accrual Period, in each case on each Payment Date (with the first Payment Date occurring in January 2018) in accordance with the Interest Proceeds Priority of Payments.
Deferral of Interest.....	Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class A Notes or the Class B Notes in accordance with the Priorities of Payment shall not be an Event of Default unless and until such failure continues for a period of at least five Business Days or, in the case of an administrative error or omission only where such failure continues for a period of at least ten Business Days, and save in each case as the result of any deduction therefrom or the imposition of any withholding thereon as set out in Condition 9 (*Taxation*). To the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes are not made on the relevant Payment Date, an amount equal to such unpaid interest will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (as applicable), and from the date such unpaid interest is added to the applicable Principal Amount Outstanding of the relevant Class of Notes, such unpaid amount will accrue interest at the rate of interest applicable to such Notes. See Condition 6(c) (*Deferral of Interest*). Non-payment of interest amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes as a result of the insufficiency of available Interest Proceeds or, with respect to the Subordinated Notes, Interest

	Proceeds or Principal Proceeds will not constitute an Event of Default.
Redemption of the Notes	See the section entitled "*Redemption of the Notes*" within the "*Overview*" section in the 2015 Prospectus, which is amended herein to remove the right for a redemption of the Notes by way of Refinancing: (a) in whole (with respect to all Classes of Rated Notes) but not in part pursuant to Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders or Retention Holder*) until, but excluding, the Payment Date falling in October 2018; and (b) in part by the redemption in whole of one or more Classes of the Refinancing Notes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*).
Minimum Weighted Average Fixed Coupon Test.....	In connection with the Refinancing, the Issuer intends to make the following amendment to the Investment Management and Collateral Administration Agreement: The definition of "Minimum Weighted Average Fixed Coupon" shall be deleted and replaced with the following: "The "**Minimum Weighted Average Fixed Coupon**" will be satisfied on any Measurement Date from and including the Effective Date, if the Weighted Average Fixed Rate Coupon equals or exceeds 4 per cent.." By acquiring an interest in the Class A-1 Notes or the Class A-2 Notes on the Issue Date, each Class A-1 Noteholder and Class A-2 Noteholder shall consent to the above amendment and accordingly, consent to the above amendment shall be given by and shall take effect as an Ordinary Resolution of the Controlling Class for the purposes of Condition 14(c)(xxvii) (*Modification and Waiver*).
Maximum Weighted Average Life Test	In connection with the Refinancing, the Issuer intends to make the following amendment to the Investment Management and Collateral Administration Agreement: The definition of "Maximum Weighted Average Life Test" shall be deleted and replaced with the following: "The "**Maximum Weighted Average Life Test**" will be satisfied on any Measurement Date if the Weighted Average Life as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such Measurement Date to 8 September 2024." By acquiring an interest in the Class A-1 Notes or the Class A-2 Notes on the Issue Date, each Class A-1 Noteholder and Class A-2 Noteholder shall consent to the above amendment and accordingly, consent to the above amendment shall be given by and shall take effect as an Ordinary Resolution of the Controlling Class for the purposes of Condition 14(c)(xxvii) (*Modification and Waiver*).
Portfolio Profile Tests.....	In connection with the Refinancing, the Issuer intends to make the following amendment to the Investment Management and Collateral Administration Agreement:

	Paragraph (j) of the Portfolio Profile Tests shall be deleted and replaced with the following: "not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fixed Rate Collateral Debt Obligations;" By acquiring an interest in the Class A-1 Notes or the Class A-2 Notes on the Issue Date, each Class A-1 Noteholder and Class A-2 Noteholder shall consent to the above amendment and accordingly, consent to the above amendment shall be given by and shall take effect as an Ordinary Resolution of the Controlling Class for the purposes of Condition 14(c)(xxvii) (*Modification and Waiver*).
Fitch Test Matrix	In connection with the Refinancing, the Issuer intends to update Schedule 6 (*Fitch Test Matrix*) to the Investment Management and Collateral Administration Agreement to reflect changes to the Fitch Test Matrix, as provided by Fitch, pursuant to Condition 14(c)(xv) (*Modification and Waiver*).
Moody's Text Matrix.....	In connection with the Refinancing, the Issuer intends to update Schedule 7 (*Moody's Test Matrix*) to the Investment Management and Collateral Administration Agreement to reflect changes to the Moody's Test Matrix, as provided by Moody's, pursuant to Condition 14(c)(xv) (*Modification and Waiver*).
Moody's Derived Rating	In connection with the Refinancing, the Issuer intends to update Schedule 16 (*Moody's Ratings*) to the Investment Management and Collateral Administration Agreement to update the definition of "Moody's Derived Rating" pursuant to Condition 14(c)(xxvii) (*Modification and Waiver*). By acquiring an interest in the Class A-1 Notes and/or the Class A-2 Notes on the Issue Date, each Class A-1 Noteholder and Class A-2 Noteholder shall consent to the above amendments and accordingly, consent to the above amendment shall be given by and shall take effect as an Ordinary Resolution of the Controlling Class for the purposes of Condition 14(c)(xxvii)(*Modification and Waiver*).
Consequential Amendments	In addition, the Issuer intends to make certain amendments to the Conditions, as described herein, in order to facilitate the Issuer effecting the Refinancing in part, pursuant to Condition 7(b)(viii)(*Consequential Amendments*) and Condition 14(c)(xxii) (*Modification and Waiver*).
Tax Status	See "*Tax Considerations*".
Certain ERISA Considerations	For a discussion of certain ERISA related restrictions on the ownership and transfer of the Notes, see the section "*Certain ERISA Considerations*" and "*Transfer Restrictions*" in the 2015 Prospectus.
Withholding Tax.....	No gross up in respect of amounts deducted from or withheld for or on account of tax in relation to the Notes in respect of any payments to the Noteholders is required of the Issuer. See Condition 9 (*Taxation*) in the 2015 Prospectus.
Retention Notes	In connection with the Refinancing, the Issuer intends to amend the definition of Refinancing Notes pursuant to Condition 14(c)(xxii) (*Modification and Waiver*) to require the Retention Holder to hold Notes of each Class and Class A-1 Notes and Class A-2 Notes and Class B-1 Notes and Class B-2 Notes shall be treated as separate Classes.

Retention Holder and Retention Requirements	The Retention Notes will be subscribed for by the Investment Manager on the Refinancing Date and, pursuant to the Refinancing Risk Retention Letter, the Investment Manager, in its capacity as Retention Holder, will undertake to retain the Retention Notes in order to comply with the Retention Requirements. See "*Retention Holder and Retention Requirements*", "*Risk Factors—The Dodd Frank Act and US Risk Retention Rules*" and "*Risk Factors – European Risk Retention*" of the 2015 Prospectus.
U.S. Risk Retention Rules	The U.S. Risk Retention Rules require that (subject to certain exceptions) the "sponsor" of a securitization transaction, either directly or through its "majority-owned affiliates," acquire and retain an economic interest in the credit risk of the securitized assets of at least 5% in accordance with the methodologies permitted by the U.S. Risk Retention Rules. To this end, the "sponsor" may retain an "eligible vertical interest" or an "eligible horizontal residual interest" (as such terms are defined in the U.S. Risk Retention Rules), or any combination thereof. For purposes of this transaction, the Investment Manager would be considered to be a "sponsor" for purposes of the U.S. Risk Retention Rules. In this transaction, the credit risk retention requirement will be achieved by the Retention Holder retaining an "eligible vertical interest" for purposes of the U.S. Risk Retention Rules. The U.S. Risk Retention Rules further prohibit the "sponsor" or its "majority-owned affiliates," as applicable, from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the "credit risk" that it is required to acquire during the period specified under the U.S. Risk Retention Rules. The Investment Manager has informed the Issuer that the Retention Holder intends to retain the Retention Notes in compliance with the U.S. Risk Retention Rules in effect on the Refinancing Date for so long as the U.S. Risk Retention Rules are in effect. See "*Credit Risk Retention*". The statements contained in this Prospectus regarding compliance with the U.S. Risk Retention Rules are solely based on the U.S. Risk Retention Rules as published in the Federal Register as of the date of this Prospectus.

RISK FACTORS

An investment in the Notes involves certain risks, including risks related to the Collateral Debt Obligations securing the Notes and risks relating to the structure of the Notes and related arrangements. There can be no assurance that the Issuer will not incur losses on the Collateral Debt Obligations or that investors in the Notes will receive a return of any or all of their investment. Prospective investors should carefully consider, among other things, the following risk factors and the "Risk Factors" in the 2015 Prospectus in addition to the other information set out in this Prospectus and the 2015 Prospectus before investing in the Refinancing Notes. Terms not defined in this section and not otherwise defined above have the meaning set out in Condition 1 (Definitions) of the "Terms and Conditions of the Notes" of the 2015 Prospectus.

The following limited supplemental disclosure is being provided to you to inform you of certain risks arising from the issuance of the Refinancing Notes but does not purport to (and none of the Issuer, the Initial Purchaser, the Investment Manager or their respective affiliates makes any representations that it purports to) comprehensively update the 2015 Prospectus or disclose all risk factors (whether legal or otherwise) which may arise by or relate to the issuance of the Refinancing Notes.

1. GENERAL

1.1 Relating to the Refinancing Notes

The Issuer provides limited information about its past operating history, investment performance and other matters relating to its operations. The Issuer commenced operations under the Trust Deed on the Original Closing Date. While the most recent Monthly Report (as defined in the Trust Deed) prior to the Refinancing Date with respect to the Collateral Debt Obligations is included herewith as Annex B and is expressly incorporated herein as an integral part of this Prospectus, such information has not been audited or otherwise reviewed by any accounting firm.

The information provided in the Monthly Reports, including the most recent Monthly Report is limited and does not provide a full description of all Collateral Debt Obligations previously held or sold by the Issuer, nor the gains or losses associated with purchases or sales of Collateral Debt Obligations, nor the levels of compliance with the Coverage Tests and Collateral Quality Tests during periods prior to the periods covered by such Monthly Report. Each Monthly Report contains information as of the dates specified therein and none of the Monthly Reports are calculated as of the date of this Prospectus. As such, the information in the most recent Monthly Report may no longer reflect the characteristics of the Collateral Debt Obligations as of the date of this Prospectus or on or after the Refinancing Date.

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

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

1.2 Prior Activities of the Issuer

The Issuer was incorporated on 8 April 2015 under the name of Adagio IV CLO Limited. On 8 September 2015, the Issuer issued the Original Notes secured by various assets owned by the Issuer. The Original Class A-1 Notes, the Original Class A-2 Notes, the Original Class B-1 Notes, the Original Class B-2 Notes, the Original Class C Notes, the Original Class D Notes and the Original Class E Notes will be redeemed by the Issuer on the Refinancing Date but the other Original Notes will remain outstanding.

The only operations that an issuer of structured rated notes similar to the Refinancing Notes is ordinarily permitted to perform prior to the issue date thereof is the entry into the warehouse arrangements in respect of the acquisition of certain assets on which such notes are to be secured on or prior to such issue date. This is to mitigate the risk that creditors of the issuer may exist as a result of the activities of such issuer who may be able to take action

against the issuer should it not perform its obligations to the extent that such creditors have not entered into limited recourse and non-petition provisions similar to those to which the Secured Parties are subject pursuant to the Trust Deed. This risk is potentially increased in the case of the Issuer, as a result of it having issued the Original Notes. In order to mitigate this increased risk, all Classes of the Notes will, on the Refinancing Date, be subject to the same Conditions and Transaction Documents and the secured parties under the Original Notes will be party to such Transaction Documents. The Issuer, pursuant to an ordinary resolution and a special resolution both dated 17 June 2016, elected to re-register as a designated activity company under Section 56(1) of the Companies Act 2014.

1.3 Events in the CLO and Leveraged Finance Markets

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

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

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

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

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

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

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

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

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

1.4 Illiquidity in the collateralised debt obligation, leveraged finance and fixed income markets may affect the Noteholders

In previous years, events in the collateralised debt obligation (including CLO), leveraged finance and fixed income markets have resulted in substantial fluctuations in prices for leveraged loans and high-yield debt securities and limited liquidity for such instruments. No assurance can be made that conditions giving rise to similar price fluctuations and limited liquidity may not emerge following the Issue Date. During periods of limited liquidity and higher price volatility, the Issuer's ability to acquire or dispose of Collateral Debt Obligations at a price and time that the Issuer deems advantageous may be severely impaired. As a result, in periods of rising market prices, the Issuer may be unable to participate in price increases fully to the extent that it is unable to acquire desired positions quickly; and the Issuer's inability to dispose fully and promptly of positions in declining markets may exacerbate losses suffered by the Issuer when Collateral Debt Obligations are sold. Furthermore, significant additional risks for the Issuer and investors in the Notes may exist. Such risks include, among others, (i) the possibility that, after the Issue Date, the prices at which Collateral Debt Obligations can be sold by the Issuer may deteriorate from their purchase price, (ii) the possibility that opportunities for the Issuer to sell its Collateral Debt Obligations in the secondary market, including Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations, may be impaired, and (iii) increased illiquidity of the Notes because of reduced secondary trading in CLO securities. These additional risks may affect the returns on the Notes to investors or otherwise adversely affect Noteholders.

1.5 European Union and Eurozone Risk

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

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

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

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

obligations would be determined by laws in effect at such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Notes.

1.6 Referendum on the UK's EU Membership

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

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

The UK government gave notice of the UK's intention to withdraw from the EU pursuant to Article 50 on 29 March 2017, which has triggered the commencement of a negotiation process between the UK and the EU in respect of the arrangements for the UK's withdrawal from the EU. Article 50 provides for a two year period for such negotiations to take place.

Applicability of EU law in the UK

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

Upon any withdrawal from the EU by the UK, and subject to agreement on (and the terms of) any future EU-UK relationship, EU laws (other than those EU laws transposed into English law (see below)) will cease to apply within the UK pursuant to the terms and timing of a future withdrawal agreement. This would be achieved by the UK ceasing to be party to the Treaty on European Union and the Treaty on the Functioning of the European Union, and by the parallel repeal of the European Communities Act 1972. The UK will cease to be a member of the EU from the date of entry into force of a withdrawal agreement or, if a withdrawal agreement has not been concluded, two years after the notification under Article 50 was served (such date being 29 March 2017), unless the European Council, in agreement with the UK, unanimously decides to extend this period. At this time it is not possible to state with any certainty what might be the terms and effective date of any withdrawal agreement or the date when such a two year period (or any extension thereof) would expire. Until such date, EU law will remain in force in the UK.

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

Regulatory Risk

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

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

Market Risk

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

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

Exposure to Counterparties

The Issuer will be exposed to a number of counterparties (including in relation to any Assignments, Participations and Hedge Transactions and also each of the Agents) throughout the life of the Notes. Investors should note that if the UK does leave the EU, such counterparties may be unable to perform their obligations due to changes in regulation, including the loss of, or changes to, existing regulatory rights to do cross-border business in the EU or the costs of such transactions with such counterparties may increase. In addition, counterparties may be adversely affected by rating actions or volatile and illiquid markets (including currency markets and bank funding markets) arising from the result of the Referendum, therefore increasing the risk that such counterparties may become unable to fulfil their obligations. Such inability could adversely impact the Issuer and could be materially detrimental to Noteholders. For further information on counterparties, see "*Credit Risk*" in the 2015 Prospectus.

Ratings actions

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

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

While the extent and impact of these issues are unknown, investors should be aware that they could have an adverse impact on the Issuer, its service providers, the payment of interest and repayment of principal on the Notes and therefore, the Noteholders. For further information, see "*Credit Risk*" in the 2015 Prospectus.

1.7 Third Party Litigation; Limited Funds Available

The Issuer's investment activities may subject it to the risks of becoming involved in litigation by third parties. This risk may be greater where the Issuer exercises control or significant influence over a company's direction. The expense of defending against claims against the Issuer by third parties and paying any amounts pursuant to settlements or judgments would be borne by the Issuer in accordance with the Priorities of Payment. The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Collateral Administrator and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited to amounts available in accordance with the Priorities of Payment. In the event that such funds are not sufficient to pay the expenses incurred by the Issuer, the ability of the Issuer to operate effectively may be impaired, and the Issuer may not be able to defend or prosecute legal proceedings that may be bought against it or that the Issuer might otherwise bring to protect its interests.

Additionally, if an investor in the Notes were to commence litigation relating to the disclosure in this Prospectus under "*Credit Risk Retention*" below, such litigation would likely be instituted against the Issuer and any liability of the Issuer related thereto would be payable solely from the assets of the Issuer. Further, any award or recourse related thereto would be payable as "Administrative Expenses" solely from the Collateral Debt Obligations and all other assets over which the Issuer has granted security to the Trustee for the benefit of holders of the Notes and the other Secured Parties pursuant to the Trust Deed. If distributions on such assets are insufficient to make payments on the Notes and such awards or recourse, no other assets (in particular, no assets of the Investment Manager, the Retention Holder, the Initial Purchaser, the Trustee, the Collateral Administrator or any affiliates of any of the foregoing) will be available for payment of the deficiency. Administrative Expenses of the Issuer are senior (but subject to a cap in most instances) to other amounts owing by the Issuer. If the Issuer were required to pay any such amounts it could reduce or eliminate the ability of the Issuer to make payments to the holders of the Notes.

2. Taxation

2.1 Financial Transaction Tax – ("FTT")

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

Under the Commission Proposal, the proposed FTT would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State or the financial instrument in which the parties are dealing is issued in a Participating Member State. The FTT may apply to both transaction parties where one of these circumstances applies. The FTT may also apply to dealings in the Collateral to the extent the Collateral constitutes financial instruments within its scope, such as bonds. In such circumstances, it is not possible to predict with certainty what effect the proposed FTT might have on the business of the Issuer, there will be no gross-up by any party to the transaction and amounts due to Noteholders may be adversely affected.

Certain aspects of the Commission Proposal are controversial and, while the Commission Proposal initially identified the date of introduction of the FTT across the Participating Member States as being 1 January 2014, this anticipated introduction date has been extended on several occasions due to disagreement among the Participating Member States regarding a number of key issues concerning the scope and application of the FTT.

On 10 October 2016, following a meeting of the Finance Ministers of the ten remaining Participating Member States, it was reported that an agreement in principle had been reached on certain key aspects of the FTT and that the EU Commission had consequently been asked to prepare draft FTT legislation on the basis of that agreement. However, the details of the FTT remain to be agreed. A written answer given by Pierre Moscovici in the European Parliament, speaking on behalf of the Commission on 28 April 2017, confirmed that negotiations between Participating Member States on the Commission's proposal are continuing with a number of key areas still open for discussion, although the Commission's intention was to assist Participating Member States reaching a compromise agreement during the course of 2017. Accordingly, the date of implementation of the FTT remains uncertain.

Additional Member States may also decide to participate in the FTT. Prospective holders of the Notes are advised to seek their own professional advice in relation to any FTT and its potential impact on their dealings in the Notes before investing.

2.2 Action Plan on Base Erosion and Profit Shifting

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

which G20 finance ministers then endorsed during a meeting on 8 October 2015 in Lima, Peru (the "**Final Report**"). The Final Report was endorsed by G20 Leaders during their annual summit on 15-16 November 2015 in Antalya, Turkey.

Action 4

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

The OECD recommends that, as a minimum, countries would apply this restriction to companies that form part of domestic and multinational groups only, or to companies that form part of multinational groups. However, the OECD acknowledges that countries may also apply such restriction more broadly to include companies in a domestic group and standalone companies which are not part of a domestic group.

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

Action 6

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

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

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

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

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

Action 7

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

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

Implementation of the recommendations in the Final Report

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

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

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

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

2.3 Changes in Tax Law

The Issuer has been advised that under current Irish law, the Investment Management Fees should be exempt from value added tax in Ireland as consideration paid for collective portfolio management services provided to a "qualifying company" for the purposes of section 110 of the Taxes Consolidation Act of Ireland 1997, as amended ("**TCA**"). This is based upon Article 135(1)(g) of Council Directive 2006/112/EC on the Common System of Value Added Tax (the "**Directive**"), which provides that EU member states shall exempt the management of "special investment funds" as defined by EU member states. The Value-Added Tax Consolidation Act 2010 of Ireland, in the provisions implementing Article 135(1)(g) of the Directive, specifically lists, in the categories of undertakings to whom supplies of management services are exempt from VAT, undertakings which are "qualifying companies" for the purposes of section 110 of the TCA. The Issuer has been advised that it will be such a "qualifying company", therefore management services supplied to it are exempt from value added tax in Ireland under current law. On 9 December 2015 the European Court of Justice handed down its judgment in the case of *Staatssecretaris van Financiën v Fiscale Eenheid X NV cs* Case C-595/13 which concerned Dutch law on value added tax, in particular the Dutch interpretation of the term "special investment fund" under the Directive, and could suggest that the exemption had been enacted by some member states more broadly than is permitted by the Directive. The Issuer is not, however, aware of any proposal to amend Irish domestic law to remove the exemption from value added tax on Investment Management Fees for entities such as the Issuer.

2.4 FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income, and on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and Ireland, the Issuer will not be subject to withholding under FATCA if it complies with Irish implementing regulations that require the Issuer to provide the name, address and taxpayer identification number of, and certain other information with respect to, certain holders of Notes to the Office of the Revenue Commissioners of Ireland, which would then provide this information to the IRS. The Issuer shall use reasonable best efforts to comply with the intergovernmental agreement and these regulations; however, there can be no assurance that the Issuer will be able to do so. Moreover, the intergovernmental agreement or the Irish implementing regulations could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

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

2.5 Diverted Profits Tax

The UK Finance Act 2015 introduced a new tax in the United Kingdom to be called the "diverted profits tax" and charged at 25 per cent. of any "taxable diverted profits". The diverted profits tax was enacted in the Finance Act 2015 which received Royal Assent on 26 March 2015. The tax has effect from 1 April 2015 and may apply in circumstances including where arrangements are designed to ensure that a non-UK resident company does not carry on a trade in the United Kingdom through a permanent establishment, the non-resident company supplies goods, services or other property in the course of that non-resident company's trade and it is reasonable to assume that arrangements are in place the main purpose or one of the main purposes of which is to avoid United Kingdom corporation tax.

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

Exemption" would apply and a general exemption where the activities of the non-UK resident company in the United Kingdom are carried out by an agent of independent status which is not connected to such non-UK resident company.

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

As part of its anti-tax avoidance package the EU Commission published a draft Anti-Tax Avoidance Directive on 28 January 2016, which was formally adopted by the EC Council on 12 July 2016 in Council Directive (EU) 2016/1164 (the "**Anti-Tax Avoidance Directive**"). The Anti-Tax Avoidance Directive must be implemented by each Member State by 2019, subject to derogations for Member States which have equivalent measures in their domestic law. Amongst the measures contained in the Anti-Tax Avoidance Directive is an interest deductibility limitation rule similar to the recommendation contained in the BEPS Action 4 proposals. The Anti-Tax Avoidance Directive provides that interest costs in excess of the higher of (a) EUR 3,000,000 or (b) 30% of an entity's earnings before interest, tax, depreciation and amortisation will not be deductible in the year in which they are incurred but would remain available for carry forward. However, the restriction on interest deductibility would only be in respect of the amount by which the borrowing costs exceed "interest revenues and other equivalent taxable revenues from financial assets". Accordingly, as the Issuer will generally fund interest payments it makes under the Notes from interest payments to which it is entitled under Collateral Debt Obligations (that is such that the Issuer pays limited or no net interest), the restriction may be of limited relevance to the Issuer even if the Anti-Tax Avoidance Directive were implemented as originally published. There is also a carve out in the Anti-Tax Avoidance Directive for financial undertakings, although as currently drafted the Issuer would not be treated as a financial undertaking. The European Commission is also pursuing other initiatives, such as the introduction of a common corporate tax base, the impact of which, if implemented, is uncertain. On 21 February 2017, the Economic and Financial Affairs Council of the European Union agreed an amendment to the Anti-Tax Avoidance Directive to provide for minimum standards for counteracting hybrid mismatches involving EU Member States and third countries ("**Anti-Tax Avoidance Directive 2**"). Anti-Tax Avoidance Directive 2 requires EU Member States to either delay deduction of payments, expenses or losses or include payments as taxable income, in case of hybrid mismatches. Anti-Tax Avoidance Directive 2 needs to be implemented in the EU Member States' national laws and regulations by 31 December 2019 and will have to apply as of 1 January 2020, except for the provision on reverse hybrid mismatches for which implementation can be postponed to 31 December 2021, and will apply as of 1 January 2022.

2.7 The Common Reporting Standard

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

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

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

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

The Irish Revenue Commissioners have issued guidance and may issue further guidance with respect to the implementation of the requirements of the CRS and DAC II into Irish law under which Irish FIs (such as the Issuer) are obliged to make a single return in respect of CRS and DAC II. For the purposes of complying with its

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

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

3. Regulatory Initiatives

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

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

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

3.1 Basel III

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

reinsurance undertakings through jurisdiction specific initiatives, such as the Solvency II framework in the European Union.

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

3.2 Risk Retention and Due Diligence

EU Risk Retention and Due Diligence Requirements

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

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

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

Investors should note that the European Banking Authority ("**EBA**") published a report on 22 December 2014 (the "**EBA Report**"). In the EBA Report, the EBA suggested, amongst other things, that the definition of "Originator" should be narrowed in order to avoid potential abuse. Without limiting the foregoing, investors should be aware that at this time save for the EBA Report described above, the EBA has not published any binding guidance relating to the satisfaction of the CRR Retention Requirements by an originator similar to the Retention Holder. Furthermore, the EBA's or any other applicable regulator's views with regard to the CRR Retention Requirements may not be based exclusively on technical standards, guidance or other information known at this time.

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

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

With respect to the commitment of the Retention Holder to retain a material net economic interest in the securitisation, please see the statements set out in "*The Retention Requirements*" in the 2015 Prospectus and herein.

U.S. Risk Retention Rules

The final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act (the "**U.S. Risk Retention Rules**") generally apply to CLOs, unless an exemption is available. Pursuant to the U.S. Risk Retention Rules, the "sponsor" of a securitisation transaction (or majority-owned affiliate of the sponsor) is required, unless an exemption exists, to retain five per cent. of the credit risk of the assets collateralising the asset-backed securities (the "**Minimum Risk Retention Requirement**"). Under the U.S. Risk Retention Rules, a "sponsor" means a person who organises and initiates a securitisation transaction by selling or transferring assets, either directly or indirectly, including through an affiliate, to the issuing entity. In the case of many CLOs, the entity acting as collateral manager typically organises and initiates a CLO transaction and, therefore, would be considered the "sponsor" for the purposes of the U.S. Risk Retention Rules, as further discussed in the adopting release with respect to the U.S. Risk Retention Rules. For the purposes of this transaction, based upon the language in the adopting release with respect to the U.S. Risk Retention Rules, the Investment Manager would be a "sponsor" but there can be no assurance, and no representation is made, that any governmental authority will agree that such is the case. The sponsor (or its "majority-owned affiliate") is generally prohibited from directly or indirectly eliminating or reducing such credit risk by hedging or otherwise transferring the retained credit risk.

The U.S. Risk Retention Rules provide several permissible forms through which a sponsor can satisfy the Minimum Risk Retention Requirement, including retaining an eligible vertical interest consisting of not less than 5% of the principal amount of each class of asset-backed securities ("**ABS**") issued in a securitisation transaction.

The Retention Holder currently holds (in respect of the Class F Notes and the Subordinated Notes), or will purchase (in respect of the Refinancing Notes) an "eligible vertical interest" (as defined in the U.S. Risk Retention Rules) on the Issue Date and will retain the "eligible vertical interest" as long as required by the U.S. Risk Retention Rules. See "*Credit Risk Retention*" below.

The Investment Manager does not have any obligation to change the quantum or nature of its holding of the Eligible Vertical Interest due to any future changes in the U.S. Risk Retention Regulations or in the interpretation thereof. Each prospective investor in the Notes should consult with its own legal, accounting and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such

purposes and any other requirements of which it is uncertain. See " *Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence – U.S. Risk Retention Rules*."

By purchasing any Notes, each Holder will be deemed to have represented that, as a sophisticated investor, it has reviewed the disclosures under this section entitled "*Credit Risk Retention*". Except to the limited extent set forth under " *Credit Risk Retention —Post-Closing Update*" below, no Person has undertaken or is under any obligation, to update, revise, reaffirm or withdraw the information in this section.

The failure by the Investment Manager and/or the Retention Holder to comply with the U.S. Risk Retention Rules may result in regulatory actions and other proceedings being brought against the Investment Manager and/or the Retention Holder, which could result in the Investment Manager and/or the Retention Holder being required, among other things, to pay damages, transfer interests and/or acquire additional Notes (which may or may not be available at such time for acquisition) or be subject to cease and desist orders or other regulatory action. In addition, a failure to remedy noncompliance with the U.S. Risk Retention Rules may also trigger a "cause" event under the Investment Management and Collateral Administration Agreement and/or subject to the Investment Manager and/or Retention Holder to adverse publicity and reputational risk resulting from such non-compliance. In addition, given the lack of clarity under the U.S. Risk Retention Rules with respect to the identity of the party responsible for holding the U.S. retention interest upon a removal of the Investment Manager, if the applicable Noteholders desire to remove the Investment Manager in connection with any such "cause" event, there may be no successor Investment Manager willing to accept appointment as such, in which case the Investment Manager will be required to continue to act as Investment Manager under the Investment Management and Collateral Administration Agreement. As a result of any of the foregoing, the failure of the Investment Manager and/or Retention Holder to comply with the U.S. Risk Retention Rules may have a material and adverse effect on the market value and/or liquidity of the Notes as well as on the business, condition (financial or otherwise), assets, operations or prospects of the Issuer and/or the Investment Manager.

The U.S. Risk Retention Rules would apply to any additional Notes issued after the Issue Date or any Refinancing. In addition, the SEC has indicated in contexts separate from the U.S. Risk Retention Rules that an "offer" and "sale" of securities may arise when amendments to securities are so material as to require holders to make an "investment decision" with respect to such securities. Thus, if the SEC were to take a similar position with respect to the U.S. Risk Retention Rules, they could apply to material amendments to the Trust Deed and the Notes, to the extent such amendments require investors to make a new investment decision with respect to the Notes, including a re-pricing. There is no assurance that the Notes purchased by the Retention Holder on the Issue Date will be sufficient to satisfy the U.S. Risk Retention Rules in connection with any such additional issuance, Refinancing or re-pricing. Due to applicability of the U.S. Risk Retention Rules to any such additional issuance, Refinancing or re-pricing, it is a condition to the Issuer effecting a supplemental indenture, additional issuance, re-pricing or Refinancing that the Investment Manager provide its prior written consent thereto. In granting or withholding such consent, it should be expected that the Investment Manager will act in its own self-interest (and will not take into account the interests of any other Person, including the Issuer and/or any Noteholders) and not consent to any of the foregoing actions if to do so might cause the Investment Manager to be in violation of the U.S. Risk Retention Rules or to have to increase the amount of the U.S. retention interest held by the Retention Holder. As a result, the U.S. Risk Retention Rules may adversely affect the Issuer (and the performance and market value of the Notes) if the Issuer is unable to undertake any such additional issuance, Refinancing or other material amendment and may affect the liquidity of the Notes. Furthermore, no assurance can be given as to whether the U.S. Risk Retention Rules will have any material adverse effect on the business, financial condition or prospects of the Investment Manager, the Issuer or the Noteholders.

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

The statements contained herein regarding the U.S. Risk Retention Rules are based on publicly available information solely as of the date of this Prospectus. The ultimate interpretation as to whether any action taken by

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

3.3 EMIR

The European Market Infrastructure Regulation EU 648/2012 ("**EMIR**") and its various delegated regulations and technical standards impose a range of obligations on parties to "over-the-counter" ("**OTC**") derivative contracts according to whether they are "financial counterparties" such as investment firms, alternative investment funds (see 3.4 (*Alternative Investment Fund Managers Directive*) below and in the 2015 Prospectus), credit institutions and insurance companies, or other entities which are "non-financial counterparties" (or third country entities equivalent to "financial counterparties" or "non-financial counterparties").

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

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

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

Clearing obligation

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

Margin requirements

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

The RTS detail the risk mitigation obligations and margin requirements in respect of non-cleared OTC derivatives as well as specify the criteria regarding intragroup exemptions and provide that the margin requirement will take effect on dates ranging, originally, from one month after the RTS enter into force (for certain entities with a non-cleared OTC derivative portfolio above €3 trillion) to 1 September 2020 (for certain entities with a non-cleared OTC derivative portfolio above €8 billion). The margin requirements apply to financial counterparties and non-financial counterparties above the clearing threshold and, depending on the counterparty, will require collection and posting of variation margin and, for the largest counterparties/groups, initial margin.

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

The Hedge Agreements may also contain early termination events which are based on the application of EMIR and which may allow the relevant Hedge Counterparty to terminate a Hedge Transaction upon the occurrence of an adverse EMIR-related event. The termination of a Hedge Transaction in these circumstances may result in a termination payment being payable by the Issuer. See "*Hedging Arrangements*" in the 2015 Prospectus.

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

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

Prospective investors should also be aware that on 4 May 2017, the European Commission published its proposal for a Regulation amending EMIR as regards the clearing obligation, the suspension of the clearing obligation, the reporting requirements, the risk-mitigation techniques for OTC derivatives contracts not cleared by a central counterparty, the registration and supervision of trade repositories and the requirements for trade repositories (the "**Proposal**"). While the Proposal has to be approved by the Council and the Parliament, and its effective date is not yet certain, it contains several features which, if not modified, may impact the Issuer's ability to hedge the Notes. Under the Proposal, securitisation special purpose entities such as the Issuer will be classified as financial counterparties ("FCs"). FCs, (to be subject to a newly introduced clearing threshold per asset class for FCs), are subject to the clearing obligation under EMIR. While the clearing threshold is unlikely to be exceeded by the Issuer, an FC is subject to the margin rules for uncleared swaps as summarised under *Margin requirements* above. A requirement on the Issuer to post margin, as highlighted above, will adversely affect its ability to enter currency hedge swaps and its ability to acquire Non-Euro Obligations and/or manage interest rate risk.

3.4 Alternative Investment Fund Managers Directive

EU Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") introduced authorisation and regulatory requirements for managers of alternative investment funds ("**AIFs**"). If the Issuer were to be considered to be an AIF within the meaning in AIFMD, it would need to be managed by a manager authorised

under AIFMD (an "**AIFM**"). If considered to be an AIF managed by an authorised AIFM, the Issuer would also be classified as an FC under EMIR and may be required to comply with clearing obligations and/or other risk mitigation techniques (including obligations to post margin to any central clearing counterparty or market counterparty) with respect to Hedge Transactions (under the Proposal, all AIFs will be FCs whether or not managed by an authorised AIFM). See also 3.3 (*EMIR*) above and in the 2015 Prospectus.

There is an exemption from the definition of AIF in AIFMD for "securitisation special purpose entities" (the "**SSPE Exemption**") defined by reference to securitisation within the meaning of Article 1(2) of Regulation (EC) No. 24/2009 of the European Central Bank of 19 December 2008 (the "**Old FVC Regulation**") (as amended and recast by Regulation (EC) No. 1075/2013). The European Securities and Markets Authority ("**ESMA**") has not yet given any formal guidance on the application of the SSPE Exemption or whether a vehicle such as the Issuer would fall within it. However, as regards the position in Ireland, the Central Bank has confirmed that pending such further clarification from ESMA, "registered financial vehicle corporations" with the meaning of Article 1(2) of the Old FVC Regulation, such as the Issuer, do not need to seek authorisation as an AIF or appoint an AIFM unless the Central Bank issues further guidance advising them to do so.

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

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

3.5 U.S. Dodd-Frank Act

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

The Securities and Exchange Commission (the "**SEC**") proposed changes to Regulation AB (as defined under the Securities Act) under the Securities Act which would have had the potential to impose new disclosure requirements on securities offerings pursuant to Rule 144A under the Securities Act or pursuant to other SEC regulatory exemptions from registration. Such rules, if adopted, could have restricted the use of this Prospectus or require the publication of a new prospectus in connection with the issuance and sale of any additional Notes or any Refinancing. On 27 August 2014, the SEC adopted final rules amending Regulation AB that did not implement these proposals. However, the SEC has indicated that it is continuing to consider amendments that were proposed with respect to Regulation AB but not adopted, and that further amendments may be forthcoming in the future. If such amendments are made to Regulation AB in the future, they may place additional requirements and expenses on the Issuer in the event of the issuance and sale of any additional notes, which expenses may reduce the amounts available for distribution to the Noteholders.

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

3.6 CFTC Regulations

Pursuant to the Dodd-Frank Act regulators in the United States have promulgated and continue to promulgate a range of new regulatory requirements that may affect the pricing, terms and compliance costs associated with the

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

3.7 Commodity Pool Regulation

The Issuer's ability to enter into Hedge Transactions may cause the Issuer to be a "commodity pool" as defined in the United States Commodity Exchange Act, as amended ("**CEA**") and the Investment Manager to be a "commodity pool operator" ("**CPO**") and/or a "commodity trading advisor" (a "**CTA**"), each as defined in the CEA in respect of the Issuer. The CEA, as amended by the Dodd-Frank Act, defines a "commodity pool" to include certain investment vehicles operated for the purpose of trading in "commodity interests" which includes swaps. CPOs and CTAs are subject to regulation by the CFTC and must register with the Commodity Futures Trading Commission ("**CFTC**") unless an exemption from registration is available. Based on applicable CFTC interpretive guidance, the Issuer is not expected to fall within the definition of a "commodity pool" under the CEA and as such, the Issuer (or the Investment Manager on the Issuer's behalf) may enter into Hedge Agreements (or any other agreement that would fall within the definition of "swap" as set out in the CEA) that satisfy the Hedge Agreement Eligibility Criteria or following receipt of legal advice from reputable counsel to the effect that none of the Issuer, its directors or officers, the Investment Manager or any of its or their affiliates or any other person would be required to register as a CPO and/or a CTA with the CFTC with respect to the Issuer. Provided they satisfy the Hedge Agreement Eligibility Criteria or the Investment Manager seeks legal advice from reputable counsel to the effect that none of the Issuer, its directors or officers, the Investment Manager or any of its or their affiliates or any other person would be required to register as a CPO and/or a CTA with the CFTC with respect to the Issuer.

In the event that trading or entering into one or more Hedge Agreements would result in the Issuer's activities falling within the definition of a "commodity pool", the Investment Manager may cause the Issuer to be operated in compliance with the exemption set forth in CFTC Rule 4.13(a)(3) as in effect on the Issue Date. Utilising any such exemption from registration may impose additional costs on the Investment Manager and the Issuer and may significantly limit the Investment Manager's ability to engage in hedging activities on behalf of the Issuer. Additionally, unlike a registered CPO, the Investment Manager would not be required to deliver a CFTC disclosure document to prospective investors, nor would it be required to provide investors with certified annual reports that satisfy the requirements of CFTC rules applicable to registered CPOs. Neither the CFTC nor the National Futures Association (the "**NFA**") pass upon the merits of participating in a pool or upon the adequacy or accuracy of offering memoranda. Consequently, neither the CFTC not the NFA has reviewed or approved this Prospectus or any related subscription agreement.

Notwithstanding the above, in the event that the CFTC guidance referred to above changes or the Issuer engages in one or more activities that might cause it to fall within the definition of a "commodity pool" under the CEA and no exemption from registration is available, registration of the Investment Manager as a CPO or a CTA may be required before the Issuer (or the Investment Manager on the Issuer's behalf) may enter into any Hedge Agreement. Registration of the Investment Manager as a CPO and/or a CTA could cause the Investment Manager to be subject to extensive compliance and reporting requirements that would involve material costs which may be passed on to the Issuer. The scope of such compliance costs is uncertain but could adversely affect the amount of funds available to make payments on the Notes. In addition, in the event an exemption from registration were available and the Investment Manager elected to file for an exemption, the Investment Manager would not be required to deliver certain CFTC mandated disclosure documents or a certified annual report to investors or satisfy on-going compliance requirements under Part 4 of the CFTC Regulations, as would be the case for a registered CPO or CTA. Further, the conditions of such exemption may constrain the extent to which the Issuer may be able to enter into swap transactions. In particular, the limits imposed by such exemptions may prevent the Issuer from

entering into a Hedge Transaction that the Investment Manager believes would be advisable or result in the Issuer incurring financial risks that would have been hedged pursuant to swap transactions absent such limits. In addition, the costs of obtaining and maintaining such exemption will be passed on to the Issuer.

Further, if the Investment Manager determines that additional Hedge Transactions should be entered into by the Issuer in excess of the trading limitations set forth in any applicable exemption from registration as a CPO and/or a CTA, the Investment Manager may elect to withdraw its exemption from registration and instead register with the CFTC as the Issuer's CPO and/or CTA. The costs of obtaining and maintaining these registrations and the related compliance obligations may be paid by the Issuer as Administrative Expenses. Such costs would reduce the amount of funds available to make payments on the Notes. These costs are uncertain and could be materially greater than the Investment Manager anticipated when deciding to enter into the transaction and register as a CPO and/or a CTA. In addition, it may not be possible or advisable for the Investment Manager to withdraw from registration as a CPO and/or a CTA after any relevant swap transactions terminate or expire. The costs of CPO and/or CTA registration and the ongoing CPO and/or CTA compliance obligations of the Investment Manager could exceed, perhaps significantly, the financial risks that are being hedged pursuant to any Hedge Transaction.

3.8 Volcker Rule

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

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

It should be noted that a commodity pool as defined in the CEA (see 3.7 "*Commodity Pool Regulation*", above and in the 2015 Prospectus) could, depending on which CEA exemption is used by such commodity pool or its commodity pool operator, also fall within the definition of a covered fund as described above.

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

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

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

3.9 Flip Clauses

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

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

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

On 28 June 2016, the U.S. Bankruptcy Court issued a decision in Lehman Brothers Special Financing Inc. v. Bank of America National Association, et al. Case No. 10-3547 (In re Lehman Brothers Holdings Inc.), Chapter 11 Case No. 10-03547 (Bankr S.D.N.Y. June 208, 2016). In this decision, the court held that not all priority of payment provisions would be unenforceable ipso facto clauses under the U.S. Bankruptcy Code. Instead, the court identified two materially distinct approaches to such provisions. Where a counterparty's automatic right to payment priority ahead of the noteholders is "flipped" or modified upon, for example, such counterparty's default under the swap document, the court confirmed that such priority provisions were unenforceable ipso facto clauses. Conversely, the court held that priority provisions where no right of priority is established until after a termination event under the swap documents has occurred were not ipso facto clauses, and, therefore, fully enforceable. Moreover, even where the provisions at issue were ipso facto clauses, the Court found that they were nonetheless enforceable under the Code's safe harbour provisions. Specifically, the Court concluded that priority of distribution was a necessary part of liquidation of a swap agreement, which the safe harbour provisions expressly protect. The Court effectively limited the analysis in the BNY case to instances where the flip provisions are only in an indenture, and do not constitute part of the swap agreement. This judgment highlights the difference in approach taken between U.S. and English law on this subject, although it significantly reduces the practical differences in outcome. Lehman filed a notice of appeal with regards to this decision on 6 February 2017. In addition, there remain several actions in the U.S. commenced by debtors of Lehman Brothers concerning the enforceability of flip clauses and this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies.

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

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

3.10 LIBOR and EURIBOR Reform

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

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

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

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

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

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

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

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

It is possible that the LIBOR administrator, ICE Benchmark Administration, and the panel banks could continue to produce LIBOR on the current basis after 2021, if they are willing and able to do so. However, the survival of LIBOR in its current form, or at all, is not guaranteed after 2021. If LIBOR does not survive in its current form or at all, this could adversely affect the value of, and amounts payable under, any Collateral Debt Obligations which pay interest calculated with reference to LIBOR and therefore reduce amounts which may be available to the Issuer to pay Noteholders. Furthermore, the uncertainty as to whether LIBOR will survive in its current form or at all may lead to adverse market conditions, which may have an adverse effect on the amounts available to the Issuer to pay to Noteholders.

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

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

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

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

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

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

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

Investors should be aware that:

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

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

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

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

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

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

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

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

3.11 Reliance on Rating Agency Ratings

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

investments for them or are subject to investment or other regulatory restrictions, unfavourable accounting treatment, capital charges or reserve requirements.

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

Many jurisdictions have adopted wide-ranging anti-money laundering, economic and trade sanctions, and anti-corruption and anti-bribery laws, and regulations (collectively, the "**AML Requirements**"). Any of the Issuer, the Initial Purchaser, the Collateral Manager, the Trustee or the Agents could be requested or required to obtain certain assurances from prospective investors intending to purchase Notes and to retain such information or to disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is expected that the Issuer, the Initial Purchaser, the Collateral Manager and the Trustee will comply with AML Requirements to which they are or may become subject and to interpret such AML Requirements broadly in favour of disclosure. In addition, it is expected that each of the Issuer, the Initial Purchaser, the Collateral Manager and the Trustee intends to comply with applicable anti-money laundering and anti-terrorism, economic and trade sanctions, and anti-corruption or anti-bribery laws, and regulations of the United States and other countries, and will disclose any information required or requested by authorities in connection therewith. A Noteholder may also be obliged to provide information they may have previously identified or regarded as confidential to satisfy the Issuer AML Requirements.

3.13 CRA

CRA Regulation in Europe

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

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

3.14 Regulated Banking Activity

While non-bank lending is currently being promoted within the EU, in many jurisdictions, especially in continental Europe, engaging in lending activities "in" certain jurisdictions particularly via the original extension of credit granting a loan and in some cases including purchases of receivables, discounting of invoices, guarantee transactions or otherwise (collectively, "**Regulated Banking Activities**") is generally considered a regulated financial activity and, accordingly, must be conducted in compliance with applicable local banking laws (or the AIFMD, in the case of European long-term investment funds). Although a number of jurisdictions have consulted

and published guidance on non-bank lending, in many such jurisdictions, there is comparatively little statutory, regulatory or interpretive guidance issued by the competent authorities or other authoritative guidance as to what constitutes the conduct of Regulated Banking Activities in such jurisdictions.

Collateral Debt Obligations subject to these local law requirements may restrict the Issuer's ability to purchase the relevant Collateral Debt Obligation or may require it to obtain exposure via a Participation. Moreover, these regulatory considerations may differ depending on the country in which each Obligor is located or domiciled, on the type of Obligor and other considerations. Therefore, at the time when Collateral Debt Obligations are acquired by the Issuer, there can be no assurance that, as a result of the application of regulatory law, rule or regulation or interpretation thereof by the relevant governmental body or agency, or change in such application or interpretation thereof by such governmental body or agency, payments on the Collateral Debt Obligations might not in the future be adversely affected as a result of such application of regulatory law or that the Issuer might become subject to proceedings or action by the relevant governmental body or agency, which if determined adversely to the Issuer, may adversely affect its ability to make payments in respect of the Notes.

3.15 EU Bank Recovery and Resolution Directive

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

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

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

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

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

4. Relating To The Refinancing Notes

4.1 Centre of Main Interests

The Issuer has its registered office in Ireland. Under Regulation (EU) No. 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (the "**Recast EU Insolvency Regulation**"), the Issuer's centre of main interest ("**COMI**") is presumed to be the place of its registered office (i.e. Ireland) in the absence of proof to the contrary and provided that the Issuer did not move its registered office within the 3 months prior to a request to open insolvency proceedings.

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

As the Issuer has its registered office in Ireland, has Irish directors, is registered for tax in Ireland and has retained an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut the presumption that its COMI is located in Ireland, although this would ultimately be a matter for the relevant court to decide based on the circumstances existing at the time when it was asked to make that decision. If the Issuer's COMI was found to be in another EU jurisdiction and not in Ireland, main insolvency proceedings would be opened in that jurisdiction instead.

4.2 Ratings of the Notes Not issued and limited in Scope

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

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

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

of the Notes may not be able to resell their Notes without a substantial discount. Any reduction or withdrawal to the ratings on any Class of Rated Notes may significantly reduce the liquidity of the Notes and may adversely affect the Issuer's ability to make certain changes to the composition of the Collateral.

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

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

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

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

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

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

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

The SEC adopted Rule 15Ga-2 and Rule 17g-10 to the United States Securities Exchange Act of 1934, on 27 August 2014, which require certain filings or certifications to be made in connection with the performance of "due diligence services" for rated asset-backed securities on or after 15 June 2015. Under Rule 17g-10, a provider of third-party due diligence services must provide to each nationally recognised statistical rating organisation that is rating the applicable transaction, a written certification in a prescribed form (which obligation may be satisfied if the Issuer posts such certification in the required form to the Rule 17g-5 website referred to above, maintained in connection with the transaction). Although the Issuer has agreed to post any certification in the required form that it receives in respect of such portion of such report to the Rule 17g-5 website, it is unclear what, if any, other services provided or to be provided by third parties to the Issuer in connection with the transaction described in this Prospectus, would constitute "due diligence services" under Rule 17g-10. Consequently, no assurance can be given as to whether any certification will be posted by the Issuer or delivered by any applicable third party service provider to the Rating Agencies in circumstances where such certification is deemed to have been required under the rules. If the Issuer or any third party that provides due diligence services to the Issuer does not comply with its obligations under Rule 17g-10, the Rating Agencies may withdraw (or fail to confirm) their ratings of the

Rated Notes. In such case, the price or transferability of the Notes (and any beneficial owner of Rated Notes that relies on ratings of securities for regulatory or other compliance purposes) may be adversely affected.

4.4 Inability to refinance Refinancing Notes

Investors should note that the redemption rights set out under Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders or Retention Holder*) are restricted so that the Class A 1 Notes, Class A 2 Notes, Class B 1 Notes, Class B 2 Notes, Class C Notes, Class D Notes and Class E Notes may not be refinanced in whole prior to the Payment Date falling in October 2018.

Investors should also note that the Class A 1 Notes, Class A 2 Notes, Class B 1 Notes, Class B 2 Notes, Class C Notes, Class D Notes and Class E Notes are excluded from the redemption rights set out under Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) and so may therefore not be refinanced in the future.

4.5 Maximum Weighted Average Life Test

Investors should note that pursuant to an amending deed in respect of the Investment Management and Collateral Administration Agreement to be dated on or about the Refinancing Date, the maximum Weighted Average Life for the purposes of the Maximum Weighted Average Life Test will be extended, from 8 September 2023 to 8 September 2024. By acquiring an interest in the Class A-1 Notes or Class A-2 Notes on the Issue Date, each Class A-1 Noteholder and Class A-2 Noteholder shall be deemed to have consented to such extension and accordingly, consent to such extension shall be deemed to have been given by and shall take effect as an Ordinary Resolution of the Controlling Class for the purposes of Condition 14(c)(xxvii)(*Modification and Waiver*).

4.6 Minimum Weighted Average Fixed Coupon

Investors should note that pursuant to an amending deed in respect of the Investment Management and Collateral Administration Agreement to be dated on or about the Refinancing Date, the Minimum Weighted Average Fixed Coupon for the purposes of the Minimum Weighted Average Fixed Coupon Test will be decreased, from 5.25 per cent. to 4.00 per cent. By acquiring an interest in the Class A-1 Notes or the Class A-2 Notes on the Issue Date, each Class A-1 Noteholder and Class A-2 Noteholder shall be deemed to have consented to such extension and accordingly, consent to such extension shall be deemed to have been given by and shall take effect as an Ordinary Resolution of the Controlling Class for the purposes of Condition 14(c)(xxvii)(*Modification and Waiver*).

4.7 Portfolio Profile Tests

Investors should note that pursuant to an amending deed in respect of the Investment Management and Collateral Administration Agreement to be dated on or about the Refinancing Date, the Portfolio Profile Tests shall be amended so that the maximum amount of the Aggregate Collateral Balance comprising Fixed Rate Collateral Debt Obligations shall be reduced from 7.5 per cent. to 5.0 per cent. By acquiring an interest in the Class A-1 Notes or the Class A-2 Notes on the Issue Date, each Class A-1 Noteholder and Class A-2 Noteholder shall be deemed to have consented to such extension and accordingly, consent to such extension shall be deemed to have been given by and shall take effect as an Ordinary Resolution of the Controlling Class for the purposes of Condition 14(c)(xxvii)(*Modification and Waiver*).

5. CONFLICTS OF INTEREST

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

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

The Issuer's investment activities as regards the management of the Portfolio will generally be directed by the Investment Manager. The Noteholders will generally not make decisions with respect to the management, disposition or other realisation of any Collateral Debt Obligation, or other decisions regarding the business and affairs of the Issuer. Consequently, the performance of the Portfolio will depend, in large part, on the financial and managerial expertise of the Investment Manager's investment professionals from time to time. There can be no assurance that such investment professionals will continue to serve in their current positions or continue to be employed by the Investment Manager. If one or more of the investment professionals of the Investment Manager

were to leave the Investment Manager, the Investment Manager would have to reassign responsibilities internally and/or hire one or more replacement employees, and the foregoing could have a material adverse effect on the performance of the Issuer. See "*Description of the Investment Manager*" and "*Description of the Investment Management and Collateral Administration Agreement*" in the 2015 Prospectus.

Certain Conflicts of Interest Involving the Investment Manager and its Affiliates

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

The Investment Manager or any Investment Manager Related Person may at times be a Noteholder (including, but not limited to the case of the Retention Holder holding and retaining the Retention Notes pursuant to the Risk Retention Letter for the purposes of complying with the Retention Requirements), and their interests and incentives may not necessarily be completely aligned with those of any other Noteholders of any particular Class. Subject to the Conditions, the Investment Manager (or any Investment Manager Related Person) will be free to exercise the voting, consent and other rights of such Notes in whatever way each determines to be in its own interests (including, without limitation, the Investment Manager having regard to its interests as Retention Holder) and without taking into account the interests of the other Noteholders.

The Investment Manager or any Investment Manager Related Person may also have ongoing relationships with companies whose securities or loans are pledged to secure the Notes and may own debt and equity securities issued by obligors of Collateral Debt Obligations. As a result, the Investment Manager or any Investment Manager Related Person may possess information relating to issuers of Collateral Debt Obligations that may not be known by the individuals at the Investment Manager who are responsible for monitoring the Collateral Debt Obligations and performing the other obligations under the Investment Management and Collateral Administration Agreement, and such officers will be under no obligation to make such information available to those responsible for monitoring the Collateral Debt Obligations and performing the other obligations of the Investment Manager under the Investment Management and Collateral Administration Agreement.

The Investment Manager or any Investment Manager Related Person may also carry on investment activities for other client accounts, their own accounts and accounts for family members and other third parties 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 objectives may be the same or similar to the Issuer's.

Additionally, the Investment Manager or any Investment Manager Related Person may receive fees or other benefits for these services which are greater than any fees the Investment Manager will be receiving for its services to the Issuer. This disparity in fee income may create potential conflicts of interest between the Investment Manager's obligations to the Issuer and the Investment Manager's or any Investment Manager Related Person's obligations to other clients.

In addition, the Investment Manager or any Investment Manager Related Person may invest in securities and/or loans that are pari passu, senior or junior to, or have interests different from or adverse to, the Collateral Debt Obligations. In such instances, the Investment Manager or any Investment Manager Related Person 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 Investment Manager and/or Investment Manager Related Person currently serve, and/or may in the future, serve as investment manager for, invest in or be affiliated with other entities organised to issue collateralised debt obligations secured or backed by loans, high yield debt securities or emerging market bonds and loans. The Investment Manager or any Investment Manager Related Person may at certain times be simultaneously seeking to purchase or sell investments for the Issuer and any similar entity for which it serves as investment manager at such time, or for its affiliates (including any account, portfolio or investment company for which the Investment Manager or any Investment Manager Related Person serves as manager or investment advisor). Other entities for which the Investment Manager or any Investment Manager Related Person have investment discretion, 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 or have ongoing relationships with companies whose obligations are acquired by the Issuer 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 Investment Manager or any Investment Manager Related Person may give advice or take action with respect to the investments of the other Investment Manager Related Persons 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.

When buying and selling assets for Investment Manager Related Persons, the Investment Manager and Affiliates, as applicable, generally aggregate multiple transactions into one order so that multiple accounts may participate equally, on a pro-rata basis, over time on a fair and equitable basis, in terms of best available cost, efficiency and terms under the circumstances. Although certain accounts may be excluded from a given aggregated order, no account is favoured over any other account on an overall, long-term basis. Each account that participates in an aggregated order participates at the average price, except as noted below. Typically, transaction costs are shared pro-rata based on each account's participation in the transaction. In certain transactions, prices may differ as a result of differences in fees, taxes and transaction charges that are assessed on each participating account and vary depending upon a number of factors including, but not limited to, the domicile of the account, the size of participating accounts or amounts allocated. As a result and depending upon market conditions, the aggregation of multiple transactions into one order may result in a higher or lower average price paid or received by each account. The Investment Manager will determine whether an asset is appropriate for one or more of its funds, accounts or portfolios managed or advised by the Investment Manager on the basis of a number of factors including, but not limited to: (i) differences with respect to available capital, size, and remaining life of a fund; (ii) different investment objectives or strategies; (iii) differences in risk profile at the time the opportunity becomes available; (iv) the potential transaction and other costs of allocating an opportunity among various funds; (v) potential conflicts of interest, including whether a fund has an existing investment in the issuer in question; (vi) the nature of the security or the transaction, including concentration limitations and portfolio tests, both at the time of such determination and prospectively, and the source of the opportunity; (vii) current and anticipated market conditions; and (viii) differences in particular portfolio profile covenants or other contractual requirements, including requirements set forth in debt agreements of funds utilising leverage. It is possible, due to differing investment objectives or other reasons, that the Investment Manager may purchase debt obligations of an issuer for one client or account and sell such debt obligations for another client or account. In addition, while the Investment Manager may determine that an asset is a suitable investment for the Issuer, the Investment Manager or its Affiliates may determine that the relevant asset would also be a suitable investment for other funds or accounts managed or advised by the Investment Manager or its Affiliates and decide to not allocate any portion of the asset to the Issuer.

Portfolio transactions for the Issuer and for Investment Manager Related Persons are allocated to broker-dealers on the basis of best execution available in light of the overall quality of brokerage, prime brokerage, financing and other services, as applicable, provided to the Issuer and Investment Manager Related Persons. In seeking best execution, the Investment Manager and its Affiliates may consider a variety of factors including quality of execution, reputation, financial strength and stability, block trading and block positioning capabilities, willingness and ability to execute difficult transactions, willingness and ability to commit capital, access to underwritten offerings and secondary markets, ongoing reliability, overall costs of a trade including commissions, mark-ups, mark-downs or spreads in the context of the Investment Manager's knowledge of negotiated commission rates currently available and other current transaction costs, nature of the security and the available market makers, desired timing of the transaction and size of trade, confidentiality of trading activity, market intelligence, idea generation, sourcing of investment opportunities by the broker and its affiliates, quality and timeliness of market information provided and the provision of research or brokerage services, and other similar services.

Certain separately managed accounts or funds managed by the Investment Manager and one or more of its Affiliates may require the Investment Manager or such Affiliates 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 Investment Manager or its Affiliates may differ from the value assigned to the same investments held by the Issuer by the Transaction Documents.

Although the Investment Manager will devote as much time to the Issuer as the Investment Manager deems appropriate in order to satisfy its obligations under the Investment Management and Collateral Administration Agreement, the Investment Manager may have conflicts in allocating its time and services among the Issuer and Investment Manager Related Persons. In addition, the Investment Manager and Investment Manager Related Persons, in connection with their other business activities, may acquire material non-public confidential

information and enter into non-disclosure agreements that may restrict the Investment Manager and its Affiliates from purchasing securities or selling securities for themselves or their clients (including the Issuer) or otherwise using such information for the benefit of their clients or themselves. In order to avoid restrictions on the trading capabilities for certain of its funds, the Investment Manager may actively avoid exposure to certain material, non-public information regarding certain of the issuers of Collateral Debt Obligations that the Investment Manager would otherwise be entitled to receive.

If the Investment Manager or any of its personnel or any of its Affiliates were to receive material non-public information about a particular obligor or asset, and have an interest in causing the Issuer to transact a particular asset, the Investment Manager may be prevented from causing the Issuer to transact such asset due to internal restrictions imposed on the Investment Manager. Notwithstanding the maintenance of certain internal controls relating to the management of material non-public information, it is possible that such controls could fail and result in the Investment Manager, or one of its investment professionals or any of its Affiliates, buying or selling an asset while, at least constructively, in possession of material non-public information. Inadvertent trading on material non-public information could have adverse effects on the Investment Manager's reputation, result in the imposition of regulatory or financial sanctions, and as a consequence, negatively impact the Investment Manager's ability to perform its investment management services to the Issuer. In addition, while the Investment Manager and certain of its Affiliates currently use information barriers in certain circumstances, such entities could be required by certain regulations, or decide that is advisable, to establish additional information barriers. In such event, the Investment Manager's ability to operate as an integrated platform could also be impaired.

Unless the Investment Manager determines in its reasonable judgment that such purchase or sale is appropriate and otherwise permitted under applicable law (including the Investment Advisers Act), the Investment Manager will refrain from directing the purchase or sale under the Transaction Documents of securities issued by (i) Persons of which any Affiliate of the Investment Manager that is a direct or indirect subsidiary of AXA Investment Managers SA or a director, officer, employee or general partner of AXA Investment Managers SA or a direct or indirect subsidiary thereof is a director or officer or (ii) persons about which any Investment Manager Related Person has information that such Investment Manager Related Person deems confidential or non-public or otherwise might prohibit it from trading such securities in accordance with applicable law. Subject to the limitations set forth in the Investment Management and Collateral Administration Agreement and the other Transaction Documents, the Investment Manager will not be obligated to pursue any particular investment strategy or opportunity with respect to the Portfolio.

Neither the Investment Manager nor any Investment Manager Related Person 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 Investment Manager Related Persons. Furthermore, the Investment Manager and any of its Affiliates may make an investment on behalf of any Investment Manager Related Persons without offering the investment opportunity or making any investment on behalf of the Issuer. Furthermore, the Investment Manager or any Investment Manager Related Person may make an investment on its own behalf without offering the investment opportunity to, or the Investment Manager making any investment on behalf of, the Issuer. Affirmative obligations may exist, or may arise in the future, whereby the Investment Manager or one or more of its Affiliates is obligated to offer certain investments to one or more Investment Manager Related Persons before or without the Investment Manager offering those investments to the Issuer. The Investment Manager and each Investment Manager Related Person 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 Investment 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 Investment Manager Related Persons or the account of its other clients. Collateral Debt Obligations may be purchased by the Issuer from or sold by the Issuer to Investment Manager Related Persons and any such purchase or sale will be effected in accordance with the Investment Manager's internal policies and procedures (including the policies and procedures set out below), the Investment Management and Collateral Administration Agreement, and applicable law.

The Investment Manager may, in one or more transactions, effect a "cross" and/or a "principal" transaction (as further described below) between an Investment Manager Related Person and the Issuer if permitted in accordance with applicable policies and procedures, and in any case by applicable law. In such a case, the Investment Manager causes a transaction to be effected between the Issuer and another collateralised loan obligation, fund or account or other client managed or advised by the Investment Manager or one or more of its Affiliates. If the Investment Manager or its Affiliates effects such cross transactions between itself or its Affiliates and the Issuer, then they will effect these types of transactions only (i) when the Investment Manager and, if applicable, one or more of its Affiliates deem the transaction to be in the best interest of both the Issuer and the applicable Investment Manager

Related Person, (ii) at a price and under circumstances that the Investment Manager and its Affiliates have determined, by reference to independent market indicators constitute not only best execution for the Issuer and the applicable Investment Manager Related Person, but that such transactions are executed at a verifiable mid-market price so that neither side of the transaction is advantaged or disadvantaged, and (iii) for any and all principal transactions (as further described below), with the written consent from the third party client prior to the settlement of any such transaction, and (iv) for principal transactions, which are a type of cross transaction between the Issuer and another collateralised loan obligation, fund or account or other client where the Investment Manager or one or more of its Affiliates have been deemed to "own" at least 25% of any such account, then the Investment Manager shall (a) disclose to the non-principal accounts the capacity in which it is acting and (b) secure the written consent of such accounts acknowledging such transaction; provided that cross transactions and principal transactions will be effected only to the extent permitted under applicable law. If so conducted, such transactions shall be conducted at arm's length and in accordance with the respective applicable internal policies and procedures of the Investment Manager and its Affiliates as determined appropriate by the Investment Manager. Further, the Investment Manager will be prohibited under the terms of the Investment Management and Collateral Administration Agreement from directing the acquisition of Collateral Debt Obligations from, or disposition of Collateral Debt Obligations to, its affiliates or any other account managed by the Investment Manager except in a transaction whose terms are no less favourable as those that could be obtained with an unaffiliated third party. Neither the Investment Manager nor any of its Affiliates receives any compensation in connection with "cross" transactions. "Inadvertent" cross transactions may also occur when trades cross in the market. For example, when the Investment Manager or its Affiliates periodically rebalance accounts, certain Investment Manager Related Persons may sell securities into the market at the same time that other Investment Manager Related Persons and/or the Issuer are purchasing the same securities in the market, resulting in an inadvertent or "deemed" market cross. In these situations, the Investment Manager and its Affiliates do not instruct the broker to directly move positions between accounts.

The Originated Assets (as defined in "*The Retention Holder and Retention Requirements*" in the 2015 Prospectus) have been and will be acquired by the Issuer from the Investment Manager in accordance with the procedures for "principal" transactions described above and on the terms summarised in "*The Retention Holder and Retention Requirements – Origination Procedures*" in the 2015 Prospectus. In addition, the Issuer may purchase additional Collateral Debt Obligations from the Investment Manager or Investment Manager Related Persons on a principal basis, in each case in accordance with the procedures for "principal" transactions described above. The Issuer will receive disclosure in writing of the identity and method of acquisition of, and the procedures for determining the purchase price with respect to, such Collateral Debt Obligations (including the Originated Assets), and will provide its consent to such matters. The Noteholders, by their acquisition of the Notes, will be deemed to have consented to the foregoing.

Certain amounts payable to the Investment Manager under the Transaction Documents 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 Investment Manager and the Noteholders of one or more Classes of Notes.

The Investment Manager's duties and obligations under the Investment Management and Collateral Administration Agreement are owed solely to the Issuer. The Investment Manager is not in contractual privity with, and owes no separate duties or obligations to, any of the holders of the Notes. Actions taken by the Investment Manager may differentially affect the interests of the various Classes of Notes (whose holders may themselves have different interests), and except as provided in the Investment Management and Collateral Administration Agreement and the other Transaction Documents, the Investment Manager has no obligation to consider such differential effects or different interests. The Investment Manager may delegate some or all of its duties and obligations under the Investment Management and Collateral Administration Agreement in the manner and subject to the limitations provided for therein (including, without limitation, the condition that the Investment Manager shall remain liable to the Issuer for the performance of such duties and obligations). Please see "*Description of the Investment Management and Collateral Administration Agreement*" in the 2015 Prospectus.

The Investment Manager may discuss the composition of the Collateral Debt Obligations and other matters relating to the transactions contemplated hereby with any partner or employee of the Investment Manager or any Investment Manager Related Persons, and may also have such discussions with certain beneficial owners of the Notes and any other third parties. There can be no assurance that such discussions will not influence the actions or inactions of the Investment Manager in its role as Investment Manager for the Issuer, which actions or inactions may have material effects on the performance of the Notes.

By its purchase of Notes, each Noteholder is deemed to have acknowledged and consented to the existence of the conflicts of interest inherent to this transaction, including as described herein, and to have agreed that it will have no claim arising from or otherwise related to the existence thereof.

The past performance of any portfolio or investment vehicle managed by the Investment Manager, its Affiliates or its current personnel or authorised persons at prior places of employment may not be indicative of the results that the Investment Manager may be able to achieve with the Portfolio. Similarly, the past performance of the Investment Manager, its Affiliates and its current personnel or authorised 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 historically by the Investment Manager, its Affiliates and its current personnel or authorised persons at a prior place of employment over a particular period 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 utilising a leveraged capital structure, an asset mix and fee arrangements that are different from the anticipated capital structure, asset mix and/or fee arrangements of the Issuer. Moreover, because the investment criteria that govern investments in the Collateral Debt Obligations do not govern the investments and investment strategies of the Investment Manager, its Affiliates or its current personnel or authorised persons generally, such investments conducted in accordance with such criteria, and the results they yield, are not directly comparable with, and may differ substantially from, other portfolios advised by the Investment Manager, its Affiliates and its current personnel or authorised persons at prior places of employment.

Certain of the Issuer's investment activities will be directed by the Investment Manager. The Noteholders generally will not make decisions with respect to the management, disposition or other realisation of any Collateral Debt Obligation, or other decisions regarding the business and affairs of the Issuer and further, the composition of the Portfolio will vary over time. As a result, the performance of the Portfolio depends heavily on the skills of the Investment Manager in analysing, selecting and managing the Collateral Debt Obligations. Consequently, the success of the Issuer will be highly dependent on the financial and managerial experience of the investment professionals employed by the Investment Manager or its Affiliates who are assigned to select and manage the Collateral Debt Obligations and perform the other obligations of the Investment Manager under the Investment Management and Collateral Administration Agreement. There can be no assurance that such investment professionals will continue to serve in their current positions or continue to be authorised persons of the Investment Manager. Although such investment professionals will devote such time as they determine in their discretion is reasonably necessary to fulfil the Investment Manager's obligations to the Issuer effectively, the Investment Manager and such investment professionals are not required to devote all their time to the performance of the Investment Management and Collateral Administration Agreement and they will not devote all of their professional time to the affairs of the Issuer and there can be no assurance that such investment professionals will continue to be involved in the investment activities of the Issuer. The Issuer is not a direct beneficiary of employment arrangements between the Investment Manager and its employees, which arrangements are in any event subject to change without notice to, or the consent of, the Issuer. The loss of any such persons could have a material adverse effect on the Portfolio.

Furthermore, the Investment Manager may hire individuals not currently associated with the Investment Manager, including replacement employees, that may not have the same level of experience in selecting and managing loans and high-yield debt securities and performing such other obligations as the persons they replace. Any such change in personnel performing such obligations may have an adverse effect on the Collateral Debt Obligations and the Issuer's ability to make payments on the Notes. See "*Description of the Investment Management and Collateral Administration Agreement*" in the 2015 Prospectus.

The Investment Manager may resign or be removed subject to certain conditions. There can be no assurance that any successor Investment Manager would have the same level of skill in performing the obligations of the Investment Manager, in which event payments on the Notes could be reduced or delayed. See "*Description of the Investment Management and Collateral Administration Agreement*" in the 2015 Prospectus.

Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager may assign its rights and responsibilities thereunder as further described in "*Description of the Investment Management and Collateral Administration Agreement*" in the 2015 Prospectus.

The Investment Manager will agree with one or more Noteholders to rebate and/or assign a portion of its Investment Management Fees and the Investment Manager will not be obliged to enter into similar agreements

with or to notify other Noteholders. Such rebates or assignments may affect the incentives of the Investment Manager in managing the Collateral Debt Obligations and may also affect the actions of the relevant Noteholders in taking any actions they may be permitted to take in respect of the Notes, including votes concerning amendments.

Rating Agencies

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

Certain Conflicts of Interest Involving or Relating to Barclays Bank PLC and its Affiliates

Each of the Initial Purchaser and its Affiliates (the "**Barclays Parties**") will play various roles in relation to the placing, offering, including acting as the structurer of the transaction and in other roles described below.

The Barclays Parties have been involved (together with the Investment Manager) in the formulation of the amendments to the Portfolio Profile Tests, Collateral Quality Tests and other criteria in and provisions of the Trust Deed and the Investment Management and Administration Agreement. These may be influenced by discussions that the Initial Purchaser may have or have had with investors and there is no assurance that investors would agree with the views of one another or that the resulting modifications will not adversely affect the performance of the Refinancing Notes or any particular Class of Notes.

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

The Barclays Parties may retain a certain proportion of the Refinancing Notes in their portfolios with an intention to hold to maturity or to trade. The holding or any sale of the Refinancing Notes by these parties may adversely affect the liquidity of the Refinancing Notes and may also affect the prices of the Notes Refinancing in the primary or secondary market. The Barclays Parties are part of a global banking, investment banking and securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. As such, they actively make markets in and trade financial instruments for their own account and for the accounts of customers in the ordinary course of their business. The financial services that the Barclays Parties may provide also include financing and, as such, the Barclays Parties may have or may in future provide financing to the Investment Manager and/or any of their Affiliates. The Barclays Parties may have positions in and will likely have placed or underwritten certain of the Collateral Debt Obligations (or other obligations of the obligors of Collateral Debt Obligations) when they were originally issued and may have provided or may be providing investment banking services and other services to obligors of certain Collateral Debt Obligations. In addition, the Barclays Parties and their clients may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, Collateral Debt Obligations. Each of the Barclays Parties will act in its own commercial interest in its various capacities without regard to whether its interests conflict with those of the holders of the Refinancing Notes or any other party. Moreover, the Issuer may invest in loans of obligors affiliated with the Barclays Parties or in which one or more Barclays Parties hold an equity or participation interest. The purchase, holding or sale of such Collateral Debt Obligations by the Issuer may increase the profitability of the Barclays Party's own investments in such obligors.

From time to time the Investment Manager (pursuant to the terms of the Collateral Management and Administration Agreement and on behalf of the Issuer) may purchase from or sell Collateral Debt Obligations through or to the Barclays Parties and one or more Barclays Parties may act as the selling institution with respect to Participations and/or a counterparty under a Hedge Agreement. The Barclays Parties may act as placement agent and/or initial purchaser or investment manager in other transactions involving issues of collateralised debt obligations or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the availability of collateral for the Issuer and/or on the price of the Refinancing Notes.

The Barclays Parties do not disclose specific trading positions or their hedging strategies, including whether they are in long or short positions in any Refinancing Notes or obligations referred to in this Prospectus except where

required in accordance with the applicable law. Nonetheless, in the ordinary course of business, Barclays Parties and employees or customers of the Barclays Parties may actively trade in and/or otherwise hold long or short positions in the Refinancing Notes, Collateral Debt Obligations and Eligible Investments or enter into transactions similar to referencing the Refinancing Notes, Collateral Debt Obligations and Eligible Investments or the obligors thereof for their own accounts and for the accounts of their customers. If a Barclays Party becomes an owner of any of the Refinancing Notes, through market-making activity or otherwise, any actions that it takes in its capacity as owner, including voting, providing consents or otherwise will not necessarily be aligned with the interests of other owners of the same Class or other Classes of the Refinancing Notes. To the extent a Barclays Party makes a market in the Refinancing Notes (which it is under no obligation to do), it would expect to receive income from the spreads between its bid and offer prices for the Notes. In connection with any such activity, it will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions and activities based on the potential effect on an investor in the Refinancing Notes. The price at which a Barclays Party may be willing to purchase Refinancing Notes, if it makes a market, will depend on market conditions and other relevant factors and may be significantly lower than the issue price for the Refinancing Notes and significantly lower than the price at which it may be willing to sell the Refinancing Notes.

GENERAL INFORMATION

Clearing Systems

The Refinancing Notes of each Class have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The Common Code and International Securities Identification Number ("**ISIN**") for the Refinancing Notes of each Class:

	Regulation S Notes		Rule 144 A Notes	
	ISIN	Common Code	ISIN	Common Code
Class A-1 IM Voting Notes	XS1693938422	169393842	XS1693938851	169393885
Class A-1 IM Non-Voting Exchangeable Notes	XS1693938695	169393869	XS1693939073	169393907
Class A-1 IM Non-Voting Notes	XS1693938778	169393877	XS1693938935	169393893
Class A-2 IM Voting Notes	XS1693939156	169393915	XS1693939404	169393940
Class A-2 IM Non-Voting Exchangeable Notes	XS1693939313	169393931	XS1693939669	169393966
Class A-2 IM Non-Voting Notes	XS1693939230	169393923	XS1693939586	169393958
Class B-1 IM Voting Notes	XS1693939743	169393974	XS1693940162	169394016
Class B-1 IM Non-Voting Exchangeable Notes	XS1693939826	169393982	XS1693940592	169394059
Class B-1 IM Non-Voting Notes	XS1693940089	169394008	XS1693940329	169394032
Class B-2 IM Voting Notes	XS1693940675	169394067	XS1693940915	169394091
Class B-2 IM Non-Voting Exchangeable Notes	XS1693940832	169394083	XS1693941137	169394113
Class B-2 IM Non-Voting Notes	XS1693940758	169394075	XS1693941053	169394105
Class C IM Voting Notes	XS1693941210	169394121	XS1693941566	169394156
Class C IM Non-Voting Exchangeable Notes	XS1693941483	169394148	XS1693941996	169394199
Class C IM Non-Voting Notes	XS1693941301	169394130	XS1693941723	169394172
Class D IM Voting Notes	XS1693942028	169394202	XS1693942374	169394237
Class D IM Non-Voting Exchangeable Notes	XS1693942457	169394245	XS1693942705	169394270
Class D IM Non-Voting Notes	XS1693942291	169394229	XS1693942531	169394253
Class E Notes	XS1693942614	169394261	XS1693942887	169394288

Listing

Application has been made to the Irish Stock Exchange for the Refinancing Notes to be admitted to the Official List and to trading on its Global Exchange Market which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of Directive 2004/39/EC. There can be no assurance that any such approval will be granted or, if granted that such listing will be maintained. It is expected that the total expenses related to admission to trading will be approximately €8,000.

Listing Agent

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Refinancing Notes to the Official List of the Irish Stock Exchange or to trading on its Global Exchange Market for the purposes of the Prospectus Directive.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Ireland (if any) in connection with the issue and performance of the Refinancing Notes. The issue of the Refinancing Notes was authorised by resolutions of the board of Directors of the Issuer passed on or about 10 October 2017.

No Significant or Material Change

There has been no significant change in the financial or trading position or prospects of the Issuer since its last filed accounts for the year ended 31 December 2015 and there has been no material adverse change in the financial position or prospects of the Issuer since its last filed accounts for the year ended 31 December 2015.

No Litigation

The Issuer is not involved, and has not been involved, in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had since the date of its incorporation a significant effect on the Issuer's financial position or profitability.

Documents Incorporated

The 2015 Prospectus is included herein as Annex A and is expressly incorporated herein as an integral part of this Prospectus. The information in this Prospectus should be read in conjunction with the 2015 Prospectus. The changes described herein supersede all statements which are inconsistent therewith in the 2015 Prospectus.

Unless the context otherwise specifically requires, all references in the 2015 Prospectus to a relevant Class of Notes shall be a reference to the same Class of Notes as defined herein (as the context requires) and all references in the 2015 Prospectus to the Notes shall include the Refinancing Notes (as the context requires). All references in the 2015 Prospectus to the Trust Deed shall be to the Trust Deed as supplemented by the Supplemental Trust Deed.

The most recent Monthly Report (as defined in the 2015 Prospectus) prior to the Refinancing Date with respect to the Collateral Debt Obligations is included herewith as Annex B and is expressly incorporated herein as an integral part of this Prospectus.

The audited financial statements of the Issuer as at and for the year ended 31 December 2015, together with the audit reports thereon, have been filed with the Irish Stock Exchange and shall be deemed to be incorporated in, and to form part of, this Prospectus.

Such financial statements are located at the specified offices of the Issuer during normal business hours and are available on the Irish Stock Exchange website at www.ise.ie.

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

Documents Available

Copies of the following documents may be inspected in electronic format (and, in the case of each of (e) and (g) below, will be available for collection free of charge) at the registered offices of Issuer during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes:

(a) the Constitution of the Issuer;

(b) the Trust Deed (which includes the form of each Note of each Class);

(c) the Agency Agreement;

(d) the Investment Management and Collateral Administration Agreement;

(e) each Monthly Report;

(f) the Risk Retention Letter;

(g) each Payment Date Report;

(h) the Issuer Corporate Services Agreement;

(i) the Supplemental Trust Deed;

(j) the Amendment Deed to the Investment Management and Collateral Administration Agreement;

(k) the Refinancing Risk Retention Letter;

(l) each Hedge Agreement; and

(m) the historical financial information of the Issuer for each of the two financial years preceding the publication of the listing particulars.

Enforceability of Judgments

The Issuer is a private limited company incorporated under the laws of Ireland. None of the Directors are residents of the United States, and all or a substantial portion of the assets of the Issuer and such persons are located outside of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon civil liability provisions of the securities laws of the United States or any State or territory within the United States.

Foreign Language

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

DESCRIPTION OF THE REFINANCING NOTES

The information set forth in this section should be read in conjunction with the section entitled "*Terms and Conditions*" in the 2015 Prospectus.

Pursuant to the Trust Deed as amended by a supplemental trust deed to be dated as of the Refinancing Date (the "**Supplemental Trust Deed**"), the Refinancing Notes will be issued on the Refinancing Date and the Refinanced Notes will be redeemed at their Redemption Prices on the same date.

Purchasers of the Refinancing Notes will be deemed to have approved the modifications contained in the Supplemental Trust Deed.

Except as expressly set forth herein, the Class A Notes will be subject to the same terms and conditions as the Original Class A Notes, the Class B Notes will be subject to the same terms and conditions as the Original Class B Notes, the Class C Notes will be subject to the same terms and conditions as the Original Class C Notes, the Class D Notes will be subject to the same terms and conditions as the Original Class D Notes and the Class E Notes will be subject to the same terms and conditions as the Original Class E Notes. Therefore, except as expressly set forth herein, the information regarding the Original Class A Notes, the Original Class B Notes, the Original Class C Notes and the Original Class D Notes set forth in the 2015 Prospectus also applies to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, respectively.

The revised terms and conditions of the Notes will be set forth in the Supplemental Trust Deed and are set out below. This Prospectus, together with the 2015 Prospectus, summarises certain provisions of the Trust Deed and other transaction documents. The summaries do not purport to be complete and (whether or not so stated in this Prospectus or the 2015 Prospectus) are subject to, are qualified in their entirety by reference to, and incorporate by reference, the provisions of the transaction documents (including definitions of terms).

Supplemental Trust Deed – Amendments to the Conditions in respect of the Refinancing Notes

In connection with the Refinancing, the Issuer intends to enter into a supplemental trust deed which will, amongst other things, supplement the Trust Deed concurrently with the Refinancing. The purchasers of Refinancing Notes will be deemed to approve the amendments to the Trust Deed pursuant to the Supplemental Trust Deed.

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

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

The definition of "**Administrative Expenses**" is deleted and replaced with the following:

"**Administrative Expenses**" means amounts due and payable by the Issuer in the following order of priority including except as expressly set out otherwise below, any VAT thereon (and to the extent such amounts relate to costs and expenses, such VAT to be limited to irrecoverable VAT) (whether payable to such party or directly to the relevant tax authority):

(a) on a *pro-rata* basis and *pari passu*, to:

(i) the Agents pursuant to the Agency Agreement and, in the case of the Collateral Administrator and the Information Agent, the Investment Management and Collateral Administration Agreement, including by way of indemnity;

(ii) the Corporate Services Provider pursuant to the Corporate Services Agreement; and

(iii) the Irish Stock Exchange, or such other stock exchange or exchanges upon which any of the Notes are listed from time to time;

(b) on a *pro-rata* and *pari passu* basis, to:

(i) any Rating Agency which may from time to time be requested to assign:

(A) a rating to each of the Rated Notes; or

(B) a confidential credit estimate to any of the Collateral Debt Obligations, for fees and expenses (including surveillance fees) in connection with any such rating or confidential credit estimate including, in each case, the ongoing monitoring thereof and any other amounts due and payable to any Rating Agency under the terms of the Issuer's engagement with such Rating Agency;

(ii) the independent certified public accountants, auditors, agents and counsel of the Issuer (other than amounts payable to the Agents pursuant to (a) above);

(iii) on a *pro-rata* basis to each Reporting Delegate pursuant to any Reporting Delegation Agreement;

(iv) the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement (including the indemnities, costs and expenses provided for therein), but excluding any Investment Management Fees or any VAT payable thereon;

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

(vi) on a *pro-rata* basis to any other Person in respect of any other fees or expenses contemplated in the Conditions of the Notes and in the Transaction Documents (other than the Investment Management and Collateral Administration Agreement) or any other documents (other than the Investment Management and Collateral Administration Agreement) delivered pursuant to or in connection with the issue and sale of the Notes, including, without limitation, an amount up to €10,000 *per annum* in respect of fees and expenses incurred by the Issuer (in its sole and absolute discretion) in assisting in the preparation, provision or validation of data for purposes of Noteholder tax jurisdictions (including information reasonably available to the Issuer that a U.S. holder reasonably requests to satisfy filing requirements under the passive foreign investment company rules (including as necessary to make a qualified electing fund election) or controlled foreign corporation rules);

(vii) to the Placement Agent pursuant to the Placement Agency Agreement in respect of any indemnity payable to it thereunder and to the Initial Purchaser pursuant to the 2017 Subscription Agreement in respect of any indemnity payable to it thereunder;

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

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

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

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

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

(i) on a *pro-rata* basis to any other Person (including the Investment Manager) in connection with satisfying the requirements of EMIR (excluding any requirement under EMIR to post margin to either any central clearing counterparty, or to any Hedge Counterparty, as applicable), CRA3 or the Dodd-Frank Act, in each case as applicable to the Issuer only;

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

(iii) costs of complying with FATCA; and

(iv) reasonable fees, costs and expenses of the Issuer and Investment Manager including reasonable attorneys' fees, in each case in relation to compliance by the Issuer and the Investment Manager with the United States Commodity Exchange Act of 1936, as amended (including rules and regulations promulgated thereunder);

(d) on a *pro-rata* basis, any Refinancing Costs; and

(e) on a *pro-rata* basis, payment of any indemnities payable to any Person as contemplated in these Conditions or the Transaction Documents and not already paid pursuant to paragraphs (a) or (b) above,

provided that:

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

(ii) the Investment Manager may direct payment other than in the order required by paragraph (b) if, in its reasonable judgment, it determines a payment other than in the order required by paragraph (b) above is required to ensure the delivery of certain accounting services and reports.

- The definition of "Class of Notes" is deleted and replaced with the following:

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

(a) the Class A-1 Notes;

(b) the Class A-2 Notes;

(c) the Class B-1 Notes;

(d) the Class B-2 Notes;

(e) the Class C Notes;

(f) the Class D Notes;

(g) the Class E Notes;

(h) the Class F Notes; and

(i) the Subordinated Notes,

and "**Class of Noteholders**" and "**Class**" shall be construed accordingly, **provided that**:

(i) although (a) the Class A IM Voting Notes, Class A IM Non-Voting Exchangeable Notes and the Class A IM Non-Voting Notes are in the same Class, (b) the Class B IM Voting Notes, Class B IM Non-Voting Exchangeable Notes and the Class B IM Non-Voting Notes are in the same Class, (c) the Class C IM Voting Notes, Class C IM Non-Voting Exchangeable Notes and the Class C IM Non-Voting Notes are in the same Class, and (d) the Class D IM Voting Notes, Class D IM Non-Voting Exchangeable Notes and the Class D IM Non-Voting Notes are in the same Class, in each case they shall not be treated as a single Class in respect of any vote or determination of quorum under the Trust Deed in connection with any IM Removal Resolution or IM Replacement Resolution and, instead, the IM Voting Notes shall be treated as the relevant Class solely for such purpose; and

(ii) for the purposes of determining voting rights attributable to the Notes and the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*), (A) the Class A-1 Notes and the Class A-2 Notes together and (B) the Class B-1 Notes and the Class B-2 Notes together, shall in each case be deemed to constitute a single class in respect of any voting rights specifically granted to them including as the Controlling Class."

- The definition of "Issue Date" is deleted and replaced with the following:

  "**Issue Date**" means:

  (a) in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, 16 October 2017 (or such other date as may shortly follow such date as may be agreed between the Issuer, the Initial Purchaser and the Investment Manager and is notified to the Noteholders in accordance with Condition 16 (*Notices*) and the Irish Stock Exchange); and

  (b) in respect of the Class F Notes and the Subordinated Notes, 8 September 2015.

- The definition of "Refinancing" is deleted and replaced with the following:

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

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

  (b) the refinancing of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes that took effect on 16 October 2017.

- The definition of "Retention Notes" is deleted and replaced with the following:

  "**Retention Notes**" means the Notes of each Class subscribed for by the Investment Manager on the Refinancing Date (and, in respect of the Class F Notes and the Subordinated Notes only, the Original Closing Date) and comprising not less than 5 per cent. of the nominal value of each Class of Notes.

- The definition of "Secured Party" is deleted and replaced with the following:

  "**Secured Party**" means each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Subordinated Noteholders, the Initial Purchaser, the Placement Agent, the Investment Manager, the Trustee, any Appointee, any Receiver, the Agents, each Reporting Delegate, each Hedge Counterparty and the Corporate Services Provider and "Secured Parties" means any two or more of them as the context so requires."

- The definition of "Transaction Document" is deleted and replaced with the following:

  "**Transaction Documents**" means the Trust Deed (including these Conditions), the Agency Agreement, the Placement Agency Agreement, the 2017 Subscription Agreement, the Retention Note Purchase Deed, the Investment Management and Collateral Administration Agreement, any Hedge Agreements, the Risk Retention Letter, the Refinancing Risk Retention Letter, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement, any Reporting Delegation Agreement and any document supplemental thereto or issued in connection therewith.

- The following definitions will be added to Condition 1:

  (a) "**2017 Subscription Agreement**" means the subscription agreement between the Issuer and the Initial Purchaser dated on or about 16 October 2017.

  (b) "**Initial Purchaser**" means Barclays Bank PLC.

(c) "**Moody's Derived Rating Amendment**" means the amendment of the definition of Moody's Derived Rating pursuant to an amending deed in respect of the Investment Management and Collateral Administration Agreement on or about the Refinancing Date.

(d) "**MWAF Amendment**" means the amendment of the Minimum Weighted Average Fixed Coupon for the purposes of the Minimum Weighted Average Fixed Coupon Test from 5.25 per cent. to 4 per cent. pursuant to an amending deed in respect of the Investment Management and Collateral Administration Agreement on or about the Refinancing Date.

(e) "**PPT Amendment**" means an amendment to paragraph (j) of the Portfolio Profile Tests to decrease the permitted Fixed Rate Collateral Debt Obligations from 7.5 per cent. of the Aggregate Collateral Balance to 5 per cent. of the Aggregate Collateral Balance pursuant to an amending deed in respect of the Investment Management and Collateral Administration Agreement on or about the Refinancing Date.

(f) "**Refinancing Risk Retention Letter**" means the letter entered into on the Refinancing Date between the Issuer, the Investment Manager, the Trustee, the Collateral Administrator (in the case of the Collateral Administrator, solely in connection with the Retention Holder's covenants made in favour of the Collateral Administrator as set out therein) and Barclays Bank PLC in its capacity as Initial Purchaser.

(g) "**Retention Note Purchase Deed**" means the note purchase deed relating to the Retention Notes between the Issuer, the Initial Purchaser and the Retention Holder dated on or about the Refinancing Date.

(h) "**Supplemental Trust Deed**" means the supplemental trust deed between, among others, the Issuer and the Trustee dated on or about the Refinancing Date.

(i) "**WAL Extension**" means the extension of the maximum Weighted Average Life for purposes of the Maximum Weighted Average Life Test, from 8 September 2023 to 8 September 2024 pursuant to an amending deed in respect of the Investment Management and Collateral Administration Agreement on or about the Refinancing Date.

- Wherever the term "Placement Agency Agreement" appears in the Conditions, this will be replaced by a reference to both this term and the term "2017 Subscription Agreement".

- Each reference to "Risk Retention Letter" that appears in the Conditions is deleted and replaced by a reference to both this term and the term "Refinancing Risk Retention Letter".

- Each reference to "Trust Deed" that appears in the Conditions is deleted and replaced by a reference to the "Trust Deed as supplemented by the Supplemental Trust Deed".

- Each reference to "Adagio IV CLO Limited" is deleted and replaced with a reference to "Adagio IV CLO Designated Activity Company".

- A new Condition 2(n) (*Consent to Modifications*) shall be inserted as follows:

  For the purposes of Condition 14(c)(xxvii) (*Modification and Waiver*), the Noteholders of the Refinancing Notes which are Class A-1 Notes and Class A-2 Notes (being the Controlling Class) issued pursuant to the Refinancing on 16 October 2017 have, as applicable, consented to the Moody's Derived Rating Amendment, the MWAF Amendment, the PPT Amendment and the WAL Extension as contemplated in an amending deed to the Investment Management and Collateral Administration Agreement by their subscription for such Class A-1 Notes or Class A-2 Notes, as applicable, on 16 October 2017.

- Conditions 4(c)(*Limited Recourse and Non-Petition*) and 4(d)(*Acquisition and Sale of the Portfolio*) are amended so that references to "the Placement Agent" shall be replaced by a reference to both the Placement Agent and "the Initial Purchaser".

- Condition 6(e)(i)(A) (*Floating Rate of Interest*) is amended by deleting sub-paragraph (1) and replacing it with the following:

"[PARAGRAPH NOT USED]".

- Conditions 6(e)(i)(B) (*Floating Rate of Interest*) is amended by deleting sub-paragraph (a) and replacing it with the following:

  "[PARAGRAPH NOT USED]".

- Condition 6(e)(i)(D)(1)-(5) (*Floating Rate of Interest*) (inclusive) are amended to read as follows:

  (D) Where:

  "**Applicable Margin**" means:

  (1) in respect of the Class A-1 Notes, 0.66 per cent. per annum;

  (2) in respect of the Class B-1 Notes, 1.15 per cent. per annum;

  (3) in respect of the Class C Notes, 1.60 per cent. per annum;

  (4) in respect of the Class D Notes, 2.50 per cent. per annum;

  (5) in respect of the Class E Notes, 4.90 per cent. per annum; and

- Condition 6(f) (*Interest on the Fixed Rate Notes*) is deleted and replaced with the following:

  The Class A-2 Notes bear interest at the rate of 1.10 per cent. per annum (the "**Class A-2 Fixed Rate of Interest**"). The Class B-2 Notes bear interest at the rate of 1.80 per cent. per annum (the "**Class B-2 Fixed Rate of Interest**"). The amount of interest payable in respect of each Minimum Denomination or Authorised Integral Amount applicable to the Class A-2 Notes and the Class B-2 Notes shall be calculated by applying the Class A-2 Fixed Rate of Interest and the Class B-2 Fixed Rate of Interest to an amount equal to the Principal Amount Outstanding in respect of such Minimum Denomination or Authorised Integral Amount, as applicable, multiplying the product by the actual number of days in the Accrual Period concerned (the number of days to be calculated on the basis of a year of 360 days with 12 months of 30 days each) divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

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

  (i) Optional Redemption in Whole—Subordinated Noteholders or Retention Holder

  Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices, from Sale Proceeds or (solely in the case of a redemption at the direction of the Subordinated Noteholders in accordance with (A)(1) or (B) below) any Refinancing Proceeds (or a combination thereof):

  (A) on any Payment Date falling, in the case of (x) any redemption pursuant to Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), on or after the Payment Date falling in October 2018, and (y) any redemption pursuant to Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*), on or after expiry of the Non-Call Period either:

  (1) at the direction of the Subordinated Noteholders acting by Ordinary Resolution; or

  (2) save where a Retention Event has occurred and is continuing, at the direction in writing of the Retention Holder,

  (in each case as evidenced by duly completed Redemption Notices); or

(B) upon the occurrence of a Collateral Tax Event, on any Payment Date falling after such occurrence at the direction of the Subordinated Noteholders acting by Ordinary Resolution (as evidenced by duly completed Redemption Notices).

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

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

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), the Rated Notes of any Class (other than the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C Notes, the Class D Notes or the Class E Notes), may be redeemed by the Issuer at the applicable Redemption Prices, solely from Refinancing Proceeds (in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below) on any Payment Date falling on or after expiry of the Non-Call Period at the direction of the Subordinated Noteholders acting by Ordinary Resolution (as evidenced by duly completed Redemption Notices).

No such Optional Redemption may occur unless any Class of Rated Notes (other than the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C Notes, the Class D Notes or the Class E Notes) to be redeemed represents the entire Class of such Rated Notes.

No such optional redemption may occur unless the Investment Manager has consented to such redemption.

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

In connection with the Refinancing, the Issuer intends to make the following amendments to the Investment Management and Collateral Administration Agreement:

- The definition of "Maximum Weighted Average Life Test" shall be deleted and replaced with the following:

- The "**Maximum Weighted Average Life Test**" will be satisfied on any Measurement Date if the Weighted Average Life as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such Measurement Date to 8 September 2024.

- Paragraph (j) of the Portfolio Profile Tests shall be deleted and replaced with the following:

not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fixed Rate Collateral Debt Obligations;

- The definition of "Moody's Derived Rating" shall be deleted and replaced with the following:

"**Moody's Derived Rating**" means, with respect to a Collateral Debt Obligation whose Moody's Rating or Moody's Default Probability Rating is determined as the Moody's Derived Rating, the rating as determined in the manner set forth below:

(a) with respect to any Corporate Rescue Loan, one sub-category below the facility rating (whether public or private) of such Corporate Rescue Loan rated by Moody's;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral Debt Obligation has a long-term issuer rating by Moody's, then such long-term issuer rating;

(c) if not determined pursuant to clause (a) or (b) above, if another obligation of the Obligor is rated by Moody's, then by adjusting the rating of the related Moody's rated obligations of the related Obligor by the number of rating sub-categories according to the table below:

Obligation Category of Rated Obligation	Rating of Rated Obligation	Number of Sub-categories Relative to Rated Obligation Rating
Senior secured obligation	Greater than or equal to B2	-1
Senior secured obligation	less than B2	-2
Subordinated obligation	Greater than or equal to B3	+1
Subordinated obligation	less than B3	0

(d) if not determined pursuant to clause (a), (b) or (c) above, then by using any one of the methods provided below:

(i) pursuant to the table below:

Type of Collateral Debt Obligation	S&P Rating (Public and Monitored)	Collateral Debt Obligation Rated by S&P	Number of Sub-categories Relative to Moody's Equivalent of S&P Rating
Not Structured Finance Obligation	≥ BBB-	Not a Loan or Participation in Loan	-1
Not Structured Finance Obligation	≤ BB+	Not a Loan or Participation in Loan	-2
Not Structured Finance Obligation	≤ BB+	Loan or Participation in Loan	-2
Not Structured Finance Obligation	≥ BBB-	Loan or Participation in Loan	-1

(ii) if such Collateral Debt Obligation is not rated by S&P but another security or obligation of the Obligor has a public and monitored rating by S&P (a "**parallel security**"), then the rating of such parallel security will at the election of the Investment Manager be determined in accordance with the table set forth in sub clause (d)(i) above, and the Moody's Derived Rating for the purposes of the definition of Moody's Rating and Moody's Default Probability Rating (as applicable) of such Collateral Debt Obligation will be determined in accordance with the methodology set forth in clause (c) above (for such purposes treating the parallel security as if it were rated by Moody's at the rating determined pursuant to this sub clause (d)(ii)); or

(iii) if such Collateral Debt Obligation is a Corporate Rescue Loan, no Moody's Derived Rating may be determined based on a rating by S&P or any other rating agency; or

(e) if such Collateral Debt Obligation is not rated by Moody's and no other security or obligation of the issuer of such Collateral Debt Obligation is rated by Moody's, and if Moody's has been requested by the Issuer, the Investment Manager or the issuer of such Collateral Debt Obligation to assign a rating or credit estimate with respect to such Collateral Debt Obligation but such rating or credit estimate has not been received, pending receipt of such estimate, the Moody's Derived Rating for purposes of the definition of Moody's Rating and Moody's Default Probability Rating (as applicable) of such Collateral Debt Obligation shall be (i) "B3" if the Investment Manager certifies to the Trustee and the Collateral Administrator that the Investment Manager believes that such estimate will be at least "B3" and if the aggregate principal balance of Collateral Debt Obligations determined pursuant to this clause (e) does not exceed 5 per cent. of the Aggregate Collateral Balance of all Collateral Debt Obligations or (ii) otherwise, "Caa1".

- The definition of "Minimum Weighted Average Fixed Coupon" shall be deleted and replaced with the following:

  "**Minimum Weighted Average Fixed Coupon**" will be satisfied if on Measurement Date from and including the Effective Date, if the Weighted Average Fixed Rate Coupon equals or exceeds 4 per cent.

By acquiring an interest in the Class A-1 Notes and/or the Class A-2 Notes on the Issue Date, each Class A-1 Noteholder and Class A-2 Noteholder shall be deemed to have consented to the above amendments and

accordingly, consent to the above amendment shall be deemed to have been given by and shall take effect as an Ordinary Resolution of the Controlling Class for the purposes of Condition 14(c)(xxvii)(*Modification and Waiver*).

- Pursuant to Condition 14(c)(xv)(*Modification and Waiver*), Schedule 6 (*Fitch Test Matrix*) to the Investment Management and Collateral Administration Agreement shall be updated to reflect changes to the Fitch Test Matrix, as provided by Fitch.

- Pursuant to Condition 14(c)(xv)(*Modification and Waiver*), Schedule 7 (*Moody's Test Matrix*) to the Investment Management and Collateral Administration Agreement shall be updated to reflect changes to the Moody's Test Matrix, as provided by Moody's.

PORTFOLIO

The following information should be read in conjunction with the section entitled "*The Portfolio*" in the 2015 Prospectus.

Collateral Debt Obligations

The most recent Monthly Report (as defined in the 2015 Prospectus) prior to the Refinancing Date with respect to the Collateral Debt Obligations is included herewith as Annex B and is expressly incorporated herein as an integral part of this Prospectus, such information has not been audited or otherwise reviewed by any accounting firm. Such information is limited and does not provide a full description of all Collateral Debt Obligations previously held or sold by the Issuer, nor the gains or losses associated with purchases or sales of Collateral Debt Obligations, nor the levels of compliance with the Coverage Tests and Collateral Quality Tests during periods prior to the periods covered by the reports forming Annex B. Such reports contain information as of the dates specified therein and none of the reports are calculated as of the date of this Prospectus. As such, the information in the report may no longer reflect the characteristics of the Collateral Debt Obligations as of the date of this Prospectus or on or after the Refinancing Date.

The composition of the Portfolio will change over time as a result of (i) scheduled and unscheduled principal payments on the Collateral Debt Obligations, (ii) sales of Collateral Debt Obligations and reinvestment of Sale Proceeds and other Principal Proceeds and (iii) other factors, subject to the limitations described under "*The Portfolio*" in the 2015 Prospectus.

USE OF PROCEEDS

The estimated net proceeds of the issue of the Refinancing Notes are expected to be approximately €313,500,000. Such proceeds will be used by the Issuer towards the redemption of the Refinanced Notes at the aggregate Redemption Prices of the entire Class or Classes of Refinanced Notes. Refinancing Costs will be paid as Administrative Expenses and/or Trustee Fees and Expenses, as applicable, in accordance with the Conditions.

RATINGS OF THE NOTES

General

It is a condition of the issue and sale of the Refinancing Notes that the Refinancing Notes be issued with at least the following ratings: the Class A-1 Notes AAAsf from Fitch and Aaa(sf) from Moody's; the Class A-2 Notes AAAsf from Fitch and Aaa(sf) from Moody's; the Class B-1 Notes AAsf from Fitch and Aa2(sf) from Moody's; the Class B-2 Notes: AAsf from Fitch and Aa2(sf) from Moody's; the Class C Notes: Asf from Fitch and A2(sf) from Moody's; the Class D Notes: BBBsf from Fitch and Baa2(sf) from Moody's and the Class E Notes: BBsf from Fitch and Ba2(sf) from Moody's.

The ratings assigned to the Class A Notes and the Class B Notes by Fitch address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class A Notes and the Class B Notes by Moody's address the ultimate payment of principal. The ratings assigned to the Class C Notes, Class D Notes and the Class E Notes address the ultimate payment of principal and interest.

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

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

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

Fitch Ratings

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

Fitch analyses the likelihood that each Collateral Debt Obligation will default, based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as obligations with lower ratings are added to the Portfolio) and an additional default assumption to account for future fluctuations in defaults. Fitch then determines the level of credit protection necessary based on a specific percentile of the Portfolio default distribution determined by the Fitch 'Portfolio Credit Model' which takes into account the correlation between assets in the portfolio based on the level of diversification by region, issuer and industry. The results of a statistical analysis are incorporated into a cash flow model built to mimic the structure of the transaction. In this regard, the results of several default scenarios, in conjunction with various qualitative tests (e.g. analysis of the strength of the Investment Manager), are used to determine the credit enhancement required to support a particular rating.

Fitch Ratings of the Refinancing Notes were established under various assumptions and scenarios.

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

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

Moody's Ratings

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

Moody's analysis of the likelihood that each Collateral Debt Obligation will default is based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as securities with lower ratings are added to the portfolio) and an additional default assumption to account for future fluctuations in defaults. Moody's then determines the level of credit protection necessary to achieve the expected loss associated with the rating of the Refinancing Notes, taking into account the expected volatility of the default rate of the

portfolio based on the level of diversification by region, issuer and industry. There can be no assurance that the actual default rates on the Collateral Debt Obligations held by the Issuer will not exceed the rates assumed by Moody's in its analysis.

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

THE RETENTION HOLDER AND RETENTION REQUIREMENTS

Description of the Retention Holder

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

The Retention

Background

On the Refinancing Date, the Investment Manager in its capacity as Retention Holder, acting for its own account, will sign the Refinancing Risk Retention Letter addressed to the Issuer, the Trustee, the Collateral Administrator, the Sole Arranger and the Initial Purchaser.

The Investment Manager intends to hold the requisite risk retention in its capacity as "originator" pursuant to the Retention Requirements.

By way of background, the CRR definition of an "originator" refers to any entity which either:

(a) itself or through related entities, directly or indirectly, was involved in the original agreement which created the obligations being securitised; or

(b) purchases third party exposures "for its own account" and then securitises them.

Article 3(4)(a) of the regulatory standards adopted by the EU Commission on 12 March 2014 provides that, where the securitised exposures are created by multiple originators (as is the case in a managed CLO, where assets are acquired from numerous sellers in the market), the CRR Retention Requirements may be fulfilled by a single originator where the relevant originator has established and is managing the scheme.

The Investment Manager reasonably believes that it has established, and is managing and will manage, the CLO transaction described in the 2015 Prospectus and this Prospectus. The Investment Manager represented and warranted in the Investment Management and Collateral Administration Agreement, that the Originator Requirement (as defined below) was satisfied on the Original Closing Date and will remain satisfied on the Refinancing Date.

"**Originator Requirement**" means the requirement which will be satisfied if, on the Original Closing Date:

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

(b) the Target Par Amount,

is greater than or equal to 5 per cent.

On the basis of the paragraphs above, and the undertakings, representations, warranties and acknowledgements to be given by the Investment Manager set out below, the Investment Manager reasonably believes that it is an "originator" for the purposes of the Retention Requirements and is an eligible retainer for the purposes of the Retention Requirements.

Undertakings

Under the Refinancing Risk Retention Letter, the Investment Manager will, for so long as any Class of Notes remains Outstanding, and subject as provided below:

(a) covenant and undertake:

  (i) to subscribe for, hold and retain, on an ongoing basis, for so long as any Class of Notes remains Outstanding, not less than 5 per cent. of the outstanding nominal value of each Class of Notes (the "**Retention Notes**");

(ii) that neither it nor its Affiliates will transfer the Retention Notes or sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except (i) with respect to such hedging or mitigation of credit risk, to the extent permitted by the Retention Requirements, and (ii) with respect to such transfer or sale, as provided below;

(iii) subject to any overriding regulatory requirements, to take such further reasonable action and enter into such other agreements, in each case as may reasonably be required by the Issuer to satisfy the Retention Requirements at the cost and expense of the party requesting such further action;

(iv) to provide to the Issuer, on a confidential basis, information in the possession of the Investment Manager, at the cost and expense of the party seeking such information, to the extent the same is not subject to a duty of confidentiality;

(v) to confirm its continued compliance with the covenants set out at paragraphs (a)(i) and (a)(ii) above:

(A) promptly upon reasonable request made in writing by any of the Issuer, the Trustee, the Collateral Administrator and the Initial Purchaser; and

(B) in any event on a monthly basis, on the Business Day prior to the date on which the Collateral Administrator compiles the Monthly Report, to the Issuer, the Trustee, the Collateral Administrator and the Initial Purchaser,

in each case in writing (which may be by way of e-mail and which confirmations the Investment Manager acknowledges may be included by the Collateral Administrator in any Monthly Report); and

(vi) that it shall immediately notify the Issuer, the Investment Manager, the Trustee, the Collateral Administrator and the Initial Purchaser in writing if for any reason:

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

(B) it fails to comply with the covenants set out in paragraphs (a)(i), (a)(ii) or (a)(iii) in any way; or

(C) any of the representations and warranties contained in the Refinancing Risk Retention Letter fail to be true on any date;

(b) acknowledge and confirm that the Investment Manager reasonably believes that it has established the transaction contemplated by the Transaction Documents; and

(c) represent and warrant on the Issue Date that, in relation to each Collateral Debt Obligation sold by it to the Issuer on or before the Original Closing Date, it either:

(i) purchased such obligation for its own account prior to selling such asset to the Issuer; or

(ii) either itself or through related entities, directly or indirectly, was involved in the original agreement which created such asset.

Notwithstanding the above, the Investment Manager may transfer the Retention Notes only:

(a) if and to the extent such transfer would not cause the transaction described in this Prospectus to cease to be compliant with the Retention Requirements; and

(b) if such transfer is to a Person which will commit to retain the Retention Notes subject to and in accordance with the Retention Requirements and such Person enters into an agreement on terms substantially identical (*mutatis mutandis*) to those outlined above.

Without limitation to the above, upon a resignation or removal of the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement:

(a) subject to satisfaction of the requirements in paragraphs (a) and (b) immediately above, the Retention Notes may be transferred to the replacement investment manager on the basis that such replacement investment manager shall be the Retention Holder; or

(b) otherwise, the Investment Manager shall remain the Retention Holder and be bound by the retention undertakings described above, notwithstanding that it will no longer act as investment manager with respect to the transaction described in the 2015 Prospectus and this Prospectus.

The Issuer, the Trustee, the Collateral Administrator (in the case of the Collateral Administrator, solely in connection with the Retention Holder's covenants referred to in sub-paragraphs (a)(v) and (vi) above), and the Initial Purchaser are each parties to the Refinancing Risk Retention Letter solely for the purposes of obtaining the benefit of the representations, warranties, covenants and undertakings contained therein and under no circumstances shall any of them be deemed to have undertaken any obligations thereunder or by virtue of their entry into the Refinancing Risk Retention Letter.

Origination Procedures

The Investment Manager is not an "investment firm" subject to regulation by any authority in the European Economic Area. Prior to the Original Closing Date, the Investment Manager entered into trades to acquire assets meeting the criteria for Collateral Debt Obligations selected by it with an Aggregate Principal Balance equal to at least 5% of the Target Par Amount ("**Originated Assets**"). Each Originated Asset was acquired by the Investment Manager not later than 15 Business Days prior to the Original Closing Date. The Investment Manager entered into forward purchase agreements and/or trade tickets with the Issuer under which the Issuer agreed to acquire the Originated Assets from the Investment Manager, in each case with settlement on or following the Original Closing Date at the same price at which the Investment Manager acquired the relevant Originated Asset. It was a condition of the Issuer's purchase of each Originated Asset from the Investment Manager that such Originated Asset meets all applicable criteria for Collateral Debt Obligations on the Original Closing Date. Hence, if at any point prior to the Original Closing Date, any Originated Asset became a Defaulted Obligation or otherwise became ineligible for the CLO transaction contemplated by the 2015 Prospectus, the Investment Manager either retained such Originated Asset or sold it at its then-current market price.

Each prospective investor in the Refinancing Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction (including the Reports) are sufficient to comply with the Retention Requirements or any other applicable legal, regulatory or other requirements. None of the Issuer, the Investment Manager, the Initial Purchaser, the Collateral Administrator, the Trustee, the Retention Holder, their respective Affiliates, corporate officers or professional advisors or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy the Retention Requirements or any other applicable legal, regulatory or other requirements other than, in the case of the Investment Manager, where such failure results from a breach of the Refinancing Risk Retention Letter by the Investment Manager or any of its Affiliates. Each prospective investor in the Refinancing Notes should consult with its own legal, accounting, regulatory and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain. See "*Risk Factors— Regulatory Initiatives - Risk Retention and Due Diligence—EU Risk Retention and Due Diligence Requirements*" above.

CREDIT RISK RETENTION

The information appearing in this section is being provided for the purpose of the "sponsor" satisfying its pre-sale disclosure obligations with respect to an "eligible vertical interest" under the U.S. Risk Retention Rules, the determinations of which have been made by the "sponsor". For purposes hereof, the Investment Manager would be considered to be a "sponsor" under the U.S. Risk Retention Rules. See "*Risk Factors – Regulatory Initiatives- Risk Retention and Due Diligence - U.S. Risk Retention Rules*".

Pursuant to the U.S. Risk Retention Rules, the "sponsor" of a securitization transaction (or a majority-owned affiliate of the sponsor) is required to provide or cause to be provided to investors a reasonable period of time prior to the sale of any asset-backed securities in a securitization transaction and a reasonable time after the closing of the securitization transaction the vertical interest disclosures described in this section. Such vertical interest disclosures must include a description of the form of the "eligible vertical interest", the percentage that the "sponsor" is required to retain, a description of the material terms of the vertical interest and the amount the "sponsor" expects to retain at the closing of the securitisation transaction. In adopting the U.S. Risk Retention Rules, the relevant governmental authorities indicated that the purpose of these vertical interest disclosures was to allow investors to adequately analyse the amount of the "sponsor's" economic interest ("skin in the game") in a given securitisation transaction. As such, the information set forth in this section should not be relied upon or used for any other purpose.

U.S. Retention Interest

Pursuant to the U.S. Risk Retention Rules, the "sponsor" of a securitisation transaction (or majority-owned affiliate of the sponsor) is required, unless an exemption exists, to retain at least the Minimum Risk Retention Requirement and must satisfy such Minimum Risk Retention Requirement for the time period required by the U.S. Risk Retention Rules. The U.S. Risk Retention Rules apply to CLOs, including the Notes, offered and sold in a securitisation transaction subject to the U.S. Risk Retention Rules on or after December 24, 2016. In addition, the U.S. Risk Retention Rules impose limitations on the ability of the Retention Holder to sell, transfer or hedge its risk with respect to the Eligible Vertical Interest. See also "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence - U.S. Risk Retention Rules*".

In order to comply with the U.S. Risk Retention Rules and satisfy the Minimum Risk Retention Requirement, on the Refinancing Date, the Retention Holder has informed the Issuer that it has acquired (in the case of the Class F Notes and the Subordinated Notes), or will acquire (in the case of the Refinancing Notes), and will retain for the period required by the U.S. Risk Retention Rules an "eligible vertical interest" within the meaning of the U.S. Risk Retention Rules (the "**Eligible Vertical Interest**") consisting of not less than 5 per cent. of the principal amount of each Class of Refinancing Notes issued by the Issuer. The material terms of the Notes comprising the Eligible Vertical Interest are described in this Prospectus and in the 2015 Prospectus, provided that the Retention Holder shall hold 5 per cent. of the principal amount of each of the Class A-1 Notes and Class A-2 Notes and Class B-1 Notes and Class B-2 Notes in order to hold the Eligible Vertical Interest.

Each prospective investor should consult its own legal, accounting and other advisors to determine whether and to what extent this information is sufficient for its purposes and any other requirements of which it is uncertain. For important information about the U.S. Risk Retention Rules, see information under the heading 3.2 "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence – U.S. Risk Retention Rules*".

Post-Closing Update

If the amount of any Class of Notes retained by the Retention Holder on the Refinancing Date is materially different than the amounts disclosed in this Prospectus, the dollar amount and percentage of each Class of Notes retained by the Retention Holder will be provided to investors on or before the date that the first Monthly Report is delivered to Holders of Notes after the Refinancing Date.

None of the Initial Purchaser, the Trustee or the Collateral Administrator (i) have participated in the calculations of the percentage of the vertical interest the "sponsor" is required to hold as described above, (ii) have independently verified any of the statements in this section, (iii) are responsible for making any representation concerning (A) the accuracy or completeness of the vertical interest disclosures or (B) the percentage of the vertical interest that the Retention Holder expects to hold, and (iv) assume responsibility for or have liability for the contents of the vertical interest disclosure or any of the statements contained in this section.

THE ISSUER

The information in this section should be read in conjunction with the section entitled "*The Issuer*" in the 2015 Prospectus.

General

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

Corporate Services Provider

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

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

Directors and Company Secretary

The Directors of the Issuer as at the date of this Prospectus are John Martin Hackett and Padraic Lee. The business address of the Directors is 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

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

Companies Act 2014

The Companies Act 2014 was commenced in Ireland by statutory instrument with effect on and from 1 June 2015. The Companies Act 2014 requires that an existing private company such as the Issuer re-register as a "Designated Activity Company" or "DAC" within the meaning of the Companies Act 2014 within a period of 18 months following the commencement date of the Companies Act 2014.

Pursuant to an ordinary resolution and special resolution of the Issuer both dated 17 June 2016, the Issuer elected to reregister as a designated activity company under Section 56(1) of the Companies Act 2014 and to adopt a new Constitution in connection therewith.

By Certificate of Incorporation on Conversion to A Designated Activity Company dated 16 July 2016 issued by the Registrar of Companies in accordance with Section 63(8) of the Companies Act 2014, the Issuer was reregistered as "*Adagio IV CLO Designated Activity Company*".

DESCRIPTION OF THE INVESTMENT MANAGER

The information appearing in this section has been prepared by the Investment Manager and has not been independently verified by the Issuer, the Initial Purchaser, the Sole Arranger or any other party. The Issuer confirms that where information has been sourced from a third party, such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information which has been published by the Investment Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Initial Purchaser, the Sole Arranger or any other party other than the Investment Manager assumes any responsibility for the accuracy or completeness of such information.

General

Certain advisory and administrative functions with respect to the Portfolio will be performed by AXA Investment Managers, Inc. a Delaware corporation, as the Investment Manager ("**AXA IM**"). See further "*Description of the Investment Management and Collateral Administration Agreement*".

AXA IM's investment management business originated in 2001 when the high yield bond group of Cardinal Capital Management, based in Greenwich, CT, joined AXA IM. Organisationally, AXA IM is a wholly-owned subsidiary of AXA-IM Holding US, Inc., a Delaware corporation, which is a wholly-owned subsidiary of AXA Investment Managers, a *société anonyme* organised under the laws of France ("**AXA IMSA**"). AXA IMSA is a holding company of several investment management companies, which includes AXA IM (collectively, the "**AXA IM Group**").

AXA IM is an indirect subsidiary of AXA S.A. ("**AXA**"), a *société anonyme* organised under the laws of France. AXA's shares are traded on the Compartment A of Euronext Paris and, in the form of American depositary shares traded on the United States over-the-counter market. The financial strength rating of AXA is "Aa3" by Moody's, "AA-" by Fitch and "AA-" by S&P. The AXA IM Group is one of the AXA group's principal asset managers. It is a multi-specialist asset management division that offers fixed income, equity, structured and alternative products, real estate and multi management investment expertise. AXA IM Group's clients include both institutional and individual investors.

The AXA IM Group provides diversified asset management and related services globally to its investment funds, which are distributed through the AXA group's distribution networks and external distributors. The AXA IM Group also provides these services to AXA's insurance subsidiaries in respect of their insurance-related invested assets and separate management account assets.

The AXA IM Group, through AXA IM and its Affiliate AXA Investment Managers Paris ("**AXA IM Paris**"), provides portfolio management services under a number of investment strategies including, without limitation, (i) United States and European high yield products, (ii) United States, European and Global corporate investment grade products, (iii) United States and European leveraged loan products and (iv) United States and European structured and/or asset backed products.

As of March 31, 2017, AXA IM had total assets under management of approximately USD 71.69 billion and, as of March 31, 2017, AXA IM Group's total assets under management amounted to USD 799 billion.

AXA IM's principal place of business is 100 West Putnam Avenue, 4th Floor, Greenwich, Connecticut 06830.

Credit Risk Mitigation Together with its obligations under the Investment Management and Collateral Administration Agreement and subject to the standard of care required thereunder, the Investment Manager has in place and operates internal policies and procedures to administer and manage the Portfolio and similar portfolios. Such policies and procedures include, in the case of the Portfolio, systems for identifying Credit Impaired Obligations and Defaulted Obligations. Under the Investment Management and Collateral Administration Agreement, subject to the standard of care required thereunder, the Investment Manager is obliged to:

(a) diversify the Collateral Debt Obligations comprising the Portfolio in accordance with and to the extent permitted by the terms of the Investment Management and Collateral Administration Agreement and, in particular, the Portfolio Profile Tests;

(b) measure and monitor the credit risk of the Portfolio as per the methodologies set out in the Investment Management and Collateral Administration Agreement and in accordance with the terms of the Investment Management and Collateral Administration Agreement; and

(c) consult with the Collateral Administrator for the purposes of compiling each Monthly Report and Payment Date Report which will provide information intended to facilitate investors in their conducting of stress tests on the cash flows and collateral values supporting the Notes.

Personnel

Set forth below is certain biographical information for those employees of the AXA IM Group, who will have primary responsibility for the selection and management of Collateral Debt Obligations and Eligible Investments. Employees of the AXA IM Group will only perform delegated collateral manager services directly for the Issuer to the extent that they have the regulatory capacity to do so. Such employees are either employees of AXA IM or employees of AXA IM Paris, an Affiliate of AXA IM, the resources of which are used by AXA IM in relation to the selection and management of Collateral Debt Obligations and Eligible Investments and other related services under a participating affiliate arrangement entered into for US securities laws purposes between AXA IM and AXA IM Paris. In addition to these employees, a number of other employees of the Investment Manager and its Affiliates may be involved to a lesser extent in the selection, management and administration of Collateral Debt Obligations and Eligible Investments. There can be no assurance that any such persons will continue to be employed by the Investment Manager and its Affiliates during the entire term of the Investment Management and Collateral Administration Agreement or, if so employed, will continue to be responsible for the Investment Manager's performance of its obligations under the Investment Management and Collateral Administration Agreement. See the "*Risk Factors—Conflicts of Interest — Certain Conflicts of Interest Involving the Investment Manager and its Affiliates*" section of this Prospectus.

Jean-Philippe Levilain, Global Head of AXA IM Leveraged Loan Team (Greenwich, CT). Previously, Jean-Philippe worked at AXA IM Paris, where he was a Senior Portfolio Manager and then head of the European High Yield Loan team. Prior to joining the AXA IM Group, Jean-Philippe spent seven years with BNP Paribas, and held several positions as a loan trader and credit analyst. Jean-Philippe graduated from the Institut d'Etudes Politiques de Paris and obtained a postgraduate degree in Finance from the University of Paris I, Pantheon-Sorbonne.

Yannick Le Serviget, Senior Portfolio Manager at AXA IM Paris. Yannick joined the AXA IM Group in 2003. Previously he worked at Société Générale for two years as an associate in the secondary loans sales and trading team, in charge of distributing loans and exotic credit derivatives to European investors and of developing trading and arbitrage opportunities. Prior to joining Société Générale, he spent one year as a financial auditor in a French consulting firm. Yannick started his career in 1998 and spent two years (part-time) as an assistant portfolio manager at AGF Asset Management. He graduated from French business school ESSEC.

Xavier Boucher, Senior Portfolio Manager at AXA IM Paris. Xavier joined the AXA IM Group in 2012 as a Senior Research Analyst after having spent over seven years with BNP Paribas. Xavier commenced his career in 2005 as an M&A analyst with BNP Paribas in New York. In 2007, he joined the leverage finance origination group as analyst and was promoted to associate in 2008. In 2009, Xavier joined the restructuring group in Paris where he worked on over 15 restructuring processes in EMEA. Xavier graduated from ESCP Europe where he majored in finance and graduated cum laude from the Institut d'Etudes Politiques de Paris where he majored in strategy.

Cyril Macé, Senior Credit Analyst at AXA IM Paris. Cyril began his career at the AXA IM Group in 1998. Cyril joined the leveraged finance team in 2001 and spent the first four years as a portfolio manager. Prior to joining the leveraged finance team, he was a portfolio manager covering credit and high yield funds. Cyril holds a postgraduate degree in Finance and a Master's degree in Banking and Finance from the University Panthéon-Assas.

Olivier Testard, Senior Credit Analyst at AXA IM Paris. Olivier joined AXA IM Group in 2002 and today has over 21 years of experience in the leveraged loan sector. Prior to joining AXA IM Paris, Olivier worked at Mizuho Corporate Bank, and was responsible for sourcing and analysing potential investments in structured finance transactions. He began his career in 1991 at BNP Paribas in New York, where he spent eight years, initially as a corporate credit officer and then as a member of the group's LBO origination team, where his responsibilities included originating and structuring LBO transactions. Olivier holds an MBA from Baruch, The City University of New York.

Mounia Maliki, Senior Credit Analyst at AXA IM (Greenwich, CT). Mounia joined the AXA IM Group in

2008. Previously, she was corporate analyst at De Lage Landen International (Subsidiary of Rabobank). Mounia graduated from the ESC Grenoble.

Deepah Colombel, Junior Credit Analyst at AXA IM Paris. Deepah is currently a Junior Credit Analyst at AXA IM Paris. Prior to joining in 2015, Deepah was an analyst at European Capital in the private equity market focused on mezzanine and senior debt transactions. Deepah holds a Masters in Asset Management and Financial Analysis from the University of Paris Dauphine.

Meiying Li, Junior Credit Analyst at AXA IM Paris. Meiying is currently a junior investment analyst at AXA IM Paris. Prior to joining in 2016, Meiying spent a year within the Credit analyst team of AXA IM Paris as an intern. Meiying graduated from HEC Paris Grande Ecole in 2016 with a master degree in International Finance.

Joel Serebransky, Head of US Credit Analyst team at AXA IM (Greenwich, CT). Joel joined AXA IM in August 2012 to help start the US Loan platform. Previously, he was a portfolio manager at Lord Abbett & Co, where he managed over $4 billion of loans via a loan mutual fund and a collateralised loan obligation. In 1996, Joel co-founded the loan investment business at Alliance Bernstein and, in 2005, left to start a loan investment boutique, Navigare Partners. Prior to joining Alliance Bernstein, Joel spent 6 years structuring and distributing various debt products at JP Morgan. Joel holds a B.A. degree from Rutgers College and an M.B.A. from The Wharton School of the University of Pennsylvania.

Vera Fernholz, Senior Credit Analyst at AXA IM (Greenwich, CT). Previously Vera worked in the Syndicated Loan and Risk Management/Workout groups at CIT Group for 5 years. Vera spent 8 years as an originator, credit analyst and portfolio manager in Private Placement and Leveraged Loans at Prudential Capital Group. She started her banking career as an assistant treasurer at Bankers Trust. Vera holds a B.A. Degree from Smith College and an M.B.A. from the Darden Business School of the University of Virginia.

Yumiko Licznerski, Senior Credit Analyst at AXA IM (Greenwich, CT). Yumiko is a senior research analyst with AXA IM. Prior to joining AXA IM Group in 2015, Yumiko was a Director in the Merchant Banking Group at BNP Paribas originating and structuring LBO transactions. She also spent eight years at Mizuho Financial Group in the Corporate Finance Group. Yumiko holds a M.A. from Columbia University.

Jay Chandiramani, Senior Credit Analyst at AXA IM (Greenwich, CT). With over 10 years of industry experience, Jay joined AXA IM Group in 2016 from Bank of America Merrill Lynch in New York City, where he was responsible for underwriting, structuring and distributing leveraged loans and high yield bonds for clients across multiple industries to finance LBOs, corporate acquisitions, dividends and refinancings. Prior to that, Jay worked on the Leveraged Finance team at RBS Securities in Stamford, CT. Jay holds a Bachelor's Degree in Finance from the Kelley School of Business at Indiana University.

Michael J Sorna, Credit Analyst at AXA IM (Greenwich, CT). Michael is currently a junior credit analyst with AXA IM. Prior to joining AXA IM Group in 2015, Michael was an analyst at Standard & Poor's in the Financial Institutions Group covering companies in the specialty finance industry. Prior to his time with Standard & Poor's, he spent two years at SAC Capital as a portfolio analyst. Michael holds a B.B.A. from Hofstra University.

David Saad, Junior Credit Analyst at AXA IM (Greenwich, CT). David is currently a Junior Credit Analyst with AXA IM. Prior to joining in 2016, David was an associate at ICON Investments focusing on middlemarket leveraged loans and private debt transactions in various sectors including retail and business services. He also spent two years at Grant Thornton in the Valuations Group. David holds a BBA in Finance and Accounting from the Goizueta Business School at Emory University.

Deniz Esmen, Junior Credit Analyst at AXA IM (Greenwich, CT). Deniz is currently a Junior Credit Analyst with AXA IM. Prior to joining in 2015, Deniz was an analyst at Natixis Securities in the Debt Capital Markets Group focused on high yield transactions. Deniz holds a BA in Political Science and International Studies from the University of North Carolina at Chapel Hill.

Emmanuelle Noirclerc, Senior Credit Analyst at AXA IM Paris. Emmanuelle recently joined AXA IM in October 2016 as a Senior Investment Analyst. Emmanuelle began her career in 2007 as a Leveraged Finance Analyst at Société Générale Corporate & Investment Banking in New-York. She joined the Paris Leveraged Finance team of Société Générale in 2010, first as an analyst, then as an Associate in 2013 and finally as Vice President starting 2016. During the 6 years spent at Société Générale Paris, Emmanuelle focused on the origination and structuring of French LBO transactions for large caps. Emmanuelle graduated from Audencia Business School where she majored in Finance.

Isabelle Landes, Senior Credit Analyst at AXA IM Paris. Isabelle joined AXA IM in 2013 and was mostly focused on Private Placement financings (€PP ; SSD ; USPP) for midcap EU corporates. Previously, Isabelle spent 13 year in the Leverage Finance Origination team Of IKB Deutsche Industriebank AG in Paris. Her responsibilities covered the entire leverage finance cycle including originating ideas, executing transactions, negotiating financing contracts and supervising portfolio companies. She started her career in 1995 as an external auditor at PriceWaterhouseCoopers in Paris followed by a two-year experience from 1998-2000 in the IFRS-implementation team of the Finance Department of DZ Bank in Frankfurt. Isabelle graduated from the Ecole Supérieure de Commerce de Paris (ESCP) and obtained the degree "Diplom-Kauffrau" from Technische Universität Berlin.

Guillaume Burg, Junior Credit Analyst at AXA IM Paris.Guillaume is currently working as Investment Analyst at AXA IM Paris. Prior to joining in 2016, Guillaume worked as analyst at Commerzbank London within the Leveraged Finance International Origination team. Guillaume holds a Master in Management and Master of Science in Corporate Finance from EDHEC Business School.

Alexandre von Rakowski, Junior Credit Analyst at AXA IM Paris. Alexandre is currently an Investment Analyst at AXA IM Paris. Prior to joining in 2016, he worked at RBS as Portfolio Manager on leverage loans. Alexandre pursued his career at Futur AM, an independent asset managers where he co-founded and managed a quantitative systematic Hedge Fund. Alexandre holds a BA from Trinity College Dublin in Business and Economics and a Masters in Management from ESCP Europe.

Hugo Salvadori, Junior Credit Analyst at AXA IM Paris. Hugo is currently an Investment Analyst at AXA IM Paris. Prior to joining in 2017, Hugo worked as an analyst in the Merchant Banking Group at BNP Paribas New York originating and structuring LBO transactions. Hugo is a graduate from ESSEC Business School where he earned a Master of Science degree in Corporate Finance. He also holds an Engineer's degree from ESIEE Paris.

Linda Fodil, Senior Credit Analyst at AXA IM Paris. Linda recently joined AXA IM in September 2017 as a Senior Investment Analyst. Linda began her career in 2004 as Credit Analyst at HSBC in Paris. She joined the Leveraged Finance team of HSBC in 2007 where she spent 10 years and was promoted Director starting 2016. During the years spent in the Leveraged Finance team at HSBC, Linda focused on the origination and arrangement of French mid caps LBO transactions. Linda graduated from Dauphine University.

TAX CONSIDERATIONS

1. General

Purchasers of Refinancing Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Refinancing Note.

POTENTIAL PURCHASERS ARE WHOLLY RESPONSIBLE FOR DETERMINING THEIR OWN TAX POSITION IN RESPECT OF THE REFINANCING NOTES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THEIR TAX POSITION ON PURCHASE, OWNERSHIP, TRANSFER OR EXERCISE OF ANY REFINANCING NOTE SHOULD CONSULT THEIR OWN TAX ADVISERS. IN PARTICULAR, NO REPRESENTATION IS MADE AS TO THE MANNER IN WHICH PAYMENTS UNDER THE REFINANCING NOTES WOULD BE CHARACTERISED BY ANY RELEVANT TAXING AUTHORITY. POTENTIAL INVESTORS SHOULD BE AWARE THAT THE RELEVANT FISCAL RULES OR THEIR INTERPRETATION MAY CHANGE, POSSIBLY WITH RETROSPECTIVE EFFECT, AND THAT THIS SUMMARY IS NOT EXHAUSTIVE. THIS SUMMARY DOES NOT CONSTITUTE LEGAL OR TAX ADVICE OR A GUARANTEE TO ANY POTENTIAL INVESTOR OF THE TAX CONSEQUENCES OF INVESTING IN THE REFINANCING NOTES.

2. Irish Taxation

The following is a summary of the principal Irish tax consequences for individuals and companies of ownership of the Refinancing Notes only based on the laws and practice of the Irish Revenue Commissioners currently in force in Ireland and may be subject to change. It deals with individuals and companies who beneficially own their Refinancing Notes as an investment (for the purposes of this Section 2 "*Irish Taxation*" the "Noteholders"). Particular rules not discussed below may apply to certain classes of taxpayers holding Refinancing Notes, such as dealers in securities, trusts etc. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Refinancing Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Refinancing Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Taxation of Noteholders

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest which should include interest payable on the Refinancing Notes. The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Refinancing Note so long as the interest paid on the relevant Refinancing Note does not come within certain new rules introduced by the Finance Act 2016, as described below under the heading *Deductibility of Interest*, and falls within one of the following categories:

1. Interest paid on a quoted Eurobond

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

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

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

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

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

(c) one of the following conditions is satisfied:

(i) the Noteholder is resident for tax purposes in Ireland; or

(ii) the Noteholder is subject, without any reduction computed by reference to the amount of such interest, premium or other distribution, to a tax in a relevant territory which generally applies to profits, income or gains received in that territory, by persons, from sources outside that territory; or

(iii) the Noteholder is not a company which, directly or indirectly, controls the Issuer, is controlled by the Issuer, or is controlled by a third company which also directly or indirectly controls the Issuer, and neither the Noteholder, nor any person connected with the Noteholder, is a person or persons:

(A) from whom the Issuer has acquired assets;

(B) to whom the Issuer has made loans or advances; or

(C) with whom the Issuer has entered into a swap agreement,

where the aggregate value of such assets, loans, advances or swap agreements represents not less than 75 per cent. of the assets of the Issuer; or

(iv) at the time of issue of the Refinancing Notes, the Issuer was not in possession, or aware, of any information which could reasonably be taken to indicate whether or not the beneficial owner of the Refinancing Notes would be subject to tax on any interest payments.

where the term:

"**relevant territory**" means a member state of the European Union (other than Ireland) or a country with which Ireland has signed a double tax treaty ("**Relevant Territory**"); and

"**swap agreement**" means any agreement, arrangement or understanding that—

(A) provides for the exchange, on a fixed or contingent basis, of one or more payments based on the value, rate or amount of one or more interest or other rates, currencies, commodities, securities, instruments of indebtedness, indices, quantitative measures, or other financial or economic interests or property of any kind, or any interest therein or based on the value thereof, and

(B) transfers to a person who is a party to the agreement, arrangement or understanding or to a person connected with that person, in whole or in part, the financial risk associated with a future change in any such value, rate or amount without also conveying a current or future direct or indirect ownership interest in an asset (including any enterprise or investment pool) or liability that incorporates the financial risk so transferred.

Thus, so long as the Refinancing Notes continue to be quoted on the Irish Stock Exchange, are held in Euroclear and/or Clearstream, Luxembourg, and one of the conditions set out in paragraph 1(c) above is met, interest on the Refinancing Notes can be paid by any paying agent acting on behalf of the Issuer free of any withholding or deduction for or on account of Irish income tax. If the Refinancing Notes continue to be quoted but cease to be held in a recognised clearing system, interest on the Refinancing Notes may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland and one of the conditions set out in paragraph 1(c) above is met.

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

If, for any reason, the exemption referred to above ceases to apply, interest payments may still be made free of withholding tax provided that:

(a) the Issuer remains a "qualifying company" as defined in Section 110 of the TCA and the Noteholder is a person which is resident in a Relevant Territory, and, where the recipient is a body corporate, the

interest is not paid to it in connection with a trade or business carried on by it in Ireland through a branch or agency. The test of residence is determined by reference to the law of the Relevant Territory in which the Noteholder claims to be resident. The Issuer must be satisfied that the terms of the exemption are satisfied; and

(b) one of the following conditions is satisfied:

(i) the Noteholder is a pension fund, government body or other person (which satisfies paragraph 1(c)(iii) above), which is resident in a Relevant Territory and which, under the laws of that territory, is exempted from tax that corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains in that territory; or

(ii) the interest is subject, without any reduction computed by reference to the amount of such interest, to a tax in a Relevant Territory which corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains received in that territory, by persons, from sources outside that territory.

3. Deductibility of Interest

New rules contained in the Finance Act 2016 restrict deductibility of interest paid by a qualifying company (such as the Issuer) that is profit dependent or exceeds a reasonable commercial return, to the extent that the interest is associated with the business of a qualifying company of holding "specified mortgages", subject to a number of exceptions. A "specified mortgage" for this purpose is (a) a loan which is secured on, and which derives its value from, or the greater part of its value from, directly or indirectly, Irish land, (b) a 'specified agreement' (effectively a profit dependent derivative) which derives all of its value, or the greater part of its value, directly or indirectly, from Irish land or a loan to which (a) applies, (c) the portion of a specified security (essentially a security in respect of which, if the Finance Act 2016 rules did not apply to payments on that security would be deductible under section 110 of the TCA), which is attributable to the specified property business in accordance with the new rules, or (d) units in an IREF (being a specific form of investment undertaking within the meaning of Chapter 1B of Part 27 of the TCA).

The legislation treats the holding of such specified mortgages as a separate business to the rest of the qualifying company's activities. The qualifying company is taxed on any profit that is attributable to that business at 25 per cent. and any such interest that is profit dependent or exceeds a reasonable commercial return is not deductible, subject to a number of exceptions, and potentially subject to Irish withholding tax at 20 per cent.

There is a specific carve out from the new legislation in respect of CLO transactions, provided the transaction is carried out in conformity with:

(a) a prospectus, within the meaning of the Prospectus Directive;

(b) listing particulars, where any securities issued by the qualifying company are listed on an exchange, other than the main exchange, of an EU or EEA Member State other than Ireland ("**relevant Member State**"); or

(c) where the securities issued by the qualifying company will not be listed on an exchange in Ireland or a relevant Member State, legally binding documents

that

(i) may provide for a warehousing period, which for the purposes of this subsection means a period not exceeding 3 years during which time the qualifying company is preparing to issue securities; and

(ii) provide for investment eligibility criteria that govern the type and quality of assets to be acquired,

and where, based on the documents referred to in paragraphs (a) to (c) and the activities of the qualifying company, it would not be reasonable to consider that the main purpose, or one of the main purposes, of the qualifying company was to acquire specified mortgages.

On the basis of the above, the Refinancing Notes are not profit dependent and do not exceed a reasonable commercial return. Accordingly, the new rules in the Finance Act 2016 should not apply to this transaction. Even if that were not the case, as, on the basis of the above, upon approval by and filing with the Irish Stock Exchange, this Prospectus will constitute listing particulars as per (b) above (see above) and provided that neither the Issuer nor the Investment Manager has as its main purpose, or one of its main purposes, the acquisition of 'specified mortgages' within the meaning of Section 110 of the TCA, the new rules in the Finance Act 2016 should not apply to this transaction. Further, provided that the Issuer does not hold or manage any specified mortgages within the meaning of Section 110 of the TCA, the new rules should not apply to this transaction.

Encashment Tax

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

Income Tax, PRSI and Universal Social Charge

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

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

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

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

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

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

Interest on the Refinancing Notes which does not fall within the above exemptions is within the charge to income tax, and, in the case of Noteholders who are individuals, the charge to the universal social charge. In the past the

Irish Revenue Commissioners have not pursued liability to income tax in respect of persons who are not regarded as being resident in Ireland except where such persons have a taxable presence of some sort in Ireland or seek to claim any relief or repayment in respect of Irish tax. However, there can be no assurance that the Irish Revenue Commissioners will apply this treatment in the case of any Noteholder.

Capital Gains Tax

A Noteholder will not be subject to Irish tax on capital gains on a disposal of Refinancing Notes unless (i) such Noteholder is either resident or ordinarily resident in Ireland, (ii) such Noteholder carries on a trade or business in Ireland through a branch or agency in respect of which the Refinancing Notes were used or held or (iii) the Refinancing Notes cease to be listed on a stock exchange in circumstance where the Refinancing Notes derive their value or more than 50 per cent. of their value from Irish real estate, mineral rights or exploration rights.

Capital Acquisitions Tax

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

Stamp Duty

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

4. United States Federal Income Taxation

The information appearing in this section replaces in its entirety the section entitled "Tax Considerations – United States Federal Income Taxation" in the 2015 Prospectus.

In General

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

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

- an individual who is a citizen or a resident of the United States, for U.S. federal income tax purposes;
- a corporation (or other entity that is treated as a corporation for U.S. federal tax purposes) that is created or organised in or under the laws of the United States, any State thereof, or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over its administration, and one or more United States persons have the authority to control all of its substantial decisions.

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

- a nonresident alien individual for U.S. federal income tax purposes;
- a foreign corporation for U.S. federal income tax purposes;
- an estate whose income is not subject to U.S. federal income tax on a net income basis; or
- a trust if no court within the United States is able to exercise primary jurisdiction over its administration or if no United States persons have the authority to control all of its substantial decisions.

An individual may, subject to certain exceptions, be deemed to be a resident of the United States for U.S. federal income tax purposes by reason of being present in the United States for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three-year period ending in the current calendar year (counting for such purposes all of the days present in the current year, one-third of the days present in the immediately preceding year, and one-sixth of the days present in the second preceding year).

This summary is based on interpretations of the Internal Revenue Code of 1986, as amended (the "**Code**"), regulations issued thereunder, and rulings and decisions currently in effect (or in some cases proposed), all of which are subject to change. Any such change may be applied retroactively and may adversely affect the federal income tax consequences described herein. This summary addresses only holders that purchase Refinancing Notes for cash at initial issuance (and at their issue price) and beneficially own such Notes as capital assets and not as part of a "straddle," "hedge," "synthetic security" or a "conversion transaction" for federal income tax purposes, or as part of some other integrated investment. This summary does not discuss all of the tax consequences (such as any alternative minimum tax consequences) that may be relevant to particular investors or to investors subject to special treatment under the federal income tax laws (such as banks, thrifts, or other financial institutions; insurance companies; securities dealers or brokers, or traders in securities electing mark-to-market treatment; mutual funds or real estate investment trusts; small business investment companies; S corporations; partnerships or investors that hold their Refinancing Notes through a partnership or other entity treated as a partnership for U.S. federal income tax purposes; investors whose functional currency is not the U.S. dollar; certain former citizens or residents of the United States; retirement plans or other tax-exempt entities, or persons holding the Refinancing Notes in tax-deferred or tax-advantaged accounts; or "controlled foreign corporations" or "passive foreign investment companies" for U.S. federal income tax purposes). This summary does not address the tax treatment of a Contribution or the tax consequences to a Contributor. This summary also does not address the tax consequences to shareholders, or other equity holders in, or beneficiaries of, a holder of Refinancing Notes, or any state, local or foreign tax consequences of the purchase, ownership or disposition of the Refinancing Notes. Finally, this summary does not address holders of the Refinanced Notes that are acquiring Refinancing Notes.

PROSPECTIVE PURCHASERS OF REFINANCING NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE U.S. FEDERAL, STATE AND LOCAL TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF REFINANCING NOTES, AS WELL AS ANY CONSEQUENCES ARISING UNDER THE LAWS OF ANY OTHER TAXING JURISDICTION TO WHICH THEY MAY BE SUBJECT.

U.S. Federal Tax Treatment of the Issuer

The Issuer is treated as a foreign corporation for U.S. federal income tax purposes. On the Original Closing Date, the Issuer received an opinion of Cadwalader Wickersham & Taft LLP to the effect that, although no activity closely comparable to that contemplated by the Issuer has been the subject of any Treasury regulation, revenue ruling or judicial decision, if the Issuer and the Investment Manager comply with the Trust Deed and the Investment Management and Collateral Administration Agreement, including certain tax guidelines referenced therein (the "**Tax Guidelines**"), and certain other assumptions specified in the opinion are satisfied, the Issuer will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes under current law. Failure of the Issuer or the Investment Manager to comply with the Tax Guidelines, the Trust Deed or the Investment Management and Collateral Administration Agreement may not give rise to a default or a Note Event of Default under the Trust Deed or an Event of Default under the Investment Management and Collateral Administration Agreement and may not give rise to a claim against the Issuer or the Investment Manager. In the event of such a failure, the Issuer could be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes. In addition, the Tax Guidelines permit the Issuer (or the Investment Manager acting on its behalf) to receive advice from nationally recognised U.S. tax counsel to the effect that any changes in its structure and operations will not cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. The opinion of Cadwalader, Wickersham & Taft LLP assumes the correctness of any such advice. The opinion of Cadwalader, Wickersham & Taft LLP is not binding on the IRS or the courts. Moreover, a change in law or its interpretation could result in the Issuer being treated as engaged in a trade or business in the United States for federal income tax purposes, or otherwise subject to U.S. federal income tax on a net income basis (notwithstanding that the Investment Manager is acting in accordance with the Tax Guidelines). Finally, the Trust Deed could be amended in a manner that permits or causes the Issuer to be engaged in a trade or business in the United States for U.S. federal income tax purposes.

If it were determined that the Issuer is engaged in a trade or business in the United States for U.S. federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer would be subject under the Code to the regular U.S. corporate income tax on such effectively connected

taxable income (computed possibly without any allowance for deductions) and possibly to a 30% branch profits tax as well. The imposition of such a tax liability could materially adversely affect the Issuer's ability to make payments on the Refinancing Notes. Prospective purchasers of Refinancing Notes should be aware that there will not be a new tax opinion issued on the Refinancing Date with regard to whether the Issuer was or will be engaged in a trade or business within the United States for U.S. federal income tax purposes. The balance of this summary assumes that the Issuer is not subject to U.S. federal income tax on its net income.

U.S. Federal Tax Treatment of the Refinancing Notes

Upon the issuance of the Refinancing Notes, the Issuer will receive an opinion of Cadwalader, Wickersham & Taft LLP to the effect that, based on certain assumptions, the Class A Notes, Class B Notes, Class C Notes, and Class D Notes will be treated, and the Class E Notes should be treated, as indebtedness for U.S. federal income tax purposes. The Issuer intends to treat each Class of the Refinancing Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes. The Issuer's characterisations will be binding on all Noteholders, and the Trust Deed requires the Noteholders to treat the Refinancing Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that one or more Classes of Refinancing Notes are equity in the Issuer. If any Refinancing Notes were treated as equity in, rather than debt of, the Issuer for U.S. federal income tax purposes, then the holders of those Refinancing Notes would be subject to the special and potentially adverse U.S. tax rules applicable to U.S. equity owners in PFICs. See "*– Possible treatment of Class E Notes as Equity for U.S. Federal Tax Purposes*" below. Except as otherwise indicated, the balance of this summary assumes that all of the Refinancing Notes are treated as debt of the Issuer for U.S. federal, state and local income and franchise tax purposes. Prospective investors in the Refinancing Notes should consult their tax advisors regarding the U.S. federal, state and local income and franchise tax consequences to the Refinancing Notes and the Issuer in the event such Refinancing Notes are treated as equity in the Issuer.

The Trust Deed could be amended in a manner that materially adversely affects the U.S. federal tax consequences of an investment in the Refinancing Notes as described herein, including by affecting the U.S. federal income tax characterisation of the Refinancing Notes as indebtedness or equity or changing the characterisation and timing of income inclusions to U.S. Holders in respect of the Refinancing Notes. The remainder of this discussion and the tax opinion of Cadwalader, Wickersham & Taft LLP assume that the Trust Deed is not so amended.

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

Class A Notes and Class B Notes

Stated Interest. U.S. Holders of Class A Notes or Class B Notes will include in gross income the U.S. dollar value of payments of stated interest accrued or received on their Notes, in accordance with their usual method of tax accounting, as ordinary interest income.

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

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

Accrual basis U.S. Holders of Class A Notes or Class B Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class A Notes or Class B Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of such payments when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Sale, Exchange or Retirement. In general, a U.S. Holder will have a basis in its Note equal to the U.S. dollar value of the cost of such Note (based, in the case of a Class A Note or a Class B Note, on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired, or the settlement date for the purchase of the Note if the Note is treated under applicable Treasury regulations as a security traded on an established securities market and the U.S. Holder either uses the cash method of accounting, or uses the accrual method of accounting and so elects (which election must be applied consistently from year to year)), reduced by the U.S. dollar value of payments of principal on such Note (based, in the case of a Class A Note or a Class B Note, on the euro-to-U.S. dollar spot exchange rate on the date any such payments were received).

A U.S. Holder will generally recognise foreign currency exchange gain or loss on the receipt of any principal payments on a Class A Note or Class B Note prior to a sale, exchange, or retirement of such Note to the extent that the U.S. dollar value of each such principal payment (based on the euro-to-U.S. dollar spot exchange rate on the date any such payment was received) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

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

Class C Notes, Class D Notes and Class E Notes

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

A U.S. Holder of Class C Notes, Class D Notes or Class E Notes will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting). Accruals of any such OID generally will be made using a constant yield method, based on the weighted average life of the applicable Class rather than their stated maturity, possibly with periodic adjustments to reflect the difference between (x) the prepayment assumption under which the weighted average life was calculated and (y) actual prepayments on the Collateral Debt Obligations. Accruals of OID on the Class C Notes, the Class D Notes and the Class E Notes will be calculated by assuming that interest will be paid over the life of the applicable Class based on the value of EURIBOR used in setting the interest rate for the first Payment Date, and then adjusting the accrual for each subsequent Payment Date based on the difference between the value of EURIBOR used in setting interest for that subsequent Payment Date and the assumed rate. It is possible, however, that the IRS could assert, and a court could ultimately hold, that some other method of accruing OID on the Class C Notes, the Class D Notes and the Class E Notes should apply.

U.S. Holders of Class C Notes, Class D Notes or Class E Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Refinancing Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of the corresponding amounts of OID when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Sale, Exchange or Retirement. In general, a U.S. Holder of Class C Notes, Class D Notes or Class E Notes will have a basis in such Note equal to the U.S. dollar value of the cost of such Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired, or the settlement date for the purchase of the Note if the Note is treated under applicable Treasury regulations as a security traded on an established securities market and the U.S. Holder either uses the cash method of accounting, or uses the accrual method of accounting and so elects (which election must be applied consistently from year to year)), (i) increased by any amount includable in income by such U.S. Holder as OID (as described above), and (ii) reduced by the U.S. dollar value of any payments received on such Note (based on the euro-to-U.S. dollar spot exchange rate on the date any such payments were received).

A U.S. Holder will generally recognise foreign currency exchange gain or loss on the receipt of any principal payments on a Class C Note, Class D Note or Class E Note prior to a sale, exchange, or retirement of such Note to the extent that the U.S. dollar value of each such principal payment (based on the euro-to-U.S. dollar spot exchange rate on the date any such payment was received) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

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

Alternative Characterisation

It is possible that the Refinancing Notes could be treated as "contingent payment debt instruments" for U.S. federal income tax purposes. In this event, the timing of a U.S. Holder's OID inclusions could differ from that described above and any gain recognised on the sale, exchange, or retirement of such Refinancing Notes would be treated as ordinary income and not as capital gain.

Receipt of Euro

U.S. Holders will have a tax basis in any euro received in respect of the Refinancing Notes on a sale, redemption, or other disposition of the Refinancing Notes equal to the U.S. dollar value of the euro on that date. Any gain or loss recognised on a sale, exchange, or other disposition of those euro generally will be ordinary income or loss. A U.S. Holder that converts the euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

Possible Treatment of Class E Notes as Equity for U.S. Federal Tax Purposes

As described above under "*U.S. Federal Tax Treatment of the Refinancing Notes*", the Issuer intends to treat the Class E Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes, and the Trust Deed requires Noteholders to treat the Class E Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that the Class E Notes are equity in the Issuer for U.S. federal income tax purposes.

If the Class E Notes are treated as equity in the Issuer, because the Issuer will be a passive foreign investment company (a "**PFIC**") for U.S. federal income tax purposes, the U.S. dollar value of gain on the sale of the Class E

Notes could be treated as ordinary income and subject to an additional tax in the nature of interest, and the U.S. dollar value of certain interest on such Refinancing Notes could be subject to the additional tax. A U.S. Holder of such Refinancing Notes might be able to avoid the ordinary income treatment and additional tax by writing "Protective QEF Election" on the top of an IRS Form 8621, filling out the form, checking Box A (Election to Treat the PFIC as a QEF) and filing the form with the IRS with respect to their Class E Notes, or by filing a protective statement with the IRS preserving the U.S. Holder's ability to elect retroactively to treat the Issuer as a "qualified electing fund" (a "**QEF**") and so electing at the appropriate time. The Issuer will provide, upon request, all information and documentation that a U.S. Holder is required to obtain for U.S. federal income tax purposes in order to make and maintain a "protective" QEF election. If the Class E Notes are treated as equity, a U.S. Holder will also be required to file an annual PFIC report.

If the Issuer holds any Collateral Debt Obligations that are treated as equity in a foreign corporation for U.S. federal income tax purposes, and if the Class E Notes are treated as equity in the Issuer, U.S. Holders of Class E Notes could be treated as owning an indirect equity interest in a PFIC or a controlled foreign corporation ("**CFC**") and could be subject to certain adverse tax consequences. In particular, a U.S. Holder of an indirect equity interest in a PFIC is treated as owning the PFIC directly. The U.S. Holder, and not the Issuer, would be required to make a QEF election with respect to each indirect interest in a PFIC. However, certain PFIC information statements are necessary for U.S. Holders that have made QEF elections, and there can be no assurance that the Issuer can obtain such statements from a PFIC. Thus, there can be no assurance that a U.S. Holder would be able to make the election with respect to any indirectly held PFIC.

In addition, if the Class E Notes represent equity in the Issuer for U.S. federal income tax purposes, a U.S. Holder of such Refinancing Notes would be required to file an IRS Form 926 with the IRS if (i) such person is treated as owning, directly or by attribution, immediately after the U.S. Holder's purchase of Refinancing Notes, at least 10 per cent. by value of the Issuer or (ii) the amount of cash transferred by such person (or any related person) to the Issuer during the 12-month period ending on the date of such purchase exceeds $100,000. U.S. Holders may wish to file a "protective" IRS Form 926 with respect to their Class E Notes.

Finally, if the Class E Notes represent equity in the Issuer, a U.S. Holder of such Refinancing Notes will be required to file an IRS Form 5471 with the IRS if the U.S. Holder is treated as owning (actually or constructively) at least 10 per cent. by value of the equity of the Issuer for U.S. federal income tax purposes, and may be required to provide additional information regarding the Issuer annually on IRS Form 5471 if the U.S. Holder is treated as owning (actually or constructively) more than 50 per cent. by value of the equity of the Issuer for U.S. federal income tax purposes. U.S. Holders may wish to file a "protective" IRS Form 5471 with respect to their Class E Notes.

U.S. Holders that fail to comply with these reporting requirements may be subject to adverse tax consequences, including a "tolling" of the statute of limitations with respect to their U.S. tax returns. Prospective U.S. Holders of Class E Notes should consult with their tax advisers regarding whether to make protective filings of IRS Forms 8621, 926 and 5471 with respect to such Refinancing Notes and the consequences to them if the Class E Notes are treated as equity in the Issuer.

Specified Foreign Financial Asset Reporting

Certain U.S. Holders may be subject to reporting obligations with respect to their Refinancing Notes if they do not hold their Refinancing Notes in an account maintained by a financial institution and the aggregate value of their Refinancing Notes and certain other "specified foreign financial assets" (applying certain attribution rules) exceeds $50,000. Significant penalties can apply if a U.S. Holder is required to disclose its Refinancing Notes and fails to do so.

3.8 per cent. Medicare Tax on "Net Investment Income"

U.S. Holders that are individuals or estates and certain trusts are subject to an additional 3.8 per cent. tax on all or a portion of their "net investment income," or "undistributed net investment income" in the case of an estate or trust, which may include any income or gain with respect to the Refinancing Notes, to the extent of their net investment income or undistributed net investment income (as the case may be) that, when added to their other modified adjusted gross income, exceeds $200,000 for an unmarried individual, $250,000 for a married taxpayer filing a joint return (or a surviving spouse), $125,000 for a married individual filing a separate return, or the dollar amount at which the highest tax bracket begins for an estate or trust (which, in 2017, is $12,500). The 3.8 per cent. Medicare tax is determined in a different manner than the regular income tax U.S. Holders should consult their advisors with respect to the 3.8 per cent. Medicare tax.

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

In general, payments on the Refinancing Notes to a Non-U.S. Holder that provides appropriate tax certifications to the Issuer and gain realised on the sale, exchange or retirement of the Refinancing Notes by the Non-U.S. Holder will not be subject to U.S. federal income or withholding tax unless (i) such income is effectively connected with a trade or business conducted by such Non-U.S. Holder in the United States, or (ii) in the case of gain, such Non-U.S. Holder is a nonresident alien individual who holds the Refinancing Notes as a capital asset and is present in the United States for more than 182 days in the taxable year of the sale and certain other conditions are satisfied.

Information Reporting and Backup Withholding

Under certain circumstances, the Code requires "information reporting" annually to the IRS and to each holder, and "backup withholding", with respect to certain payments made on or with respect to the Refinancing Notes. Backup withholding will apply to a U.S. Holder only if the U.S. Holder (i) fails to furnish its Taxpayer Identification Number ("**TIN**") which, for an individual, would be his or her Social Security Number, (ii) furnishes an incorrect TIN, (iii) is notified by the IRS that it has failed to properly report payments of interest and dividends, or (iv) under certain circumstances, fails to certify, under penalties of perjury, that it has furnished a correct TIN and has not been notified by the IRS that it is subject to backup withholding for failure to report interest and dividend payments. The exemption generally is available to U.S. Holders that provide a properly completed IRS Form W-9.

A Non-U.S. Holder that provides an applicable IRS Form W-8, together with all appropriate attachments, signed under penalties of perjury, identifying the Non-U.S. Holder and stating that the Non-U.S. Holder is not a United States person, will not be subject to IRS reporting requirements and U.S. backup withholding.

Information reporting and backup withholding may apply to the proceeds of a sale of Refinancing Notes made within the United States or conducted through certain U.S. related financial intermediaries, unless the payor receives the statement described above or the Non-U.S. Holder otherwise establishes an exemption.

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

FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income, and on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and Ireland, the Issuer will not be subject to withholding under FATCA if it complies with Irish implementing regulations that require the Issuer to provide the name, address and taxpayer identification number of, and certain other information with respect to, certain holders of Refinancing Notes to the Office of the Revenue Commissioners of Ireland, which would then provide this information to the IRS. The Issuer shall use reasonable best efforts to comply with the intergovernmental agreement and these regulations; however, there can be no assurance that the Issuer will be able to do so. Moreover, the intergovernmental agreement or the Irish implementing regulations could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

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

Future Legislation and Regulatory Changes Affecting Holders of Refinancing Notes

Future legislation, regulations, rulings or other authority could affect the federal income tax treatment of the Issuer and holders of Refinancing Notes. The Issuer cannot predict whether and to what extent any such legislative or administrative changes could change the tax consequences to the Issuer and to the holders of Refinancing Notes.

Prospective investors should consult their tax advisors regarding possible legislative and administrative changes and their effect on the federal tax treatment of the Issuer and their investment in the Refinancing Notes.

ADDITIONAL ERISA CONSIDERATIONS

In addition to the ERISA considerations described in the 2015 Prospectus under "*Certain ERISA Considerations*", each purchaser and transferee of any Note or interest therein that is a Benefit Plan Investor shall be required or deemed to represent and warrant to the Issuer, on each day from the date on which such beneficial owner acquires such Note or interest therein through and including the date on which it disposes of such Note or interest therein, and at any time when regulation 29 C.F.R. Section 2510.3-21, as modified in 2016, is applicable, that the fiduciary making the decision to invest in the Notes on its behalf (the "**Independent Fiduciary**") (a) is a bank, insurance company, registered investment adviser, broker-dealer or other person with financial expertise, in each case as described in 29 C.F.R. Section 2510.3-21(c)(1)(i); (b) is an independent plan fiduciary within the meaning of 29 C.F.R. Section 2510.3-21(c); (c) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies; (d) is responsible for exercising independent judgment in evaluating the acquisition, holding and disposition of the Notes; and (e) neither the Benefit Plan Investor nor the Independent Fiduciary is paying or has paid any fee or other compensation to any of the Issuer, the Sole Arranger, the Initial Purchaser, the Sole Arranger, the Trustee, the Investment Manager or the Collateral Administrator for investment advice (as opposed to other services) in connection with its acquisition or holding of the Notes. In addition, each such purchaser or transferee will be required or deemed to acknowledge and agree that the Independent Fiduciary (x) has been informed that none of the Issuer, the Sole Arranger, the Initial Purchaser, the Sole Arranger, the Trustee, the Investment Manager or the Collateral Administrator, or other persons that provide marketing services, nor any of their Affiliates, has provided, and none of them will provide, impartial investment advice and they are not giving any advice in a fiduciary capacity, in connection with the purchaser or transferee's acquisition or holding of the Notes and (y) has received and understands the disclosure of the existence and nature of the financial interests contained in the prospectus and related materials. The term "Benefit Plan Investor" includes: (a) an employee benefit plan (as defined in Section 3(3) of ERISA) that is subject to Part 4 of Title I of ERISA, (b) a plan subject to Section 4975 of the Code or (c) an entity whose underlying assets include "plan assets" by reason of any such employee benefit plan or plan's investment in the entity.

PLAN OF DISTRIBUTION

This Plan of Distribution should be read in conjunction with the "Plan of Distribution" in the 2015 Prospectus.

Barclays Bank PLC (in its capacity as initial purchaser, the "**Initial Purchaser**") has agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe and pay for each Class of the Refinancing Notes pursuant to the 2017 Subscription Agreement. The 2017 Subscription Agreement entitles the Initial Purchaser to terminate it in certain circumstances prior to payment being made to the Issuer. The Initial Purchaser may offer the Notes at other prices in privately negotiated transactions at the time of sale.

It is a condition of the issue of the Refinancing Notes of each Class that the Refinancing Notes of each other Class be issued in the following principal amounts: Class A-1 Notes: €200,500,000, Class A-2 Notes €5,000,000, Class B-1 Notes: €39,200,000, Class B-2 Notes: €7,000,000, Class C Notes: €18,000,0000, Class D Notes: €18,600,000 and Class E Notes: €25,200,000.

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

The Refinancing Notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. Persons or to U.S. Residents except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and in the manner so as not to require the registration of the Issuer as an "investment company" pursuant to the Investment Company Act.

The Issuer has been advised that the Initial Purchaser proposes to resell the Refinancing Notes (a) to non-U.S. Persons in offshore transactions in reliance on Regulation S and in accordance with applicable law and (b) to U.S. Persons (directly or through its U.S. broker dealer Affiliate) in reliance on Rule 144A only to or for their own account or for the accounts of, in each case, QIBs/QPs.

The Refinancing Notes sold in reliance on Regulation S will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The Refinancing Notes sold in reliance on Rule 144A will be issued in minimum denominations of €250,000 each and integral multiples of €1,000 in excess thereof. Any offer or sale of Rule 144A Notes in reliance on Rule 144A will be made by broker dealers who are registered as such under the Exchange Act.

The Initial Purchaser and Sole Arranger has acknowledged and agreed that it will not offer, sell or deliver any Regulation S Notes to, or for the account or benefit of, any U.S. Person or U.S. Resident as part of their distribution at any time and that it will send to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Regulation S Notes a confirmation or other notice setting forth the prohibition on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, any U.S. Person or U.S. Resident.

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

The Initial Purchaser, which is authorised and regulated by the Financial Conduct Authority has also agreed to comply with the selling restrictions set out in the 2015 Prospectus and the following selling restrictions:

(a) *Ireland*: The Initial Purchaser has represented and warranted that it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the issue of any Refinancing Notes in Ireland otherwise than in conformity with:

(i) the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended, the "**MiFID Regulations**"), including, without limitation, Regulations 7 (*Authorisation*) and 152 (*Restrictions on advertising*) thereof, any codes of conduct made under

the MiFID Regulations, and the provisions of the Investor Compensation Act 1998 (as amended);

(ii) the Companies Act 2014 (as amended, the "**Companies Act**"), the Central Bank Acts 1942-2015 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended);

(iii) the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued by the Central Bank of Ireland (the "**Central Bank**") under Section 1363 of the Companies Act; and

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

(b) United States of America:

State of Georgia:

The Refinancing Notes have been issued or sold by the Initial Purchaser in reliance on paragraph (14) of Code Section 10-5-11 of the Georgia Securities Act of 2006, as amended, 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.

INDEX OF DEFINED TERMS

ANNEX A
2015 PROSPECTUS

IMPORTANT NOTICE

You must read the following disclaimer before continuing

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

THIS PROSPECTUS IS NOT A PROSPECTUS FOR THE PURPOSES OF ARTICLE 5 OF EU DIRECTIVE 2003/71/EC (AS AMENDED), THE PROSPECTUS (DIRECTIVE 2003/71/EC) REGULATION 2005 (AS AMENDED) OF IRELAND, OR ANY IMPLEMENTING LEGISLATION OR RULES RELATING THERETO, IT IS AN ADVERTISEMENT AND ACCORDINGLY INVESTORS SHOULD NOT SUBSCRIBE FOR NOTES EXCEPT ON THE BASIS OF INFORMATION IN THE FINAL PROSPECTUS. COPIES OF THE FINAL PROSPECTUS WILL, FOLLOWING PUBLICATION, BE AVAILABLE FROM THE REGISTERED OFFICE OF ADAGIO IV CLO LIMITED SPECIFIED AT THE END OF THIS DOCUMENT AND THE WEBSITE OF THE IRISH STOCK EXCHANGE.

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

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

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

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

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

and any customers you represent and (3) that you consent to delivery of the document by electronic transmission.

The document has been sent to you in the belief that you are (a) a person in member states of the European Economic Area ("**EEA**") that is a "qualified investor" within the meaning of Article 2(1)(e) of EU Directive 2003/71/EC ("**Qualified Investor**"), (b) in the United Kingdom ("**UK**"), a Qualified Investor of the kind described in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or who otherwise falls within an exemption set forth in such Order so that section 21(1) of the Financial Services and Markets Act 2000 (as amended and including the Financial Services Act 2012) does not apply to the Issuer and (c) a person to whom the document can be sent lawfully in accordance with all other applicable securities laws. If this is not the case then you must return the document immediately.

The document has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of Adagio IV CLO Limited, J.P. Morgan Securities plc or AXA Investment Managers, Inc. (or any person who controls any of them or any director, officer, employee or agent of any of them, or affiliate of any of them or of any such person) accepts any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the hard copy version available to you on request from us.

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

Restrictions: Nothing on this electronic transmission constitutes an offer of securities for sale in the United States or any other jurisdiction. Any securities to be issued will not be registered under the Securities Act and may not be offered or sold in the United States or to or for the account or benefit of any U.S. person (as such terms are defined in Regulation S under the Securities Act) unless registered under the Securities Act or pursuant to an exemption from such registration.

This Prospectus may not be used for and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or purchase Notes. This document is an advertisement and does not comprise a prospectus for the purposes of EU Directive 2003/71/EC, the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) of Ireland, or any legislation or rules in any jurisdiction implementing such Directive.

Adagio IV CLO Limited

(a private limited company incorporated under the laws of Ireland, under company number 560032)

€200,500,000 Class A-1 Senior Secured Floating Rate Notes due 2029
€5,000,000 Class A-2 Senior Secured Fixed Rate Notes due 2029
€39,200,000 Class B-1 Senior Secured Floating Rate Notes due 2029
€7,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2029
€18,000,000 Class C Deferrable Mezzanine Floating Rate Notes due 2029
€18,600,000 Class D Deferrable Mezzanine Floating Rate Notes due 2029
€25,200,000 Class E Deferrable Junior Floating Rate Notes due 2029
€11,700,000 Class F Deferrable Junior Floating Rate Notes due 2029
€37,100,000 Subordinated Notes due 2029

The assets securing the Notes will consist predominantly of a portfolio of Secured Senior Loans and Secured Senior Bonds, Mezzanine Obligations, Corporate Rescue Loans and High Yield Bonds managed by AXA Investment Managers, Inc. (the "**Investment Manager**").

Adagio IV CLO Limited (the "**Issuer**") will issue the Class A-1 Notes, the Class A-2 Notes (the Class A-1 Notes together with the Class A-2 Notes, the "**Class A Notes**"), the Class B-1 Notes, the Class B-2 Notes (the Class B-1 Notes together with the Class B-2 Notes, the "**Class B Notes**"), the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes (each as defined herein).

The Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (such Classes of Notes, the "**Rated Notes**") together with the Subordinated Notes are collectively referred to herein as the "**Notes**". The Notes will be issued and secured pursuant to a trust deed as amended, supplemented and/or restated from time to time (the "**Trust Deed**") dated on or about 8 September 2015 (the "**Issue Date**"), made between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited, in its capacity as trustee (the "**Trustee**"). The Notes will initially be offered at the prices specified herein or such other prices as may be negotiated at the time of sale.

Interest on the Notes will be payable quarterly in arrear on 15 April, 15 July, 15 October and 15 January prior to the occurrence of a Frequency Switch Event (as defined herein) and semi-annually in arrear on 15 April and 15 October (where the Payment Date (as defined herein) immediately prior to the occurrence of a Frequency Switch Event falls in either April or October) or 15 January and 15 July (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either January or July) following the occurrence of a Frequency Switch Event (or, in each case, if such day is not a Business Day (as defined herein), then on the next succeeding Business Day (unless it would fall in the following month, in which case it shall be moved to the immediately preceding Business Day)) in each year, commencing on 15 April 2016 and ending on the Maturity Date (as defined below) in accordance with the Priorities of Payments described herein.

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

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

*This document constitutes the listing particulars (the "**Listing Particulars**") in respect of the admission of the Notes to the Official List (as defined below) and to trading on the Global Exchange Market of the Irish Stock Exchange.*

The Prospectus does not constitute a prospectus for the purposes of Article 5 of Directive 2003/71/EC (as such directive may be amended from time to time, the "**Prospectus Directive**"). The Issuer is not offering the Notes in any jurisdiction in circumstances that would require a prospectus to be prepared pursuant to the Prospectus Directive. Application will be made to The Irish Stock Exchange plc (the "**Irish Stock Exchange**") for the Notes to be admitted to the official list (the "**Official List**") and trading on the Global Exchange Market of the Irish Stock Exchange (the "**Global Exchange Market**") which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of Directive 2004/39/EC. There can be no assurance that any such approval will be granted or, if granted, that such listing will be maintained. Application will be made to the Irish Stock Exchange to approve this document as Listing Particulars.

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

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") AND WILL BE OFFERED ONLY: (A) OUTSIDE THE UNITED STATES TO NON-

U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")); AND (B) WITHIN THE UNITED STATES TO PERSONS AND OUTSIDE THE UNITED STATES TO U.S. PERSONS (AS SUCH TERM IS DEFINED IN REGULATION S ("**U.S. PERSONS**")), IN EACH CASE, WHO ARE BOTH QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT AND QUALIFIED PURCHASERS FOR THE PURPOSES OF SECTION 3(C)(7) OF THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE ISSUER WILL NOT BE REGISTERED UNDER THE INVESTMENT COMPANY ACT. INTERESTS IN THE NOTES WILL BE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER, AND EACH PURCHASER OF NOTES OFFERED HEREBY IN MAKING ITS PURCHASE WILL BE REQUIRED TO OR DEEMED TO HAVE MADE CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS AND AGREEMENTS. SEE "*PLAN OF DISTRIBUTION*" AND "*TRANSFER RESTRICTIONS*".

The Notes (other than the Retention Notes) will be offered by the Issuer through J.P. Morgan Securities plc in its capacity as placement agent of the offering of such Notes (the "**Placement Agent**") subject to prior sale, when, as and if delivered to and accepted by the Placement Agent, and to certain conditions. It is expected that delivery of the Notes will be made on or about the Issue Date. The Placement Agent may offer the Notes at prices as may be negotiated at the time of sale which may vary among different purchasers. The Retention Notes to be held by the Retention Holder shall be purchased directly from the Issuer by the Retention Holder.

J.P. Morgan
as Placement Agent

The date of this Prospectus is 7 September 2015

The Issuer accepts responsibility for the information contained in this document and to the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Investment Manager accepts responsibility for the information contained in the sections of this document headed "Risk Factors—Relating to certain Conflicts of Interest—Investment Manager", "The Investment Manager" and "Description of the Investment Management and Collateral Administration Agreement – Cross Transactions, Principal Transactions and Conflicts of Interest". To the best of the knowledge and belief of the Investment Manager (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Bank of New York Mellon acting through its London Branch in its capacity as Calculation Agent, Principal Paying Agent, Account Bank and Custodian accepts responsibility for the information contained in the section of this document headed "The Calculation Agent, Principal Paying Agent, Account Bank and Custodian". To the best of the knowledge and belief of The Bank of New York Mellon acting through its London Branch in its capacity as Calculation Agent, Principal Paying Agent, Account Bank and Custodian (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Bank of New York Mellon S.A./N.V. acting through its Dublin Branch in its capacity as Collateral Administrator and the Information Agent accepts responsibility for the information contained in the section of this document headed "The Collateral Administrator and the Information Agent". To the best of the knowledge and belief of The Bank of New York Mellon S.A./N.V. acting through its Dublin Branch in its capacity as Collateral Administrator and the Information Agent (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Investment Manager in its capacity as the Retention Holder accepts responsibility for the information contained in the sections of this document headed "The Retention Holder and Retention Requirements – Description of the Retention Holder", "The Retention Holder and Retention Requirements – Origination Procedures" and "The Retention Holder and Retention Requirements – The Retention – Background". To the best of the knowledge and belief of the Investment Manager in its capacity as the Retention Holder (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Except for the sections of this document headed "Risk Factors—Relating to certain Conflicts of Interest—Investment Manager", "The Investment Manager" and "Description of the Investment Management and Collateral Administration Agreement – Cross Transactions, Principal Transactions and Conflicts of Interest" in the case of the Investment Manager, "The Calculation Agent, Principal Paying Agent, Account Bank and Custodian" in the case of The Bank of New York Mellon acting through its London Branch, "The Collateral Administrator and the Information Agent" in the case of The Bank of New York Mellon S.A./N.V. acting through its Dublin Branch and "The Retention Holder and Retention Requirements – Description of the Retention Holder", "The Retention Holder and Retention Requirements – Origination Procedures" and "The Retention Holder and Retention Requirements – The Retention – Background" in the case of the Investment Manager in its capacity as the Retention Holder, none of the Investment Manager, the Collateral Administrator, the Agents or the Retention Holder accept any responsibility for the accuracy and completeness of any information contained in this Prospectus. The delivery of this Prospectus at any time does not imply that the information herein is correct at any time subsequent to the date of this Prospectus.

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

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

*This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Placement Agent or any of its Affiliates, the Investment Manager, the Collateral Administrator or any other person to subscribe for or purchase any of the Notes. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Placement Agent to inform themselves about and to observe any such restrictions. In particular, the communication constituted by this Prospectus is directed only at persons who are (a) persons in member states of the European Economic Area ("**EEA**") that are "qualified investors" within the meaning of Article 2(1)(e) of EU Directive 2003/71/EC ("**Qualified Investors**"), (b) in the United Kingdom ("**UK**"), are Qualified Investors of the kind described in Article 48(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or who otherwise fall within an exemption set forth in such Order so that section 21(1) of the Financial Services and Markets Act 2000 (as amended and including the Financial Services Act 2012) does not apply to the Issuer, and (c) persons to whom such communications can be sent lawfully in accordance with all other applicable securities laws (all such persons together being referred to as "**relevant persons**"). This communication must not be distributed to, acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. For a description of certain further restrictions on offers and sales of Notes and distribution of this Prospectus, see "Plan of Distribution" and "Transfer Restrictions" below.*

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

*In this Prospectus, unless otherwise specified or the context otherwise requires, all references to "**Euro**", "**euro**", "**€**" and "**EUR**" are to the lawful currency of the member states of the European Union that have adopted and retain the single currency in accordance with the Treaty establishing the European Community, as amended from time to time; provided that if any member state or states ceases to have*

*such single currency as its lawful currency (such member state(s) being the "**Exiting State(s)**"), the euro shall, for the avoidance of doubt, mean for all purposes the single currency adopted and retained as the lawful currency of the remaining member states and shall not include any successor currency introduced by the Exiting State(s), all references to "**Sterling**" and "**£**" shall mean the lawful currency of the United Kingdom and any references to "**U.S. Dollar**", "**U.S. dollar**", "**USD**", "**U.S. Dollar**" or "**$**" shall mean the lawful currency of the United States of America.*

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

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

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

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.

Notice to Korean Investors

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

Retention Requirements

Investors are directed to the further descriptions of the Retention Requirements in "*Risk Factors—The Dodd Frank Act and US Risk Retention Rules*", *"Risk Factors – European Risk Retention"* and "*The Retention Holder and Retention Requirements*" below.

Each prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction (including the Reports) are sufficient to comply with the Retention Requirements or any other applicable legal, regulatory or other requirements. None of the Issuer, the Investment Manager, any Investment Manager Related Person, the Placement Agent, any Agent, the Trustee, the Retention Holder, their respective Affiliates, corporate officers or professional advisors or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy the Retention Requirements or any other applicable legal, regulatory or other requirements other than, in the case of the Investment Manager, where such failure results from a breach of the Risk Retention Letter (as defined in the terms and conditions of the Notes) by the Investment Manager. Each prospective investor in the Notes should consult with its own legal, accounting, regulatory and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain.

The Monthly Reports will include a statement as to the receipt by the Issuer, the Collateral Administrator, the Trustee and the Placement Agent of a confirmation from the Retention Holder as to the holding of the Retention Notes and that the Retention Holder has not hedged or otherwise mitigated its credit risk associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, which

confirmation the Retention Holder will undertake in the Risk Retention Letter to provide to the Issuer, the Collateral Administrator, the Trustee and the Placement Agent on a monthly basis.

Information as to placement within the United States

The Notes of each Class offered pursuant to an exemption from registration under Rule 144A under the Securities Act ("**Rule 144A**") (the "**Rule 144A Notes**") will be sold only to "qualified institutional buyers" (as defined in Rule 144A) ("**QIBs**") that are also "qualified purchasers" for purposes of Section 3(c)(7) of the Investment Company Act ("**QPs**"). Rule 144A Notes of each Class will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Rule 144A Global Certificate**" and together, the "**Rule 144A Global Certificates**") or in some cases definitive certificates (each a "**Rule 144A Definitive Certificate**" and together the "**Rule 144A Definitive Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg or in the case of Rule 144A Definitive Certificates, the registered holder thereof. The Notes of each Class sold outside the United States to non-U.S. Persons in reliance on Regulation S ("**Regulation S**") under the Securities Act (the "**Regulation S Notes**") will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Regulation S Global Certificate**" and together, the "**Regulation S Global Certificates**"), or in some cases by definitive certificates of such Class (each a "**Regulation S Definitive Certificate**" and together, the "**Regulation S Definitive Certificates**") in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank SA/NV, as operator of the Euroclear system ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or, in the case of Regulation S Definitive Certificates, the registered holder thereof. Neither U.S. Persons nor U.S. residents (as determined for the purposes of the Investment Company Act) ("**U.S. Residents**") may hold an interest in a Regulation S Global Certificate or a Regulation S Definitive Certificate. Ownership interests in the Regulation S Global Certificates and the Rule 144A Global Certificates (together, the "**Global Certificates**") will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their respective participants. Notes in definitive certificated form will be issued only in limited circumstances. In each case, purchasers and transferees of notes will be deemed, and in certain circumstances will be required, to have made certain representations and agreements. See "*Form of the Notes*", "*Book Entry Clearance Procedures*", "*Plan of Distribution*" and "*Transfer Restrictions*" below.

The Issuer has not been registered under the Investment Company Act in reliance on Section 3(c)(7) of the Investment Company Act. Each purchaser of an interest in the Notes (other than a non-U.S. Person outside the U.S.) will be deemed to have represented and agreed that it is a QP and will also be deemed to have made the representations set out in "*Transfer Restrictions*" herein. The purchaser of any Note, by such purchase, agrees that such Note is being acquired for its own account and not with a view to distribution and may be resold, pledged or otherwise transferred only (1) to the Issuer (upon redemption thereof or otherwise), (2) to a person the purchaser reasonably believes is a QIB which is also a QP, in a transaction meeting the requirements of Rule 144A, or (3) outside the United States to a non-U.S. Person in an offshore transaction in reliance on Regulation S, in each case, in compliance with the Trust Deed and all applicable securities laws of any state of the United States or any other jurisdiction. See "*Transfer Restrictions*".

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

THE NOTES OFFERED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH, OR APPROVED BY, ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

This Prospectus has been prepared by the Issuer solely for use in connection with the offering of the Notes described herein (the "**Offering**") and for the listing of the Notes of each Class on the Official List of the Irish Stock Exchange. Each of the Issuer and the Placement Agent reserves the right to reject any offer to purchase Notes in whole or in part for any reason, or to sell less than the stated initial principal

amount of any Class of Notes offered hereby. This Prospectus is personal to each offeree to whom it has been delivered by the Issuer and the Placement Agent or any Affiliate thereof and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes. Distribution of this Prospectus to any persons other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited. Any reproduction or distribution of this Prospectus in whole or in part and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the securities offered herein is prohibited.

Available Information

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

General Notice

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

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

Commodity Pool Regulation

IF TRADING OR ENTERING INTO HEDGE AGREEMENTS WOULD RESULT IN THE ISSUER'S ACTIVITIES FALLING WITHIN THE DEFINITION OF A "COMMODITY POOL" UNDER THE COMMODITY EXCHANGE ACT, THE INVESTMENT MANAGER WOULD EXPECT TO BE EXEMPT FROM REGISTRATION WITH THE COMMODITY FUTURES TRADING COMMISSION (THE "**CFTC**") AS A COMMODITY POOL OPERATOR (A "**CPO**") PURSUANT TO CFTC RULE 4.13(a)(3). THEREFORE, UNLIKE A REGISTERED CPO, THE INVESTMENT MANAGER WOULD NOT BE REQUIRED TO DELIVER A CFTC DISCLOSURE DOCUMENT TO PROSPECTIVE INVESTORS, NOR WOULD IT BE REQUIRED TO PROVIDE INVESTORS WITH CERTIFIED ANNUAL REPORTS THAT SATISFY THE REQUIREMENTS OF CFTC RULES APPLICABLE TO REGISTERED CPOs.

U.S. TAX

NOTWITHSTANDING ANYTHING IN THIS PROSPECTUS TO THE CONTRARY, EACH PROSPECTIVE INVESTOR (AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF EACH PROSPECTIVE INVESTOR) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE U.S. FEDERAL, STATE, AND LOCAL TAX TREATMENT OF THE ISSUER, THE NOTES, AND THE TRANSACTIONS DESCRIBED IN THIS PROSPECTUS AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER U.S. TAX ANALYSES) RELATING TO SUCH U.S. FEDERAL, STATE, AND LOCAL TAX TREATMENT AND THAT MAY BE RELEVANT TO UNDERSTANDING SUCH U.S. FEDERAL, STATE, AND LOCAL TAX TREATMENT.

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OVERVIEW

The following Overview does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this prospectus (this "**Prospectus**") and related documents referred to herein. Capitalised terms not specifically defined in this Overview have the meanings set out in Condition 1 (*Definitions*) under "*Terms and Conditions of the Notes*" below or are defined elsewhere in this Prospectus. An index of defined terms appears at the back of this Prospectus. References to a "**Condition**" are to the specified Condition in the "*Terms and Conditions of the Notes*" below and references to "**Conditions of the Notes**" are to the "*Terms and Conditions of the Notes*" below. For a discussion of certain risk factors to be considered in connection with an investment in the Notes, see "*Risk Factors*".

Issuer	Adagio IV CLO Limited, a private limited company incorporated under the laws of Ireland.
Investment Manager	AXA Investment Managers, Inc.
Trustee	BNY Mellon Corporate Trustee Services Limited
Placement Agent	J.P. Morgan Securities plc
Collateral Administrator and Information Agent	The Bank of New York Mellon S.A./N.V., Dublin Branch, acting through its office at 4th Floor Hanover Building, Windmill Lane, Dublin 2, Ireland.
Custodian, Account Bank, Calculation Agent and Principal Paying Agent	The Bank of New York Mellon, London Branch, acting though its office at One Canada Square, London, E14 5AL.
Transfer Agent and Registrar	The Bank of New York Mellon (Luxembourg) S.A.

Notes[1]

Class of Notes	Principal Amount	Initial Stated Interest Rate[2]	Alternative Stated Interest Rate[3]	Fitch Ratings of at least[5]	Moody's Ratings of at least[5]	Maturity Date
A-1	€200,500,000	3 month EURIBOR + 1.35%	6 month EURIBOR + 1.35%	AAAsf	Aaa(sf)	October 2029
A-2	€5,000,000	1.74% *per annum*	1.74% *per annum*	AAAsf	Aaa(sf)	October 2029
B-1	€39,200,000	3 month EURIBOR + 2.15%	6 month EURIBOR + 2.15%	AAsf	Aa2(sf)	October 2029
B-2	€7,000,000	2.74% *per annum*	2.74% *per annum*	AAsf	Aa2(sf)	October 2029
C	€18,000,000	3 month EURIBOR + 2.90%	6 month EURIBOR + 2.90%	Asf	A2(sf)	October 2029
D	€18,600,000	3 month EURIBOR + 3.55%	6 month EURIBOR + 3.55%	BBBsf	Baa2(sf)	October 2029
E	€25,200,000	3 month EURIBOR + 5.35%	6 month EURIBOR + 5.35%	BBsf	Ba2(sf)	October 2029
F	€11,700,000	3 month EURIBOR + 6.65%	6 month EURIBOR +6.65%	B-sf	B2(sf)	October 2029

[1] Either the Issuer or the Placement Agent may offer the Notes at prices as may be negotiated at the time of sale which may vary among different purchasers and which may be different to the issue price of the Notes.

Class of Notes	Principal Amount	Initial Stated Interest Rate[2]	Alternative Stated Interest Rate[3]	Fitch Ratings of at least[5]	Moody's Ratings of at least[5]	Maturity Date
Subordinated Notes	€37,100,000	Residual[4]	Residual[4]	Not Rated	Not Rated	October 2029

[2] Applicable to each three month Accrual Period, provided that the rate of interest of the Notes of each Class (other than the Class A-2 Notes and the Class B-2 Notes) for the first interest period will be determined by reference to a straight line interpolation of 6 month EURIBOR and 9 month EURIBOR.

[3] Applicable to each six month Accrual Period, provided that the rate of interest of the Notes of each Class (other than the Class A-2 Notes and the Class B-2 Notes) for the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date will, if such first mentioned Payment Date falls in July 2029, be determined by reference to three month EURIBOR.

[4] Payment of interest on the Subordinated Notes will be made on an available funds basis in accordance with the Priorities of Payment. The Applicable Margin or spread over EURIBOR, in the case of the Rated Notes, may be reduced pursuant to a refinancing in accordance with Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*).

[5] A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by the applicable Rating Agency. As of the date of this Prospectus, each of the Rating Agencies is established in the European Union and is registered under Regulation (EC) No 1060/2009 (as amended) ("**CRA3**"). As such, each Rating Agency is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with CRA3. The ratings assigned to the Class A Notes and the Class B Notes by Fitch address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, Class D Notes, the Class E Notes and the Class F Notes address the ultimate payment of principal and interest. The ratings assigned to the Notes by Moody's address the expected loss posed to investors by the legal final maturity on the Maturity Date.

Eligible Purchasers ..... The Notes of each Class will be offered:

(a) outside of the United States to non-U.S. Persons in "offshore transactions" in reliance on Regulation S; and

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

Distributions on the Notes

Payment Dates..... 15 April, 15 July, 15 October and 15 January prior to the occurrence of a Frequency Switch Event and on 15 April and 15 October (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either April or October) or on 15 January and 15 July (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either January or July) following the occurrence of a Frequency Switch Event in each year commencing on 15 April 2016 and ending on the Maturity Date (subject to any earlier redemption of the Notes and in each case to adjustment for non Business Days in accordance with the Conditions).

Interest..... Interest in respect of the Notes of each Class will be payable quarterly in arrear in respect of each three month Accrual Period and semi-annually in arrear in respect of each six month Accrual Period, in each case on each Payment Date (with the first Payment Date occurring on 15 April 2016) in accordance with the Interest Proceeds Priority of Payments.

Deferral of Interest..... Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class A Notes or the Class B Notes in accordance with the Priorities of Payment shall not be an Event of Default unless and until such failure continues for a period of at least five Business Days or, in the case of an administrative error or omission only where such failure continues for a period of at least ten Business Days, and save in each case as the result of any deduction therefrom or the imposition of any withholding thereon as set out in Condition 9 (*Taxation*).

	To the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes are not made on the relevant Payment Date, an amount equal to such unpaid interest will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (as applicable), and from the date such unpaid interest is added to the applicable Principal Amount Outstanding of the relevant Class of Notes, such unpaid amount will accrue interest at the rate of interest applicable to such Notes. See Condition 6(c) (*Deferral of Interest*). Non-payment of interest amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes as a result of the insufficiency of available Interest Proceeds or, with respect to the Subordinated Notes, Interest Proceeds or Principal Proceeds will not constitute an Event of Default.
Redemption of the Notes.....	Principal payments on the Notes may be made in the following circumstances: (a) on the Maturity Date (see Condition 7(a) (*Final Redemption*)); (b) in whole (with respect to all Classes of Rated Notes) but not in part on any Payment Date following the expiry of the Non-Call Period from Sale Proceeds or (solely in the case of a redemption at the direction of the Subordinated Noteholders in accordance with (i) below) Refinancing Proceeds (or any combination thereof) either (i) if directed in writing by the Subordinated Noteholders (acting by way of an Ordinary Resolution) or (ii) save in the case of a Retention Event which is continuing, if directed in writing by the Retention Holder if certain conditions are satisfied (see Condition 7(b)(i)(A) (*Optional Redemption in Whole—Subordinated Noteholders or Retention Holder*)); (c) on any Payment Date in whole (with respect to all Classes of Rated Notes) at the option of the Subordinated Noteholders acting by way of Ordinary Resolution upon the occurrence of a Collateral Tax Event (see Condition 7(b)(i)(B) (*Optional Redemption in Whole—Subordinated Noteholders or Retention Holder*)); (d) in part by the redemption in whole of one or more Classes of Rated Notes (or, in relation to the Class A Notes, the redemption in whole of the Class A-1 Notes and/or the Class A-2 Notes and, in relation to the Class B Notes, the redemption in whole of the Class B-1 Notes and/or the Class B-2 Notes) from Refinancing Proceeds on any Payment Date following the expiry of the Non-Call Period if directed in writing by the Subordinated Noteholders (acting by way of an Ordinary Resolution), as long as the Class (or tranche, in relation to the Class A Notes and/or the Class B Notes, as applicable) of Rated Notes to be redeemed represents not less than the entire Class (or tranche, in relation to the Class A Notes and/or the Class B Notes, as applicable) of such Rated Notes and subject to certain conditions (including the consent of the Investment Manager) (see Condition 7(b)(ii) (*Optional Redemption in*

Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders));

(e) in whole (with respect to all Classes of Rated Notes) but not in part from Sale Proceeds on any Payment Date following the expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period the Aggregate Collateral Balance is less than 15 per cent. of the Target Par Amount and if directed in writing by the Investment Manager (on behalf of the Issuer) (see Condition 7(b)(iii) (*Optional Redemption in Whole—Investment Manager Clean-up Call*));

(f) the Subordinated Notes may be redeemed in whole or in part in aggregate at their Redemption Price, on any Business Day following the redemption in full of all Classes of Rated Notes at the direction of either: (i) the Subordinated Noteholders acting by way of Ordinary Resolution; or (ii) the Investment Manager (on behalf of the Issuer) (see Condition 7(b)(xi) (*Optional Redemption of Subordinated Notes*));

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

(h) on any Payment Date during the Reinvestment Period at the discretion of the Investment Manager (acting on behalf of the Issuer) following written certification by the Investment Manager to the Trustee that, using reasonable endeavours, it has been unable, for a period of twenty consecutive Business Days, to identify a sufficient quantity of additional Collateral Debt Obligations or Substitute Collateral Debt Obligations in which to invest or reinvest Principal Proceeds (see Condition 7(d) (*Special Redemption*));

(i) if, as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each subsequent Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, in each case until redeemed in full or, if earlier, until an Effective Date Rating Event is no longer continuing (see Condition 7(e) (*Redemption Upon Effective Date Rating Event*));

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

(k) on any Payment Date in whole (with respect to all Classes of Rated Notes) at the option of the Controlling Class or the Subordinated Noteholders in each case acting by way

	of Extraordinary Resolution, following the occurrence of a Note Tax Event, subject to (i) the Issuer having failed to change the territory in which it is resident for tax purposes; and (ii) certain minimum time periods (see Condition 7(g) (*Redemption following Note Tax Event*)); and (l) at any time following an Event of Default which occurs and is continuing and has not been cured and following acceleration in accordance with Condition 10(b) (*Acceleration*) (See Condition 10 (*Events of Default*)).
Non-Call Period.....	During the period from and including the Issue Date up to, but excluding, the Payment Date falling in October 2017 (the "**Non-Call Period**"), the Notes are not subject to Optional Redemption (save for upon a Collateral Tax Event, a Note Tax Event or a Special Redemption). See Condition 7(b) (*Optional Redemption*), Condition 7(d) (*Special Redemption*) and Condition 7(g) (*Redemption following Note Tax Event*).
Redemption Prices	The Redemption Price of each Class of Rated Notes will be (a) 100 per cent. of the Principal Amount Outstanding of the Notes to be redeemed (including, in the case of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, any accrued and unpaid Deferred Interest on such Notes) plus (b) accrued and unpaid interest thereon to the day of redemption. The Redemption Price for each Subordinated Note will be its *pro-rata* share (calculated in accordance with the Priorities of Payments) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application thereof in accordance with the Priorities of Payment.
Priorities of Payment	Prior to the delivery of an Acceleration Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) or following the delivery of an Acceleration Notice which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*) and other than in connection with an Optional Redemption in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*) or in connection with a redemption in whole but not in part pursuant to Condition 7(g) (*Redemption following Note Tax Event*), Interest Proceeds will be applied in accordance with the Interest Proceeds Priority of Payments and Principal Proceeds will be applied in accordance with the Principal Proceeds Priority of Payments. Upon any redemption in whole but not in part of the Notes in accordance with Condition 7(b) (*Optional Redemption*) or in accordance with Condition 7(g) (*Redemption following Note Tax Event*) or following the delivery of an Acceleration Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), Interest Proceeds and Principal Proceeds and the net proceeds of enforcement of the security over the Collateral (save in respect of and for the avoidance of doubt excluding any (1) Counterparty Downgrade Collateral which is required to be paid or returned to the relevant Hedge Counterparty outside the Priorities of Payment in accordance with the relevant Hedge Agreement and (2) any Swap Tax Credits which

	in each case are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payment in accordance with the relevant Hedge Agreement) will be applied in accordance with the Post-Acceleration Priority of Payments, in each case as described in the Conditions of the Notes.
Repurchases of the Notes.....	On any Payment Date, at the discretion of the Investment Manager acting on behalf of the Issuer, the Issuer may, subject to certain conditions, purchase any of the Rated Notes (in whole or in part) using Principal Proceeds standing to the credit of the Principal Account or the Collateral Enhancement Account. See Condition 7(k) (*Purchase*).
Investment Management Fees	
Senior Investment Management Fee.....	0.15 per cent. *per annum* of the Aggregate Collateral Balance (exclusive of any VAT thereon) calculated on the basis of a 360-day year and the actual number of days elapsed in such Due Period. See "*Description of the Investment Management and Collateral Administration Agreement—Fees*".
Subordinated Investment Management Fee	0.35 per cent. *per annum* of the Aggregate Collateral Balance. (exclusive of any VAT thereon) calculated on the basis of a 360-day year and the actual number of days elapsed in such Due Period. See "*Description of the Investment Management and Collateral Administration Agreement—Fees*".
Incentive Investment Management Fee.....	After having met or surpassed the Incentive Portfolio Management Fee IRR Threshold of 12.0 per cent. an amount equal to 20.0 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payment (exclusive of VAT thereon). See "*Description of the Investment Management and Collateral Administration Agreement—Fees*".
Security for the Notes	
General	The Notes will be secured in favour of the Trustee for the benefit of the Secured Parties by taking security over a portfolio of Collateral Debt Obligations predominantly consisting of Secured Senior Loans, Secured Senior Bonds, Second Lien Loans, Mezzanine Obligations, Unsecured Senior Obligations, Corporate Rescue Loans and High Yield Bonds. The Notes will also be secured by an assignment by way of security of various of the Issuer's other rights, including its rights under certain of the agreements described herein but excluding its rights in respect of the Irish Excluded Assets. See Condition 4 (*Security*).
Hedge Arrangements.....	The Issuer may enter into a Hedge Agreement to hedge interest rate risk and/or currency risk around or after the Issue Date provided that the Issuer obtains legal advice from reputable international legal counsel to the effect that the entry into such arrangements shall not require any of the Issuer, its Directors or officers or the Investment Manager or its Affiliates to register with the United States Commodities Futures Trading Commission (the "**CFTC**") and/or the United States National Futures Association as a commodity pool

	operator (a "**CPO**") or a commodity trading advisor (a "**CTA**") pursuant to the United States Commodity Exchange Act of 1936, as amended (the "**Hedging Condition**"). The Issuer will obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless it is in a form which the Issuer (or the Investment Manager acting on behalf of the Issuer) has previously received Rating Agency Confirmation in respect thereof. See "*Hedging Arrangements*".
Non-Euro Obligations and Asset Swap Transactions.....	Subject to the Eligibility Criteria, the Issuer may purchase Collateral Debt Obligations that are denominated in a currency other than Euro (each, a "**Non-Euro Obligation**") **provided that**, subject to the satisfaction of the Hedging Condition, an Asset Swap Transaction is entered into in respect of each such Non-Euro Obligation with one or more Asset Swap Counterparties satisfying the applicable Rating Requirement under which the currency risk is reduced or eliminated, no later than the settlement date of the acquisition of the relevant Collateral Debt Obligation. Under each Asset Swap Transaction, the currency risk arising from the receipt of certain cash flows from the relevant Non-Euro Obligation, including interest and principal payments thereon, are hedged. The Asset Swap Transaction shall terminate on the maturity date of the Non-Euro Obligation and in the other circumstances specified therein. See "*The Portfolio—Management of the Portfolio—Non-Euro Obligations*" and "*Hedging Arrangements*".
Interest Rate Hedging	The Issuer (or the Investment Manager on behalf of the Issuer) may enter into Interest Rate Hedge Transactions from time to time in order to hedge any interest rate mismatch between the Notes (other than the Subordinated Notes) and the Collateral Debt Obligations and for no other purpose, subject to the receipt of Rating Agency Confirmation in respect thereof and the other requirements specified in "*Hedging Arrangements*".
Investment Manager.....	Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager is required to act as the Issuer's investment manager with respect to the Portfolio, to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described herein. Pursuant to the Investment Management and Collateral Administration Agreement, the Issuer delegates authority to the Investment Manager to carry out certain functions in relation to the Portfolio and any hedging arrangements without the requirement for specific approval by the Issuer, the Collateral Administrator or the Trustee but subject to the policies and ongoing review of the Issuer. See "*Description of the Investment Management and Collateral Administration Agreement*" and "*The Portfolio*".
Purchase of Collateral Debt Obligations	
As of the Issue Date.....	The Issuer anticipates that, by or on the Issue Date, it will have purchased or committed to purchase Collateral Debt Obligations the Aggregate Principal Balance of which equals

	approximately €245,000,000 (representing approximately 70 per cent. of the Target Par Amount).
Target Par Amount	It is intended that the Aggregate Principal Balance of the Collateral Debt Obligations in the Portfolio on the Effective Date will be €350,000,000.
Initial Investment Period	During the period from and including the Issue Date to but excluding the earlier of: (a) the date designated for such purpose by the Investment Manager, subject to the Effective Date Determination Requirements having been satisfied; and (b) 9 March 2016 (or, if such day is not a Business Day, the next following Business Day), (such earlier date, the "**Effective Date**" and, such period, the "**Initial Investment Period**"), the Investment Manager (on behalf of the Issuer) intends to purchase the remainder of the Portfolio of Collateral Debt Obligations, subject to the Eligibility Criteria and certain other restrictions.
Reinvestment in Collateral Debt Obligations	Subject to the limits described in the Priorities of Payment and Principal Proceeds available from time to time, the Investment Manager shall, on behalf of the Issuer, use reasonable endeavours to purchase Substitute Collateral Debt Obligations meeting the Eligibility Criteria and the Reinvestment Criteria during the Reinvestment Period. Following expiry of the Reinvestment Period and subject to the limits described in the Priorities of Payment, only Sale Proceeds from the sale of Credit Improved Obligations, Credit Impaired Obligations and Unscheduled Principal Proceeds received after the Reinvestment Period may be reinvested by the Issuer or the Investment Manager, on behalf of the Issuer, in Substitute Collateral Debt Obligations meeting the Eligibility Criteria and the Reinvestment Criteria. See "*The Portfolio—Management of the Portfolio—Sale of Collateral Debt Obligations*" and "*The Portfolio—Management of the Portfolio—Reinvestment of Collateral Debt Obligations*".
Eligibility Criteria	In order to qualify as a Collateral Debt Obligation, an obligation must satisfy certain specified Eligibility Criteria. Each obligation shall only be required to satisfy the Eligibility Criteria at the time the Issuer (or the Investment Manager, acting on behalf of the Issuer) enters into a binding commitment to purchase such obligation save for an Issue Date Collateral Debt Obligation which must also satisfy the Eligibility Criteria on the Issue Date. See "*The Portfolio—Eligibility Criteria*".
Restructured Obligations	In order for a Collateral Debt Obligation which is the subject of a restructuring to qualify as a Restructured Obligation, such Collateral Debt Obligation must satisfy the Restructured Obligation Criteria as at the applicable Restructuring Date.
Collateral Quality Tests	The Collateral Quality Tests will comprise the following: For so long as any of the Notes are rated by Fitch:

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

(b) the Fitch Minimum Weighted Average Recovery Rate Test.

For so long as any of the Notes are rated by Moody's:

(a) the Moody's Minimum Diversity Test;

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

(c) the Moody's Minimum Weighted Average Recovery Rate Test.

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

(a) the Minimum Weighted Average Spread Test;

(b) the Minimum Weighted Average Fixed Coupon Test; and

(c) the Maximum Weighted Average Life Test.

Portfolio Profile Tests ..... In summary, the Portfolio Profile Tests will consist of each of the following (the percentage requirements applicable to different types of Collateral Debt Obligations specified in the Portfolio Profile Tests and summarily displayed in the table below shall be determined by reference to the Aggregate Collateral Balance):

	Minimum	**Maximum**
Secured Senior Loans or Secured Senior Bonds in aggregate (which shall include the Balance of the Principal Account and the Unused Proceeds Account)	90%	N/A
Secured Senior Loans in aggregate (which shall include the Balance of the Principal Account and the Unused Proceeds Account)	75%	N/A
Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and/or High Yield Bonds in aggregate	N/A	10%
Collateral Debt Obligations to a single Obligor	N/A	2.5%
Secured Senior Loans and Secured Senior Bonds to a single Obligor	N/A	2.5%
Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds to a single Obligor	N/A	1.5% provided that up to 3 Obligors may represent up to 2% each
Participations	N/A	5%
Fitch CCC Obligations	N/A	7.5%
Moody's Caa Obligations	N/A	7.5%
Fixed Rate Collateral Debt Obligations	N/A	7.5%
Current Pay Obligations	N/A	2.5%
Unfunded Amounts/Funded Amounts under Revolving Obligations/ Delayed Drawdown Collateral Debt Obligations	N/A	5%
Corporate Rescue Loans	N/A	5% provided that not more than 2% shall consist of Corporate Rescue Loans from a single Obligor
PIK Securities	N/A	5% provided that such PIK Securities are

	Minimum	Maximum
		Restructured Obligations
Cov-Lite Loans	N/A	30%
Domicile of Obligors	N/A	10% Domiciled in country rated below "A-" by Fitch
Domicile of Obligors	N/A	10% Domiciled in countries with a Moody's local currency risk ceiling below "Aa3" by Moody's, provided that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in countries or jurisdictions with a local currency country risk ceiling rated below "A3" by Moody's shall not be greater than 5% of the Aggregate Collateral Balance and provided further that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in countries or jurisdictions with a local currency country risk ceiling rated below "Baa3" by Moody's shall not be greater than 0% of the Aggregate Collateral Balance
Maximum Fitch Industry classification	N/A	17.5% provided any three Fitch industries may comprise up to 40%
Maximum Moody's Industry classification	N/A	17.5% provided any three Moody's industries may comprise up to 40%
Bivariate Risk Table	N/A	See limits set out in "*The Portfolio—Bivariate Risk Table*"
Moody's Rating derived from S&P Rating	N/A	10%
Non-Euro Obligations	N/A	30%
Bridge Loans	N/A	2.5%
Obligations of Obligors with total indebtedness of less than €200,000,000 (or its equivalent in any currency)	N/A	12.5%

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

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

Class	Required Par Value Ratio
A/B	129.55%
C	122.27%
D	115.40%
E	106.64%
F	104.13%

Class	Required Interest Coverage Ratio
A/B	120.00%
C	110.00%
D	105.00%
E	101.00%

Reinvestment Overcollateralisation Test..... If the Class F Par Value Ratio is less than 104.13 per cent., on the relevant Determination Date, Interest Proceeds shall be paid to the Principal Account during the Reinvestment Period, for the acquisition of additional Collateral Debt Obligations in an amount (such amount, the "**Required Diversion Amount**") equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (W) of the Interest Proceeds Priority of Payments and (2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (V) (inclusive) of the Interest Proceeds Priority of Payments, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met as of the relevant Determination Date after giving effect to any payments made pursuant to paragraph (W) of the Interest Proceeds Priority of Payments, such amounts to be applied during the Reinvestment Period to purchase additional Collateral Debt Obligations.

IM Voting Notes, IM Non-Voting Exchangeable Notes and IM Non-Voting Notes..... Each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes may be in the form of an IM Voting Note, an IM Non-Voting Exchangeable Note or an IM Non-Voting Note.

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

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

	and in no other circumstance. IM Non-Voting Notes shall not be exchangeable at any time into IM Voting Notes or IM Non-Voting Exchangeable Notes. Any Notes held by or on behalf of the Investment Manager or any Investment Manager Related Person shall have no voting rights with respect to, and shall not be counted for the purposes of determining a quorum and the results of, voting on any IM Removal Resolution or IM Replacement Resolution.
Authorised Denominations.....	The Regulation S Notes of each Class will be issued in minimum denominations of €100,000 each and integral multiples of €1,000 in excess thereof. The Rule 144A Notes of each Class will be issued in minimum denominations of €250,000 each and integral multiples of €1,000 in excess thereof.
Form, Registration and Transfer of the Notes.....	The Regulation S Notes of each Class will be represented on issue by beneficial interests in one or more Regulation S Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"). Beneficial interests in a Regulation S Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*". Interests in any Regulation S Note may not at any time be held by any U.S. Person or U.S. Resident. The Rule 144A Notes of each Class will be represented on issue by one or more Rule 144A Global Certificates in fully registered form, without interest coupons or principal receipts deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Rule 144A Global Certificate may at any time only be held through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. The Rule 144A Global Certificates will bear a legend and such Rule 144A Global Certificates, or any interest therein, may not be transferred except in compliance with the transfer restrictions set out in such legend. See "*Transfer Restrictions*". No beneficial interest in a Rule 144A Global Certificate may be transferred to a person who takes delivery thereof through a Regulation S Global Certificate unless the transferor provides the Transfer Agent with a written certification substantially in the form set out in the Trust Deed regarding compliance with certain of such transfer restrictions. Any transfer of a beneficial interest in a Regulation S Global Certificate to a person who takes delivery through an interest in a Rule 144A Global Certificate is also subject to certification requirements substantially in the form set out in the Trust Deed and each purchaser thereof shall be deemed to represent that such

purchaser is a QIB/QP. In addition, interests in any of the Regulation S Notes may not at any time be held by any U.S. Person or U.S. Resident. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*".

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

On the Issue Date, an acquirer of a Class E Note, Class F Note or a Subordinated Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate will be deemed to represent (among other things) that it is not and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of) a Benefit Plan Investor or a Controlling Person unless such acquirer: (i) receives the written consent of the Issuer; and (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed). Other than on the Issue Date, an acquirer of a Class E Note, Class F Note or a Subordinated Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate will be deemed to represent (among other things) that it is not and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of) a Benefit Plan Investor or a Controlling Person unless such acquirer: (i) receives the written consent of the Issuer; (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of Annex A (*Form of ERISA Certificate)* and as set out in the Trust Deed); and (iii) other than with respect to Retention Notes, holds such Class E Note, Class F Note or Subordinated Note, as applicable, in the form of a Definitive Certificate. Each purchaser and transferee understands and agrees that no transfer of an interest in Class E Notes, Class F Notes or Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation to be exceeded with respect to the Class E Notes, Class F Notes or the Subordinated Notes (determined separately by Class).

If a holder of Class E Notes, Class F Notes or Subordinated Notes represented by a Definitive Certificate wishes at any time to transfer its interest in such Notes to a person who wishes to take delivery thereof in the form of a beneficial interest in a Regulation S Global Certificate, such holder may effect such transfer only upon receipt by the Registrar of: (i) notification from the common depositary for Euroclear and Clearstream, Luxembourg of the Regulation S Global Certificate that the appropriate credit entry has been made in the accounts of the relevant participants of Euroclear and Clearstream, Luxembourg, (but in no case for less than the minimum authorised denomination applicable to such Notes); and (ii) a certificate in the form of part G (*Form of Definitive Certificate to Regulation S Global Certificate Transfer Certificate of Class E Notes, Class F Notes or Subordinated Notes*) of schedule 4

	(*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (a copy of which is provided to the Registrar) given by the holder of the beneficial interests in such Notes. Each person who becomes an owner of a beneficial interest in a Regulation S Global Certificate will be deemed to have represented and agreed to the representations set forth in this Prospectus relating to such Notes under the heading "*Transfer Restrictions*". If a holder of Class E Notes, Class F Notes or Subordinated Notes represented by a Definitive Certificate wishes at any time to transfer its interest in such Notes to a person who wishes to take delivery thereof in the form of a beneficial interest in a Rule 144A Global Certificate, such holder may effect such transfer only upon receipt by the Registrar of: (i) notification from the common depositary for Euroclear and Clearstream, Luxembourg of the Rule 144A Global Certificate that the appropriate credit entry has been made in the accounts of the relevant participants of Euroclear and Clearstream, Luxembourg (but in no case for less than the minimum authorised denomination applicable to Notes of such Class); and (ii) a certificate in the form of part F (*Form of Definitive Certificate to Rule 144A Global Certificate Transfer Certificate of Class E Notes, Class F Notes or Subordinated Notes*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Registrar as applicable) given by the proposed transferee. Each person who becomes an owner of a beneficial interest in a Rule 144A Global Certificate will be deemed to have represented and agreed to the representations set forth in this Prospectus relating to such Notes under the heading "*Transfer Restrictions*". Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. See "*Form of the Notes*", "*Book Entry Clearance Procedures*" and "*Transfer Restrictions*". Each purchaser of Notes in making its purchase will be required to make, or will be deemed to have made, certain acknowledgements, representations and agreements. See "*Transfer Restrictions*". The transfer of Notes in breach of certain of such representations and agreements will result in affected Notes becoming subject to certain forced transfer provisions. See Condition 2(h) (*Forced Transfer of Rule 144A Notes*).
Governing Law	The Notes, the Trust Deed, the Investment Management and Collateral Administration Agreement, the Agency Agreement and all other Transaction Documents (save for the Corporate Services Agreement, which is governed by the laws of Ireland) will be governed by English law.

Listing	Application will be made to the Irish Stock Exchange for the Notes to be admitted to the Official List of the Irish Stock Exchange and trading on its Global Exchange Market which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of Directive 2004/39/EC. See "*General Information*".
Tax Status.....	See "*Tax Considerations*".
Certain ERISA Considerations.....	See "*Certain ERISA Considerations*".
Withholding Tax	No gross up in respect of amounts deducted from or withheld for or on account of tax in relation to the Notes in respect of any payments to the Noteholders is required of the Issuer. See Condition 9 (*Taxation*).
Forced sale and withholding pursuant to FATCA.....	Under FATCA, the Issuer (or an Intermediary) may require each Noteholder to provide certifications and identifying information about itself and certain of its owners. The Issuer (or an Intermediary) may force the sale of a Noteholder's Notes in order to comply with FATCA, including Notes held by a Noteholder that fails to provide the required information (and such sale could be for less than its then fair market value). In addition, the failure to provide such information, or the failure of certain non-U.S. financial institutions to comply with FATCA, may compel the Issuer (or an Intermediary) to withhold on payments to such Noteholders (and the Issuer will not pay any additional amounts with respect to such withholding). See Condition 2(i) (*Forced sale pursuant to FATCA*).
Additional Issuances	Subject to certain conditions being met, additional Notes of all existing Classes may be issued and sold. See Condition 17 (*Additional Issuances*).
Retention Holder and Retention Requirements.....	The Retention Notes will be subscribed for by the Investment Manager on the Issue Date and, pursuant to the Risk Retention Letter, the Investment Manager, in its capacity as Retention Holder, will undertake to retain the Retention Notes in order to comply with the Retention Requirements. See "*Retention Holder and Retention Requirements*", "*Risk Factors—The Dodd Frank Act and US Risk Retention Rules*" and "*Risk Factors – European Risk Retention*".

RISK FACTORS

An investment in the Notes involves certain risks, including risks related to the Collateral Debt Obligations securing the Notes and risks relating to the structure of the Notes and related arrangements. There can be no assurance that the Issuer will not incur losses on the Collateral Debt Obligations or that investors in the Notes 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 out in this Prospectus before investing in the Notes. Terms not defined in this section and not otherwise defined above have the meaning set out in Condition 1 (Definitions) of the "Terms and Conditions of the Notes".

1. General Commercial Risks

1.1 General

It is intended that the Issuer will invest in Collateral Debt Obligations (and other financial assets) with certain risk characteristics as described below and subject to the investment policies, restrictions and guidelines described in "*The Portfolio*". There can be no assurance that the Issuer's investments will be successful, that its investment objectives will be achieved, that the Noteholders will receive the full amounts payable by the Issuer under the Notes or that they will receive any return on their investment in the Notes. Prospective investors are therefore advised to review this entire Prospectus carefully and should consider, among other things, the risk factors set out in this section before deciding whether to invest in the Notes. Except as is otherwise stated below, such risk factors are generally applicable to all Classes of Notes, although the degree of risk associated with each Class of Notes will vary in accordance with the position of such Class of Notes in the Priorities of Payment. See Condition 3(c) (*Priorities of Payment*). In particular, (i) payments in respect of the Class A Notes are generally higher in the Priorities of Payment than those of the other classes of Notes; (ii) payments in respect of the Class B Notes are generally higher in the Priorities of Payment than those of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; (iii) payments in respect of the Class C Notes are generally higher in the Priorities of Payment than those of the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; (iv) payments in respect of the Class D Notes are generally higher in the Priorities of Payment than those of the Class E Notes, the Class F Notes and the Subordinated Notes; (v) payments in respect of the Class E Notes are generally higher in the Priorities of Payment than those of the Class F Notes and the Subordinated Notes; and (vi) payments in respect of the Class F Notes are generally higher in the Priorities of Payment than those of the Subordinated Notes. None of the Placement Agent, the Agents nor the Trustee undertakes to review the financial condition or affairs of the Issuer or the Investment Manager during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Placement Agent, the Agents or the Trustee which is not included in this Prospectus or the Reports, as the case may be.

1.2 Suitability

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

1.3 Limited Resources of Funds to Pay Expenses of the Issuer

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

1.4 Business and regulatory risks for vehicles with investment strategies such as the Issuer's

Legal, tax and regulatory changes could occur over the course of the life of the Notes that may adversely affect the Issuer. The regulatory environment for vehicles of the nature of the Issuer is evolving, and changes in the regulation of the same may adversely affect the value of investments held by the Issuer and the ability of the Issuer to obtain the leverage it might otherwise obtain or to pursue its investment and trading strategies. In addition, the securities and derivatives markets are subject to comprehensive statutes, regulations and margin requirements. Certain regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions if market emergencies occur. The regulation of derivatives transactions and vehicles that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Issuer could be substantial and adverse.

1.5 General economic conditions may deteriorate and may affect the ability of the Issuer to make payments on the Notes

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 global economy and the credit and other financial markets have been improving, (ii) corporate default rates have been decreasing 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). The ability of the Issuer to make payments on the Notes may depend on the general economic climate and the continued recovery of the global economy, and there is no assurance that this recovery will continue. In addition, the business, financial condition or results of operations of the Obligors of the Collateral Debt Obligations or obligors in respect of other assets comprised in the Portfolio may be adversely affected by a worsening of economic and business conditions. To the extent that economic and business conditions deteriorate further or fail to improve, non-performing assets are likely to increase, and the value and collectability of the Collateral Debt Obligations and other assets comprised in the Portfolio are likely to decrease. A decrease in market value of the Collateral Debt Obligations and the other assets comprised in the Portfolio would also adversely affect the Sale Proceeds that could be obtained upon the sale of the Collateral Debt Obligations and the other assets comprised in the Portfolio and could ultimately affect the ability of the Issuer to pay in full or redeem the Rated Notes, as well as the ability to make any distributions in respect of the Subordinated Notes.

Many European economies continue to suffer from high rates of unemployment. This economic climate may have an adverse effect on the ability of consumers and businesses to repay or refinance their existing debt. Several countries have experienced or are currently experiencing a "double-dip" recession and there remains a risk of a "double-dip" recession in countries which have experienced modest growth over previous quarters and continued recession in countries which have not yet experienced positive growth since the onset of the global recession.

As discussed further below, it is possible that countries that have adopted the Euro could return to a national currency. The effect on a national economy as a result of leaving the Euro is impossible to predict with any degree of certainty, but is likely to be negative. The exit of one or more countries from the Euro zone could have a destabilising effect on all European economies and possibly the global economy as well.

Several nations, particularly within the European Union, are currently suffering from significant economic distress. There can be no assurance as to the resolution of the economic problems in those countries, nor as to whether such problems will spread to other countries or otherwise negatively affect 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 Notes. In addition, Obligors of Collateral Debt Obligations may be organised 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 organised 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.

Negative economic trends nationally as well as in specific geographic areas could result in an increase in loan defaults and delinquencies. Although 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 Debt Obligations. It is impossible to determine with any degree of certainty whether such trends in the credit markets will continue, improve or worsen in the future.

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

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

Some leading global financial institutions have been forced into mergers with other financial institutions, have been partially or fully nationalised or have gone bankrupt or insolvent. The bankruptcy or insolvency of a major financial institution may have an adverse effect on the Issuer, particularly if such financial institution is a grantor of a participation in a Collateral Debt Obligation or is a Hedge Counterparty, or a counterparty to a buy or sell trade that has not settled with respect to a Collateral Debt Obligation. The bankruptcy or insolvency of another financial institution may result in the disruption of payments to the Issuer. In addition, the bankruptcy or insolvency of one or more additional financial institutions may trigger additional crises in the global credit markets and overall economy which could have a significant adverse effect on the Issuer, the Portfolio and the Notes.

It is very likely that one of the effects of the global credit crisis and the failure of financial institutions will be an introduction of a significantly more restrictive regulatory environment including the implementation of new accounting and capital adequacy rules in addition to further regulation of derivative or securitised instruments. Such additional rules and regulations could, among other things, adversely affect Noteholders as well as the flexibility of the Investment Manager in managing and administering the Portfolio.

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

1.6 Illiquidity in the CDO, leveraged finance and fixed income markets may affect the Noteholders

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

In addition, the current liquidity crisis has adversely affected the primary market for a number of financial products, including leveraged loans, which may reduce opportunities for the Issuer to purchase new issuances of Collateral Debt Obligations. In addition, 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 Collateral Debt Obligations may be partially or significantly limited. In Europe, primary leveraged loan activity has been limited, as such the ability of the Issuer to find suitable obligations to invest in may be limited. The impact of the liquidity crisis on the global credit markets may adversely affect the management flexibility of the Investment Manager in relation to the portfolio and, ultimately, the returns on the Notes to investors.

The sovereign debt crisis in several European countries, in particular Cyprus and Greece, together with the risk of contagion to other, more stable, countries, particularly France and Italy, has exacerbated the global economic crisis. This situation has also raised a number of uncertainties regarding the stability and overall standing of the European Economic and Monetary Union and may result in changes to the composition of the Euro zone.

As a result of the credit crisis in Europe, in March 2011 the European Council agreed on the need for Euro zone countries to establish a permanent stability mechanism, the European Stability Mechanism (the "**ESM**"), which was activated by mutual agreement, to provide external financial assistance to Euro zone countries after June 2013.

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

Furthermore, concerns that the Euro zone sovereign debt crisis could worsen may lead to the reintroduction of national currencies in one or more Euro zone countries or, in more extreme circumstances, the possible dissolution of the Euro entirely. The departure or risk of departure from the Euro zone by one or more Euro zone countries and/or the abandonment of the Euro as a currency entirely could have major negative effects on the Issuer and the Notes. Should the Euro dissolve entirely, the legal and contractual consequences for Noteholders of Euro-

denominated obligations would be determined by laws in effect at such time. It should be noted that following a recent election in Greece and the outcome of a subsequent referendum rejecting the terms of a proposed debt restructuring and rescue plan, the newly elected government is seeking to renegotiate its debt obligations and rescue plan. It is unclear at present what the outcome of such renegotiation will be. In particular, if Greece were to exit the Euro zone, this could have a material adverse effect on the Euro zone and other economies within and outside the Euro zone. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Notes. Investors should carefully consider how changes to the Euro zone, particularly the potential for a Greek exit from the Euro zone, may affect their investment in the Notes.

2. Relating to the Notes

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

Currently, no market exists for the Notes. The Placement Agent may make a market for the Notes but is not under any obligation to do so, and any such market-making may be discontinued at any time without notice. The Notes are illiquid investments. There can be no assurance that any secondary market for any of the Notes will develop, or if a secondary market does develop, that it will provide the Noteholders with liquidity of investment or will continue for the life of the Notes. Over the past few years, notes issued in securitisation transactions have experienced historically high volatility and significant fluctuations in market value. Additionally, some potential buyers of such notes now view securitisation products as an inappropriate investment, thereby reducing the number of potential buyers and/or potentially affecting liquidity in the secondary market. Noteholders must be prepared to hold their Notes for an indefinite period of time or until the Maturity Date. The Notes will not be registered under the Securities Act or any state securities laws, and the Issuer has no plans, and is under no obligation, to register the Notes under the Securities Act. As a result, the Notes 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 Notes may further limit their liquidity.

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

2.2 The Notes are not guaranteed by the Issuer, the Placement Agent, the Investment Manager, the Agents, any Hedge Counterparty or the Trustee

None of the Issuer, the Placement Agent, the Investment Manager, the Agents, the Administrator, any Hedge Counterparty, 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 Noteholder of ownership of the Notes, and no Noteholder 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 Notes. Each Noteholder will be required to represent (or, in the case of certain non-certificated Notes, deemed to represent) to the Issuer and the Placement Agent, among other things, that it has consulted with its own legal, regulatory, tax, business, investment, financial, and accounting advisors regarding investment in the Notes 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 authorised by it and complies with applicable securities laws and other laws.

2.3 The Placement Agent will not have any ongoing responsibility for the Collateral Debt Obligations or other assets comprised in the Portfolio or the actions of the Investment Manager or the Issuer

The Placement Agent will not have any obligation to monitor the performance of the Collateral Debt Obligations or any other assets comprised in the Portfolio or the actions of the Investment Manager or the Issuer and will have no authority to advise the Investment Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Investment Manager and/or the Issuer, as the case may be. If the Placement Agent acts as a Hedge Counterparty or owns Notes, it will have no responsibility to consider the interests of any other Noteholders in actions it takes in such capacity. While the Placement Agent may own a portion of certain Classes of Rated Notes on the Issue Date and may own Notes at any time, it has no obligation to make any investment in any Notes and may sell at any time any Notes it does purchase. See also paragraph 4.3 "*Relating to certain conflicts of interest - The Issuer will be subject to various conflicts of interest involving the Placement Agent*" below.

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

The Notes are limited recourse obligations of the Issuer. Therefore, amounts due on the Notes are payable solely from the Collateral Debt Obligations and all other Collateral secured by the Issuer for the benefit of the Noteholders and other Secured Parties pursuant to the Priorities of Payment. None of the Trustee, the Agents, the Investment Manager, the Placement Agent or any of their respective Affiliates or the Issuer's Affiliates or any other Person or entity will be obligated to make payments on the Notes. Consequently, Noteholders must rely solely on distributions on the Collateral Debt Obligations and, after an Event of Default, proceeds from the liquidation of the Collateral for payments on the Notes. If distributions on such Collateral Debt Obligations are insufficient to make payments on the Notes, no other assets (including the Irish Excluded Assets and in particular, no assets of the Investment Manager, the Noteholders, the Placement Agent, the Trustee, the Agents or any Affiliates of any of the foregoing) will be available for payment of the deficiency and all obligations of the Issuer and any claims against the Issuer in respect of the Notes will be extinguished and will not revive.

2.5 The Subordinated Notes

When 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. Distributions to holders of the Subordinated Notes will be made solely from distributions on the Portfolio after all other payments have been made pursuant to the Priorities of Payment described herein. There can be no assurance that the distributions on the Portfolio 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 Conditions of the Notes and the Trust Deed. If distributions on the Portfolio are insufficient to make distributions on the Subordinated Notes, no other assets will be available for any such distributions.

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

The Class A Notes are subordinated to certain amounts payable by the Issuer to other parties as set out in the Priorities of Payment (including taxes, certain amounts owing to Administrative Expenses, the Senior Investment Management Fee and certain payments under the Hedge Agreements); the Class B Notes are subordinated on each Payment Date to the Class A 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; the Class E Notes are subordinated on each Payment Date to the Class D Notes; the Class F Notes are subordinated on each Payment Date to the Class E Notes; and the Subordinated Notes are subordinated on each Payment Date to the Rated Notes and certain fees and expenses (including, but not limited to, to redeem the Rated Notes upon an Effective Date Rating Event, unpaid Administrative Expenses, the Senior Investment Management Fee, certain payments under the Hedge Agreements and the

Subordinated Investment 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 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 out in the Priorities of Payment) from Principal Proceeds will be made on any 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 Noteholders, such losses will be borne in the first instance by holders of the Subordinated Notes, then by the holders of the Class F Notes, then by the holders of the Class E 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, and last by the holders of the Class A Notes. Furthermore, payments of interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes are subject to diversion to repay principal outstanding in respect of more senior Classes of Notes pursuant to the Priorities of Payment if certain Coverage Tests are not met, as described herein, and failure to make such payments of interest will not be a default under the Trust Deed nor under the Conditions.

In addition, if an Event of Default occurs, the Controlling Class (acting by way of Ordinary Resolution) will be entitled to determine the remedies to be exercised under the Trust Deed, subject to the terms of the Trust Deed. Remedies pursued by the Controlling Class could be adverse to the interests of the Noteholders 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 Debt Obligations may only be sold and liquidated in accordance with the Conditions and the Trust Deed.

After any acceleration of the Notes, all Interest Proceeds and Principal Proceeds will be allocated in accordance with the Post-Acceleration Priority of Payments pursuant to which the Notes and certain other amounts owing by the Issuer will be paid in full before any allocation to holders of the Subordinated Notes, and holders of each Class of Notes (along with certain other amounts owing by the Issuer) will be paid in order of seniority until it is paid in full before any allocation is made to holders of the next Class of Notes. If an Event of Default has occurred and is continuing, the Subordinated Noteholders will not have the right to determine the remedies to be exercised under the Trust Deed. 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 Collateral and the application of the proceeds from the Collateral to pay senior Classes of Notes and the fees, expenses, and other liabilities payable by the Issuer.

Each Noteholder will be deemed to agree, pursuant to the Trust Deed, that it will not at any time institute against the Issuer, or join any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency, examinership, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or other similar law in connection with the obligations of the Issuer relating to the Notes, the Trust Deed or otherwise owed to the Noteholders. If such provision failed to be enforceable under applicable bankruptcy or insolvency laws, it could result in a court or insolvency official liquidating the Portfolio notwithstanding the absence of class voting required for such liquidation pursuant to the Trust Deed or failing to liquidate notwithstanding such voting direction.

2.7 Amount and timing of payments

To the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes are not made on a relevant Payment Date, such unpaid interest amounts will be deferred and the amount thereof added to the Principal Amount Outstanding of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as the case may be, and shall earn interest at the interest rate applicable to such Notes. Any failure to pay scheduled interest on the Class C Notes, or to pay scheduled interest on the Class D Notes, or to pay scheduled interest on the Class E Notes, or to pay scheduled interest on the Class F Notes or to pay interest and principal on the Subordinated Notes, in each case, at any time, due to there being insufficient funds available to pay such interest in accordance with the applicable Priorities of

Payment, will not be an Event of Default. Payments of interest and principal on the Subordinated Notes will only be made to the extent that there are Interest Proceeds and Principal Proceeds available for such purpose in accordance with the applicable Priorities of Payment. No interest or principal may therefore be payable on the Subordinated Notes for an unlimited period of time, to maturity or at all.

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

2.8 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 investor in 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 Portfolio. 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 any Coverage Test or the Reinvestment Overcollateralisation Test fails, amounts that would otherwise be distributed to the holders of the Subordinated Notes on any Payment Date may be paid to other investors (or reinvested, as applicable) in accordance with the Priorities of Payment. Each prospective investor should consider that any such adverse developments could result in its failure to recover fully its initial investment in the Subordinated Notes.

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

The Subordinated Notes represent a highly leveraged investment in the Portfolio. 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 Collateral Debt Obligations, changes in the distributions on the Collateral Debt Obligations, defaults and recoveries on the Collateral Debt Obligations, capital gains and losses on the Collateral Debt Obligations, prepayments on the Collateral Debt Obligations, the availability, prices and interest rates of the Collateral Debt Obligations and other risks associated with the Portfolio as described in "*Relating to the Notes*" and *"Relating to the Collateral Debt Obligations*". Accordingly, the Subordinated Notes may not be paid in full and may be subject to up to a 100 per cent. 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 Collateral Debt Obligations, changes in the distributions on the Collateral Debt Obligations, defaults and recoveries on the Collateral Debt Obligations, capital gains and losses on the Collateral Debt Obligations, prepayments on the Collateral Debt Obligations and availability, prices and interest rates of the Collateral Debt Obligations.

Payments of Interest Proceeds to the holders of the Subordinated Notes will not be made until due and unpaid interest on the Rated 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 Rated 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 or the Reinvestment Overcollateralisation Test) to make payments to the holders of the Subordinated Notes in accordance with the Priorities of Payment.

Following an acceleration of the Notes which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Event of Default*) or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or 7(g) (*Redemption following Note Tax Event*), Interest Proceeds, Principal Proceeds and the net proceeds of enforcement of

the security over the Collateral (other than with respect to any Counterparty Downgrade Collateral or amounts which represent Swap Tax Credits which are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payment in accordance with the Hedge Agreement) shall be credited to the Payment Account and shall be allocated in accordance with the Post-Acceleration Priority of Payments pursuant to which the Rated Notes and certain other amounts owing by the Issuer will be paid in full before any allocation to the Subordinated Notes, and each Class of Notes (along with certain other amounts owing by the Issuer) 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 Trust Deed. 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 Collateral and the application of the proceeds from the Collateral to pay senior Classes of Notes and the fees, expenses, and other liabilities payable by the Issuer.

2.10 The Portfolio may be insufficient to redeem the Notes following an Event of Default

It is anticipated that the proceeds received by the Issuer on the Issue Date from the issuance of the Notes, net of certain fees and expenses, will be less than the aggregate amount of Notes. Consequently, it is anticipated that on the Issue Date the Portfolio would be insufficient to redeem all of the Notes in full if an Event of Default under the Trust Deed occurs.

2.11 The Reinvestment Period may terminate early

The Reinvestment Period may terminate early if any of the following occur: (a) acceleration following an Event of Default, (b) an Optional Redemption in whole of all Classes of Notes by liquidation of the Portfolio in accordance with the Conditions or (c) the Investment Manager reasonably determines that it can no longer reinvest in additional Collateral Debt Obligations in accordance with the Trust Deed and the Investment Management and Collateral Administration Agreement. Early termination of the Reinvestment Period could adversely affect returns to the Subordinated Notes and may also cause the Noteholders to receive principal payments earlier than anticipated.

2.12 The Investment Manager may reinvest Unscheduled Principal Proceeds, Sale Proceeds from the sale of Credit Improved Obligations and Credit Impaired Obligations after the end of the Reinvestment Period

After the end of the Reinvestment Period, the Investment Manager may still reinvest (i) Unscheduled Principal Proceeds, (ii) Sale Proceeds from the sale of Credit Improved Obligations and (iii) Sale Proceeds from the sale of Credit Impaired Obligations, subject to certain conditions described under "*The Portfolio*" below. Reinvestment of Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations will likely have the effect of extending the Weighted Average Life of the Collateral Debt Obligations and the average lives of the Notes.

2.13 The Trust Deed requires mandatory redemption of the Rated Notes for failure to satisfy Coverage Tests and if an Effective Date Rating Event occurs

If on any relevant Determination Date any applicable Coverage Test is not met with respect to any Class or Classes of Rated Notes, or an Effective Date Rating Event has occurred and is continuing, Interest Proceeds that otherwise would have been paid or distributed to the Noteholders of each Class of Rated Notes (other than Class A Notes and Class B Notes) that is subordinated to such Class or Classes and (during the Reinvestment Period, and, with respect to Unscheduled Principal Proceeds, Sale Proceeds from the sale of Credit Impaired Obligations and Sale Proceeds from the sale of Credit Improved Obligations, after the Reinvestment Period), Principal Proceeds that would otherwise have been reinvested in Collateral Debt Obligations will instead be used to redeem the Rated Notes of the most senior Class or Classes then Outstanding, in each case in accordance with the Priorities of Payment, to the extent necessary to satisfy the applicable Coverage Tests or until such Effective Date Rating Event is no longer continuing. This could result in an elimination, deferral or reduction in the payments of Interest Proceeds and Principal Proceeds to the holders of the Class C Notes, the Class D Notes, the Class E Notes, the

Class F Notes and/or the Subordinated Notes, as the case may be. In addition, a mandatory redemption of Rated Notes owing to an Effective Date Rating Event could result in the Investment Manager causing the Issuer to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realised value of the Collateral Debt Obligations sold.

2.14 The Notes are subject to Special Redemption at the option of the Investment Manager

The Notes will be subject to redemption in part by the Issuer on any Payment Date during the Reinvestment Period if the Investment Manager (acting on behalf of the Issuer) notifies the Trustee that it has been unable, after using reasonable endeavours, for a period of at least 20 consecutive Business Days, to identify additional Collateral Debt Obligations or Substitute Collateral Debt Obligations that are deemed appropriate by the Investment Manager (acting on behalf of the Issuer) in its discretion and which would meet the Eligibility Criteria or, to the extent applicable, the Reinvestment Criteria in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account or Unused Proceeds Account to be invested in additional Collateral Debt Obligations or Substitute Collateral Debt Obligations. On the Special Redemption Date, the Special Redemption Amount will be applied in accordance with the Principal Priority of Payments. The application of funds in that manner could result in an elimination, deferral or reduction of amounts available to make payments with respect to the Subordinated Notes.

2.15 Additional issuances of Notes and Contributions as well as the deferral or reinvestment of Investment Management Fees and repurchases of Notes by the Issuer, may have the effect of preventing the failure of the Coverage Tests and the occurrence of an Event of Default

The Issuer may issue and sell additional Notes of any one or more existing Classes and use the net proceeds to purchase additional Collateral Debt Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes or for other purposes permitted under the Trust Deed. If certain conditions for such additional issuance are met, such additional issuance may be made without the consent of the Noteholders (save for the Subordinated Noteholders acting by way of Ordinary Resolution and, in the case of the issuance of additional Class A Notes, subject to the approval of the Class A Noteholders (acting by way of Ordinary Resolution)), but will require the consent of the Retention Holder. See Condition 17 (*Additional Issuances*).

Subject to certain conditions, the Issuer may, pursuant to Condition 7(k) (*Purchase*), purchase any Rated Notes outstanding, in whole or in part using Principal Proceeds standing to the credit of the Principal Account or the Collateral Enhancement Account.

The Investment Manager may, pursuant to the Priorities of Payment, apply, by either deferring or designating for reinvestment in Collateral Debt Obligations, all or a portion of the Senior Investment Management Fee or the Subordinated Investment Management Fee in each case that would otherwise have been payable to it.

A Noteholder may, in certain circumstances, provide the Issuer with cash by way of a Contribution, to be applied toward a specified Permitted Use.

The use of issuance proceeds of any additional issuances as Principal Proceeds, the purchase by the Issuer of Notes, the receipt by the Issuer of a Contribution or the deferral by the Investment Manager of Investment Management Fees, 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 Trust Deed.

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

A form of liquidity for the Subordinated Notes is the optional redemption provision set out in Condition 7(b) (*Optional Redemption*). There can be no assurance, however, that such optional redemption provision will be capable of being exercised in accordance with the conditions set out in Condition 7(b) (*Optional Redemption*) which may in some cases require a determination

that the amount realisable from the Portfolio is greater than the aggregate of all amounts which would be due and payable on redemption of the Rated Notes and to the other creditors of the Issuer pursuant to Condition 11(b) (*Enforcement*) which rank in priority to payments in respect of the Subordinated Notes in accordance with the Priorities of Payment.

The Notes are subject to optional and mandatory redemption in a variety of circumstances (see Condition 7 (*Redemption and Purchase*)). Depending on which of the specific provisions of Condition 7 (*Redemption and Purchase*) are applicable, in some circumstances the Notes will be redeemed in whole and in others they will only be redeemed in part. In some instances the Notes may be redeemed at the option of either the Subordinated Noteholders, the Investment Manager, the Retention Holder, or the Controlling Class. In other instances, redemption will not depend on the exercise of a discretion (as is the case, for example, with redemptions that occur after the expiry of the Reinvestment Period). There are a variety of different tests, steps, criteria and thresholds that may need to be satisfied before any such redemption can occur. In this regard potential investors should consider the terms of Condition 7 (*Redemption and Purchase*) in detail.

In general terms, optional or mandatory redemption will give rise to a number of risks including the following:

(a) Noteholders may receive a repayment of some or all of their investment earlier than anticipated, and prior to the Maturity Date;

(b) where the Notes are redeemable upon the exercise of a discretion of a transaction party or a particular Class of the Noteholders, there is no obligation that in exercising such discretion the interests of any other party or Class of Noteholders be taken into account;

(c) where one or more Classes of Rated Notes (or tranches) are redeemed through a Refinancing, Noteholders should be aware that any such redemption would occur outside of the Note Payment Sequence and the Priorities of Payment. Subject to certain conditions, the Rated Notes may be redeemed in whole or in part by the Issuer by the redemption in whole of one or more Classes (or tranches) of Rated Notes at their applicable Redemption Price(s) from Refinancing Proceeds at the option of the Subordinated Noteholders (acting by Ordinary Resolution) but without the consent of the holders of any other Class of Notes (provided that the Investment Manager has consented to any such redemption). In addition Noteholders of a Class of Rated Notes (or tranche) that are redeemed through a Refinancing should be aware that the interest rate of any new notes will be equal to or lower than the interest rate of such Rated Notes immediately prior to such Refinancing; and

(d) where the Notes are to be redeemed by liquidation, there can be no assurance that the proceeds of liquidation would permit any distribution on the Subordinated Notes after all required payments are made to the holders of the Rated Notes or, in certain circumstances, that losses would not be incurred on Rated Notes. In addition, a redemption could require the Investment Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realised value of the Collateral Debt Obligations sold.

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

During each three month Accrual Period, the Floating Rate Notes accrue interest at three month EURIBOR (and in the case of the initial Interest Period, as determined pursuant to a straight line interpolation of the rates applicable to 6 and 9 month EURIBOR). During each six month Accrual Period, the Floating Rate Notes accrue interest at six month EURIBOR. The interest rate may fluctuate from one accrual period to another in response to changes in EURIBOR. The Subordinated Notes do not bear a stated rate of interest. Several years ago, EURIBOR experienced historically high volatility and significant fluctuations. It is likely that EURIBOR will continue to fluctuate and none of the Issuer, the Collateral Administrator, the Investment Manager, the Placement Agent nor any of their Affiliates make any representation as to what EURIBOR will be in the future. Because the Floating Rate Notes bear interest based upon three

month EURIBOR during three month Accrual Periods and six months EURIBOR during six months Accrual Periods as described in Condition 6(e)(i) (*Floating Rate of Interest*), there may be a basis mismatch between the Floating Rate Notes and the underlying Collateral Debt Obligations and Eligible Investments with interest rates based on an index other than EURIBOR, interest rates based on EURIBOR for a different period of time or even three-month or six-month EURIBOR for a different accrual period. In addition, up to 7.5 per cent. of the Aggregate Collateral Balance may bear interest at a fixed rate. It is possible that EURIBOR payable on the Floating Rate Notes may rise (or fall, subject to a floor of zero as specified in the Conditions) during periods in which EURIBOR (or another applicable index) with respect to the various Collateral Debt Obligations and Eligible Investments is stable or falling (or rising but capped at a level lower than EURIBOR for the Floating Rate Notes). No assurance can be given that the portion of floating rate Collateral Debt Obligations of the Issuer that bear interest based on indices other than EURIBOR will not decrease in the future. Some Collateral Debt Obligations, however, may have EURIBOR floor arrangements that may help mitigate this risk, but there is no requirement for any Collateral Debt Obligation to have a EURIBOR floor and there is no guarantee that any such EURIBOR floor will fully mitigate the risk of falling EURIBOR. If EURIBOR payable on the Floating Rate Notes rises during periods in which EURIBOR (or another applicable index) with respect to the various Collateral Debt Obligations and Eligible Investments is stable or during periods in which the Issuer owns Collateral Debt 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 Debt Obligations and the sum of the interest payable on the Floating Rate Notes and certain transaction fees payable by the Issuer) that otherwise would be available as credit support may instead be used to pay interest on the Floating Rate Notes.

There may also be a timing mismatch between the Floating Rate Notes and the underlying Collateral Debt Obligations as EURIBOR (or other applicable index) on such Collateral Debt Obligations may adjust more frequently or less frequently or on different dates than EURIBOR on the Floating Rate Notes. Such a mismatch could result in the Issuer not collecting sufficient Interest Proceeds to make interest payments on the Floating Rate Notes. 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. Subject to certain conditions as set out in "*Hedging Arrangements*", the Investment Manager shall only cause the Issuer to enter into Hedge Agreements in respect of which the Hedging Condition is satisfied. See "*Hedging Arrangements*". Even if the Issuer were to enter into one or more Hedge Agreements, there can be no assurance that the Collateral Debt Obligations and the Eligible Investments will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Floating Rate Notes and to make distributions to the holders of the Subordinated Notes, nor that the Hedge Agreements will ensure any particular return on any such Notes.

2.18 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 Maturity Date. Each such average life may vary due to various factors affecting the early retirement of Collateral Debt Obligations from payments, defaults, or otherwise, the timing and amount of sales of such Collateral Debt Obligations, the ability of the Investment Manager to invest collections and proceeds in additional Collateral Debt Obligations, and the occurrence of any mandatory redemption in accordance with Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*), Optional Redemption, redemption following a Note Tax Event or Special Redemption. Retirement of the Collateral Debt Obligations prior to their respective final maturities will depend, among other things, on the financial condition of the Obligors of the underlying Collateral Debt Obligations and the respective characteristics of such Collateral Debt 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 Debt 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 securities with comparable interest rates that satisfy the reinvestment criteria specified herein may affect the timing and amount of

payments received by the Noteholders and the yield to maturity of the Notes. See "*The Portfolio*".

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

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

2.20 Certain ERISA considerations

Under a regulation issued by the U.S. Department of Labor, as modified by Section 3(42) of ERISA, if certain employee benefit plans or other retirement arrangements subject to the fiduciary responsibility provisions of Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), or section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or entities whose underlying assets are treated as assets of such plans or arrangements (collectively, "**Plans**") invest in a Class of Notes that is treated as equity under the regulation (which could include the Class E Notes, the Class F Notes or the Subordinated Notes), the assets of the Issuer could be considered to be assets of such Plans and certain of the transactions contemplated by the Issuer could be considered "prohibited transactions" under section 406 of ERISA or section 4975 of the Code. See "*Certain ERISA Considerations*" below.

2.21 Changes in tax law; no gross up

At the time when they are acquired by the Issuer, the Eligibility Criteria require that payments in respect of the Collateral Debt Obligations will not be subject to withholding tax imposed by any jurisdiction (other than U.S. withholding tax on commitment fees, amendment fees, waiver fees, consent fees, letter of credit fees, extension fees, or similar fees) unless either: (i) such withholding can be eliminated by application being made under an applicable double tax treaty or otherwise; or (ii) the Obligor is required to make "gross up" payments to the Issuer that cover the full amount of any such withholding or deduction on an after tax basis. However, there can be no assurance that, as a result of any change in market practice, any applicable law, rule or regulation or interpretation thereof, the payments on the Collateral Debt Obligations (including payments by Selling Institutions in the case of Participations) will not in the future become subject to withholding tax or increased withholding rates in respect of which the relevant Obligor (or, in the case of Participations, the Selling Institution) is not obliged to make "gross up" payments to the Issuer. In such circumstances, the Issuer may be able, but will not be obliged, to take advantage of (a) a double taxation treaty between Ireland and the jurisdiction from which the relevant payment is made, (b) the current applicable law in the jurisdiction of the Obligor, or (c) the fact that the Issuer has taken a Participation in such Collateral Debt Obligations from a Selling Institution which is able to pay interest payable under such Participation gross. If the Issuer receives any interest payments on any Collateral Debt Obligation (or any Restructured Obligation in the case of the Collateral Quality Tests) net of any applicable withholding tax, the Coverage Tests and (in the case of Restructured Obligations), Collateral Quality Tests will be determined by reference to such net receipts. Such tax (if no corresponding gross up payment is received) would also reduce the amounts available to make payments on the Notes. There can be no assurance that remaining payments on the Collateral Debt Obligations would be sufficient to

make timely payments of interest, principal on the Maturity Date and other amounts payable in respect of the Notes of each Class. If interest payments in respect of Collateral Debt Obligations to the Issuer become subject to withholding tax, this may also trigger a Collateral Tax Event and result in an optional redemption of the Notes in accordance with Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*).

2.22 U.S. tax risks

(a) Imposition of tax on Non-U.S. Holders

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

(b) U.S. trade or business

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

(c) FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income, and on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and Ireland, the Issuer will not be subject to withholding under FATCA if it complies with Irish implementing legislation that is expected to require the Issuer to provide the name, address, and taxpayer identification number of, and certain other information with respect to, certain holders of Notes to Ireland Tax and Customs Administration, which would then provide this information to the IRS. The Issuer expects to comply with the intergovernmental agreement and the Irish implementing legislation; however, there can be no assurance that the Issuer will be able to do so. Moreover, FATCA could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

If a Noteholder fails to provide the Issuer or its agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer, or if the Noteholder's ownership of any

Notes would otherwise cause the Issuer to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the Noteholder, to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 10 Business Days after notice from the Issuer, to sell the Noteholder's Notes on behalf of the Noteholder.

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

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

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

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

2.23 Forced transfer

Each initial purchase of an interest in a Rule 144A Note and each transferee of an interest in a Rule 144A Note will be deemed to represent at the time of purchase that, amongst other things, the purchaser is both a QIB and a QP. In addition, each Noteholder will be deemed or in some cases required to make certain representations in respect of ERISA.

The Trust Deed provides that if, notwithstanding the restrictions on transfer contained therein, the Issuer determines at any time that any holder of an interest in a Rule 144A Note is a U.S. person as defined under Regulation S under the Securities Act (a "**U.S. Person**") and is not both a QIB and a QP (any such person, a "**Non-Permitted Holder**") or a Noteholder is a Non-Permitted ERISA Holder, the Issuer shall, promptly after determination that such person is a Non-Permitted Holder or Non-Permitted ERISA Holder by the Issuer, send notice to such Non-Permitted Holder or Non-Permitted ERISA Holder (as applicable) demanding that such Non-Permitted Holder or Non-Permitted ERISA Holder (as applicable) transfer its interest to a person that is not a Non-Permitted Holder or Non-Permitted ERISA Holder (as applicable) within 30 days (or 10 days in the case of a Non-Permitted ERISA Holder) of the date of such notice. If such Non-Permitted Holder or Non-Permitted ERISA Holder (as applicable) fails to effect the transfer required within such 30 day period (or 10 day period in the case of a Non-Permitted ERISA Holder), (a) the Issuer shall cause such beneficial interest to be transferred in a sale to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB and a QP and is not a Non-Permitted ERISA Holder and (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

2.24 Withholding tax on the Notes

Although no withholding tax is currently imposed on payments of interest or principal on the Notes, there can be no assurance that the law will not change and pursuant to Condition 9 (*Taxation*) the Issuer shall withhold or deduct from any such payments any amounts on account of tax where so required by law (including FATCA) or any relevant taxing authority. The Issuer is

not required to make any "gross up" payments in respect of any withholding tax applied in respect of the Notes.

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

2.25 The Issuer may become subject to third party litigation; the Issuer is recently formed and 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. The expense of defending claims against the Issuer by third parties, including bankruptcy or insolvency proceedings, and paying any amounts pursuant to settlements or judgments would, except in the unlikely event that 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 Issuer is a recently incorporated private company with limited liability and has no prior operating history or track record. Accordingly, the Issuer has no performance history for investors to consider in making their decision to invest in the Notes.

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

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

The Issuer has not 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 QPs and (b) which do not make a public offering of their securities in the United States.

If the SEC or a court of competent jurisdiction were to find that the Issuer is required, but in violation of the Investment Company Act had failed, to register as an investment company, possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors in the Issuer could sue the Issuer and recover any damages caused by the violation; and (iii) any contract to which the 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 Trust Deed. Should the Issuer be subjected to any or all of the foregoing, the Issuer and Noteholders would be materially and adversely affected.

The Trust Deed provides that if, notwithstanding the restrictions on transfer contained therein, the Issuer determines that any holder of an interest in a Rule 144A Note is a Non Permitted Holder the Issuer shall require the sale of the relevant Notes subject to and in accordance with the Conditions of the Notes. See paragraph 2.23 "*Forced transfer*" above.

2.27 Legislative and regulatory actions in the United States, Europe and elsewhere may adversely affect the Issuer and the Notes

In Europe, the United States and elsewhere there is increased political and regulatory scrutiny of banks, financial institutions and the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Placement Agent, the Investment Manager, the Trustee nor any of their Affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment in the Notes on the Issue Date or at any time in the future.

Certain of these European, US and global regulatory efforts overlap and have generally not been undertaken on a coordinated basis resulting in regulatory divergence and potential conflict across jurisdictions. Areas where divergence between regulation exists or has begun to develop (whether with respect to scope, interpretation, timing, approach or otherwise), include trading, clearing and reporting requirements for derivatives transactions, higher capital and margin requirements relating to uncleared derivatives transactions, and capital and liquidity requirements that may result in mandatory "ring-fencing" of capital or liquidity in certain jurisdictions, among others. Investors should be aware that risks posed by such regulatory overlap and divergence are material and that the Issuer and, consequently, an investment in the Notes could be materially and adversely affected thereby.

No representation is made as to the proper characterisation of the Notes for legal investment, financial institution regulatory, financial reporting or other purposes, as to the ability of particular investors to purchase the Notes under applicable legal investment or other restrictions or as to the consequences of an investment in the Notes for such purposes or under such restrictions. Certain regulatory or legislative provisions applicable to certain investors may have the effect of limiting or restricting their ability to hold or acquire the Notes, which in turn may adversely affect the ability of investors in the Notes who are not subject to those provisions to resell their Notes in the secondary market.

2.28 The Dodd Frank Act and US Risk Retention Rules

In response to the downturn in the credit markets and the global economic crisis of 2007-8, legislators and various agencies and regulatory bodies of the United States federal government and in Europe have taken or are considering taking actions. 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 21 July 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 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 organisation, by initial and variation margin requirements of clearing organisations 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 Investment Manager, lead to the Issuer's inability to purchase additional Collateral Debt Obligations or have unforeseen legal consequences on the Issuer or the

Investment Manager or have other material adverse effects on the Issuer or the Noteholders. In addition, CFTC rules under the Dodd Frank Act include "swaps" along with "futures" as contracts which if traded by an entity may cause that entity to fall within the definitions of a "commodity pool" or "commodity trading advisor" under the CEA and the Investment Manager to fall within the definition of a "commodity pool operator" ("**CPO**") and/or a "commodity trading advisor" ("**CTA**"). Although the CFTC has provided guidance that certain securitisation transactions, including CLOs, should be excluded from the definition of "commodity pool", it is unclear if such exclusion will apply to all CLOs, and in certain instances, the investment manager of a securitisation vehicle may be required to register as a CPO and/or a CTA with the CFTC or apply for an exemption from registration. The Investment Manager shall only cause the Issuer to enter into Hedge Agreements with respect to which the Investment Manager has obtained legal advice of reputable legal counsel to the effect that the Issuer's entry into such Hedge Agreement will not require any of the Issuer, its Directors, or officers or the Investment Manager or its Affiliates to register with the CFTC and/or the United States National Futures Association as a CPO or CTA pursuant to the CEA. See further "*Hedging Arrangements*".

The requirements of any registration of any CPO or CTA with respect to the Issuer, including the Investment Manager, would cause such CPO or CTA to be subject to registration and reporting requirements that may result in 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 Investment 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 exclusions or exemptions, or the compliance costs resulting from the CFTC rules, may prevent the Issuer from entering into swaps that the Investment Manager believes would be advisable or result in the Issuer incurring financial risks that would have been hedged absent such limits or compliance costs.

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 of the Noteholders 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. If swap 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 Noteholders.

On 21 October 2014, the final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act (the "**US Risk Retention Rules**") were issued. The US Risk Retention Rules generally require the investment manager of a CLO to retain not less than 5% of the credit risk of the assets collateralising the CLO issuer's securities. The US Risk Retention Rules will become effective on 24 December 2016. While the US Risk Retention Rules would not apply to the issuance and sale of the Notes on the Issue Date, the US Risk Retention Rules may have other adverse effects on the Issuer and/or the holders of the Notes. The US Risk Retention Rules would apply to any additional Notes issued in accordance with the Conditions and may also apply with respect to any Refinancing, if such subsequent issuance or Refinancing occurs on or after the effective date of the US Risk Retention Rules referred to above. As a result, the US Risk Retention Rules may adversely affect the Issuer (and the performance and market value of the Notes) if the Issuer is unable to undertake any such additional issuance or Refinancing and may affect the liquidity of the Notes. Furthermore, no assurance can be given as to whether the US Risk Retention Rules would have any future material adverse effect on the business, financial condition or prospects of the Investment Manager or the Issuer or on the market value or liquidity of the Notes. For the avoidance of doubt, the Investment Manager does not and will not make any commitment or any representation nor give any undertaking as to compliance with the US Risk Retention Rules in connection with the transaction described in this Prospectus and the Investment Manager does not undertake to maintain its current regulatory authorisations, seek any new or additional regulatory authorisations, or notify any Noteholder of a change in its regulatory authorisations for the purposes of compliance with the US Risk Retention Rules.

In addition, no assurance can be made that the United States federal government or any U.S. regulatory body (or other authority or regulatory body) will not continue to take further legislative or regulatory action in response to the economic crisis or otherwise, and the effect of such actions, if any, cannot be known or predicted.

2.29 Volcker Rule

On 10 December 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" (including certain non-U.S. affiliates of U.S. 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 relies on Section 3(c)(7) of the Investment Company Act for its exemption from registration thereunder, it is likely to be considered to be a covered fund.

Since the Issuer is likely to be considered 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. "Ownership interest" is defined to include, among other things, interests arising through a holder's exposure to profits and losses in a covered fund or through the right of a holder to participate in the selection of an investment manager or advisor or the board of directors of a "covered fund". While the definition of "ownership interest" does not explicitly address securities of a collateralised loan obligation fund, the Subordinated Notes would likely constitute an ownership interest in the Issuer. It is uncertain whether any of the other Notes may be similarly characterised as an ownership interest in the Issuer.

The holders of any Class A Notes, Class B Notes, Class C Notes and/or Class D Notes in the form of IM Non-Voting Exchangeable Notes or IM Non-Voting Notes may not vote for or against any IM Removal Resolution of IM Replacement Resolution and are not included for purposes of determining the outcome of any such vote. However, there can be no assurance that the absence of voting rights with respect to IM Removal Resolutions and IM Replacement Resolutions will avoid such investments in the Issuer by U.S. banking institutions and other banking entities subject to the Volcker Rule being characterised as an "ownership interest" in a "covered fund". See also paragraph 2.42 "*Resolutions, Amendments and Waivers*" below.

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, whether any investment in any Class of Notes constitutes an "ownership interest" 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 analysing their own regulatory position and none of the Issuer, the Placement Agent, the Investment Manager, the Trustee, the Agents nor any of their affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the application of the Volcker Rule to the Issuer, or to such investor's investment in the Notes on the Issue Date or at any time in the future.

2.30 European Risk retention

Investors should be aware of the risk retention and due diligence requirements in Europe ("**EU Risk Retention and Due Diligence Requirements**") which currently apply, or are expected to apply in the future, in respect of various types of EU regulated investors including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings and UCITS funds. Amongst other things, such requirements restrict an investor who is subject to the EU Risk Retention and Due Diligence Requirements from investing in securitisations unless: (i) the originator, sponsor or original lender in respect of the relevant

securitisation has explicitly disclosed that it will retain, on an on-going basis, a net economic interest of not less than five per cent. in respect of certain specified credit risk tranches or securitised exposures; and (ii) is able to able to demonstrate that they have undertaken certain due diligence in respect of various matters including but not limited to its note position, the underlying assets and (in the case of certain types of investors) the relevant sponsor or originator. Failure to comply with one or more of the requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a punitive capital charge on the Notes acquired by the relevant investor.

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

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

Investors should note that the EBA published a report on 22 December 2014 (the "**EBA Report**"). In the EBA Report the EBA highlighted that the definition of "originator" should be narrowed in order to avoid potential abuses. The European Commission is currently considering potential changes to the European risk retention rules (an unofficial initial preliminary draft of which was recently published in the financial press). Any proposals submitted by the European Commission will need to be considered and adopted by the European Parliament and Council of Ministers. At this time it is unclear what changes the European Commission will propose following the EBA Report. There can be no assurances as to whether the transactions described herein will be affected if at all by a change in law or regulation relating to the Retention Requirements.

Investors should therefore make themselves aware of the EU Risk Retention and Due Diligence Requirements (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. With respect to the commitment of the Investment Manager to retain a material net economic interest in the securitisation, please see the statements set out in "*The Retention Holder and Retention Requirements*" below.

2.31 CRA3

On 13 May 2013, the finalised text of a Regulation of the European Parliament and of the European Council amending Regulation EC 1060/2009 on credit rating agencies ("**CRA3**") was published. CRA3 became effective on 20 June 2013 (the "**CRA3 Effective Date**"). CRA3

provides, *inter alia*, for certain additional disclosure requirements which will become applicable in relation to structured finance transactions. Such disclosures will need to be made via a website to be set up by the European Securities and Markets Authority ("**ESMA**"). The European Commission approved regulatory technical standards on 30 September 2014 which were published in the Official Journal of the European Union on 26 January 2015, detailing the scope and nature of the required disclosure. The reporting requirements will generally become effective on 1 January 2017. In their current form, the regulatory technical standards only apply to structured finance instruments for which a reporting template has been specified. Currently there is no template for CLO transactions.

Additionally, Article 8(c) of CRA3 has introduced a requirement that issuers or related third parties of structured finance instruments solicit two independent ratings for their obligations and should consider appointing at least one rating agency having less than a 10 per cent. market share. Investors should consult their legal advisors as to the applicability of CRA3 in respect of their investment in the Notes.

2.32 Financial Transaction Tax ("FTT")

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**").

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

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

On 6 May 2014, ten of the eleven participating Member States published a joint statement on the FTT and the Presidency of the Council of the European Union published a note of the FTT, each of which indicated an intention to introduce the FTT progressively, starting with shares and some derivatives from 1 January 2016. The FTT proposal may be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT and its potential impact on the Collateral and the Notes before investing.

The FTT may also apply to dealings in the Collateral to the extent the Collateral constitutes financial instruments within its scope, such as bonds. In such circumstances, there will be no gross-up by any party to the transaction and amounts due to Noteholders may be adversely affected.

The meeting of the European Union Economic and Financial Affairs Council on 7 November 2014 confirmed the aim among the Participating Member States of implementing the first phase of the FTT with effect from 1 January 2016. A further joint statement by the finance ministers of the Participating Member States (except for Greece) published on 27 January 2015 reiterated that the anticipated implementation date remains 1 January 2016.

2.33 Evolution of international fiscal and taxation policy and Action Plan on Base Erosion and Profit Shifting

Fiscal and taxation policy and practice is constantly evolving and at present the pace of evolution has been quickened due to a number of developments which include, but are not limited to, the Organisation for Economic Co-operation and Development ("**OECD**") Base Erosion and Profit Shifting project ("**BEPS**"). In July 2013 the OECD published its Action Plan on BEPS, which proposed fifteen actions intended to counter international tax base erosion and profit shifting. The focus of one of the action points (Action 6) is the prevention of treaty abuse by developing

model treaty provisions to prevent the granting of treaty benefits in inappropriate circumstances. On 16 September 2014 the OECD released its recommendations in respect of Action 6 and a discussion draft was released on 21 November 2014.

As a minimum, the OECD recommended that countries should include in their tax treaties one or both of a "limitation-on-benefits" provision and a "principal purposes test" provision.

A "limitation-on-benefits" provision would limit the benefits of treaties, in the case of companies and in broad terms, to (i) certain publicly listed companies and their subsidiaries, (ii) certain not-for-profit organisations and companies which carry on a pensions business; (iii) companies owned by persons who would be eligible for treaty benefits provided that the majority of the company's gross income is not paid to a third country in a tax deductible form; (iv) companies engaged in the active conduct of a trade or business (other than of making or managing investments) and (iv) companies which were not established in a particular jurisdiction with a principal purpose of obtaining treaty benefits.

A "principal purposes test" could deny a treaty benefit (such as reduced rates of withholding tax) if it is reasonable to conclude, having regard to all facts and circumstances, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit.

The OECD notes however that "further work is also needed with respect to the implementation of the minimum standard and with respect to the policy considerations relevant to treaty entitlement of collective investment vehicles ("**CIVs**") and non-CIV funds.

A further discussion draft released on 22 May 2015 which proposed a simplified "limitation-on-benefits" provision where a "principal purpose test" is included in a tax treaty. This simplified "limitation-on-benefits" provision would, among other things, enable individual jurisdictions to create mechanisms for the clearance of certain special purpose vehicles where such special purpose vehicle does not have a principal purpose of treaty abuse. The final form of the Action 6 recommendations is still not certain and in particular, the treaty entitlement of CIVs and non-CIVs is still subject to further discussion and consideration. The final version of the revised report in relation to Action 6 is expected to be released in September 2015.

Another action point (Action 7) is to develop changes to the treaty definition of a permanent establishment and the scope of the exemption for an "agent of independent status" to prevent the artificial avoidance of having a permanent establishment in a particular jurisdiction. As yet no recommendations have been issued in respect of this action point. A discussion draft was published in relation to Action 7 on 31 October 2014.

The OECD Action Plan on Base Erosion and Profit Shifting notes the need for a swift implementation of these measures and suggests that these two action points, amongst others, could be implemented by way of multilateral instrument, rather than by way of the more protracted process of negotiating and amending individual tax treaties.

The recommendations for Action 6 (in particular in relation to its application to CIVs and non-CIV funds) is subject to further work. Action 7 is subject to public consultation. It is not clear what form the final recommendations of the OECD will take. Once the final recommendations are given, it is not clear whether, when, how and to what extent particular jurisdictions will decide to adopt the recommendations in respect of these and other action points. The implementation of the recommendations could result in the Issuer being treated as having a taxable permanent establishment outside of Ireland, in denying the Issuer the benefit of Ireland network of tax treaties or in other tax consequences for the Issuer.

2.34 EMIR

The European Market Infrastructure Regulation EU 648/2012 ("**EMIR**") entered into force on 16 August 2012. EMIR and the regulations made under it impose certain obligations on parties to OTC derivative contracts according to whether they are "financial counterparties" such as investment firms, alternative investment funds, credit institutions and insurance companies, or other entities which are "non-financial counterparties".

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

Non-financial counterparties are excluded from the clearing obligation and certain of the risk mitigation obligations provided the gross notional value of all derivative contracts entered into by the non-financial counterparty and other non-financial counterparties within its "group" (as defined in EMIR), excluding eligible hedging transactions, do not exceed certain thresholds. If the Issuer is considered to be a member of such a "group" (as defined in EMIR) and if the notional value of derivative contracts entered into by the Issuer or other non-financial counterparties within any such group exceeds the applicable threshold, the Issuer would be subject to the clearing obligation. Whilst the asset swaps to be entered into by the Issuer are expected to be treated as hedging transactions and deducted from the total in assessing whether the notional value of derivative contracts entered by the Issuer or its "group", the regulator may take a different view. If the Issuer exceeds the applicable clearing thresholds, it would also be subject to the full set of risk mitigation obligations and would be required to post collateral in respect of non-cleared OTC derivative contracts. The Issuer would be unable to comply with such requirements, which could result in the sale of Non-Euro Obligations and/or termination of relevant Hedge Agreements. Hedge counterparties may also be unable to enter into hedge transactions with the Issuer. This would limit the Issuer's ability to invest in Non-Euro Obligations and put it in breach of its obligation to enter into Asset Swap Transactions with respect to any Non-Euro Obligations it has purchased. Any termination of a Hedge Agreement as a result of non compliance with such requirements or as a result of the Issuer becoming a financial counterparty as described above or otherwise would expose the Issuer to costs and increased interest rate or currency exchange rate risk until the hedged assets can be sold.

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

Prospective investors should be aware that the regulatory changes arising from EMIR may in due course significantly increase the cost of entering into derivative contracts (including the potential for non-financial counterparties such as the Issuer to become subject to marking to market and collateral posting requirements in respect of non-cleared OTC derivatives such as Asset Swap Transactions and Interest Rate Hedge Transactions) and may adversely affect the Issuer's ability to enter the currency hedges and therefore the Issuer's ability to acquire Non-Euro Obligations. As a result of such increased costs and/or additional regulatory requirements, investors may receive significantly less or no interest or return, as the case may be. Investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR in making any investment decision in respect of the Notes.

2.35 Alternative Investment Fund Managers Directive

AIFMD became effective on 22 July 2013, and introduces authorisation and regulatory requirements for managers of alternative investment funds ("**AIFs**"). If the Issuer were to be considered to be an AIF within the meaning AIFMD, it would need to be managed by a manager authorised under AIFMD (an "**AIFM**"). The Investment Manager is not authorised under AIFMD. In addition, if considered to be an AIF, the Issuer would also be classified as a "financial counterparty" under EMIR and may be required to comply with clearing obligations with respect

to Hedge Transactions including obligations to post margin to any central clearing counterparty or market counterparty. See also paragraph 2.34 "*EMIR*" above.

There is an exemption from the definition of AIF in AIFMD for "securitisation special purpose entities" (the "**SSPE Exemption**"), defined by reference to securitisation within the meaning of Article 1(2) of Regulation (EC) No 24/2009 of the European Central Bank of 19 December 2008. ESMA has not yet given any formal guidance on the application of the SSPE Exemption or whether a vehicle such as the Issuer would fall within it. However, the Central Bank of Ireland has confirmed that pending such further clarification from ESMA, (i) "registered financial vehicle corporations" with the meaning of Article 1(2) of Regulation (EC) No 24/2009 of the European Central Bank, such as the Issuer, and (ii) financial vehicles engaged solely in activities where economic participation is by way of debt or corresponding instruments which do not provide ownership rights in the financial vehicle which are provided by the sale of units or shares, do not need to seek authorisation as an AIF or appoint an AIFM unless the Central Bank of Ireland issues further guidance advising them to do so.

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

If the Issuer were to be considered an AIF and an AIFM were to be appointed to manage the Issuer's assets, such AIFM would need to comply with a number of requirements under AIFMD, including the appointment of a custodian in respect of the Issuer's assets and compliance with certain reporting and disclosure obligations. Compliance with AIFMD by any such AIFM appointed by the Issuer will involve significant additional costs which again may affect the return investors receive from their investment.

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

2.36 Basel III and other regulatory capital requirements for regulated investors

Investors should note that the Basel Committee on Banking Supervision ("**BCBS**") has approved significant changes to the Basel regulatory capital and liquidity framework (such changes being commonly referred to as "**Basel III**") and has proposed certain revisions to the securitisation framework. Basel III provides for a substantial strengthening of existing prudential rules, including new requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards (referred to as the Liquidity Coverage Ratio ("**LCR**") and the Net Stable Funding Ratio ("**NSFR**")). BCBS member countries agreed to implement Basel III from 1 January 2013, subject to transitional and phase-in arrangements for certain requirements (e.g. the LCR requirements refer to implementation from the start of 2015, with full implementation by January 2019, and the NSFR requirements refer to implementation from January 2018). As implementation of any changes to the Basel framework (including those made via Basel III) requires national legislation, the final rules and the timetable for its implementation in each jurisdiction, as well as the treatment of asset-backed securities (e.g. as LCR eligible assets or not), may be subject to some level of national variation. It should also be noted that changes to regulatory capital requirements are coming for insurance and reinsurance undertakings through national initiatives, such as the Solvency II framework in Europe. Regulated investors, including credit institutions, investment firms, insurance and reinsurance undertakings, are responsible for analysing their own regulatory position and none of the Issuer, the Placement Agent, the Investment Manager, the Trustee nor any of their affiliates makes any representation or warranty to any such prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment in the Notes on the Issue Date or at any time in the future.

2.37 Book-entry holders are not considered Noteholders under the Trust Deed and may delay receipt of payments on the Notes

Holders of beneficial interests in any Notes held in global form will not be considered holders of such Notes under the Trust Deed. After payment of any interest, principal or other amount to the applicable Clearing System, the Issuer will have no responsibility or liability for the payment of such amount by the applicable Clearing System or to any holder of a beneficial interest in a Note. The applicable Clearing System or its nominee will be the sole holder for any Notes held in global form, and therefore each person owning a beneficial interest in a Note held in global form must rely on the procedures of such Clearing System (and if such Person is not a participant in the applicable Clearing System on the procedures of the participant through which such Person holds such interest) with respect to the exercise of any rights of a Noteholder under the Trust Deed.

Noteholders owning a book-entry Note may experience some delay in their receipt of distributions of interest and principal on such Note since distributions are required to be forwarded by the Principal Paying Agent to the applicable Clearing System, and the applicable Clearing System 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 Noteholders, either directly or indirectly through indirect participants. See "*Form of the Notes*".

2.38 Security

Clearing Systems

Collateral in the form of securities (if any) will be held by the Custodian on behalf of the Issuer pursuant to the Agency and Account Bank Agreement. The Custodian will hold such assets which can be cleared through Euroclear in an account with Euroclear which is expected to be opened by the Custodian (or a duly appointed sub-custodian) on or around the Issue Date (the "**Euroclear Account**") and will hold the other securities comprising the Portfolio which cannot be so cleared (i) through its accounts with Clearstream, Luxembourg and The Depository Trust Company ("**DTC**"), as appropriate, and (ii) through its sub-custodians who will in turn hold such assets which are securities both directly and through any appropriate clearing system. Those assets held in clearing systems will not be held in special purpose accounts and will be fungible with other securities from the same issue held in the same accounts on behalf of the other customers of the Custodian or its sub-custodian, as the case may be. A first fixed charge over the Portfolio will be created under English law pursuant to the Trust Deed on the Issue Date which will, in relation to the assets that are held through the Custodian, take effect as a security interest over (i) the beneficial interest of the Issuer in its share of the pool of securities fungible with the relevant assets held in the accounts of the Custodian (or sub-custodian, as applicable) and (ii) the Issuer's ancillary contractual rights against the Custodian in accordance with the terms of the Agency and Account Bank Agreement (as defined in the Conditions), which may expose the Secured Parties to the risk of loss in the case of a shortfall of such securities if an insolvency of the Custodian or its sub-custodian occurs.

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

Any risk of loss arising from any insufficiency or ineffectiveness of the security for the Notes or the custody and clearance risks which may be associated with assets comprising the Portfolio will be borne by the Noteholders without recourse to the Issuer, the Placement Agent, the Trustee, the Investment Manager, the Agents, the Hedge Counterparties or any other party.

Fixed Security

Although the security constituted by the Trust Deed over the Collateral held from time to time, including the security over the Accounts, is expressed to take effect as a fixed charge, it may (as a result of, among other things, the substitutions of Collateral Debt Obligations or Eligible

Investments contemplated by the Investment Management and Collateral Administration Agreement and the payments to be made from the Accounts in accordance with the Conditions and the Trust Deed) take effect as a floating charge which, in particular, would rank after a subsequently created fixed charge. However, the Issuer has covenanted in the Trust Deed not to create any such subsequent security interests (other than those permitted under the Trust Deed) without the consent of the Trustee.

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

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

The Rating Agencies may change their published ratings criteria or methodologies for securities such as the Rated Notes at any time in the future. Further, the Rating Agencies may retroactively apply any such new standards to the ratings of the Rated Notes. Any such action could result in a substantial lowering (or even withdrawal) of any rating assigned to any Rated Note, despite the fact that such Rated Note might still be performing fully to the specifications set out for such Rated Note in this Prospectus 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 Rated Notes. If any rating initially assigned to any Rated Note is subsequently lowered or withdrawn for any reason, Noteholders may not be able to resell their Notes without a substantial discount. Any reduction or withdrawal to the ratings on any Class of Rated Notes may significantly reduce the liquidity of such Rated Notes and may adversely affect the Issuer's ability to make certain changes to the composition of the Collateral Debt Obligations (including by restricting the ability of the Investment Manager on behalf of the Issuer to undertake discretionary sales of Collateral Obligations, or to reinvest Sale Proceeds and/or Unscheduled Principal Proceeds in Substitute Collateral Obligations following the expiry of the Reinvestment Period, in each case due to the occurrence of a Restricted Trading Period following a downgrade or withdrawal of ratings in relation to certain of the Rated Notes. Please see "*The Portfolio*" and "*Ratings of the Notes*").

In addition to the ratings assigned to the Rated Notes by the Rating Agencies, the Issuer will be utilising ratings assigned by rating agencies to Obligors of individual Collateral Debt Obligations. The Collateral Quality Tests, the Reinvestment Overcollateralisation Test, the Portfolio Profile Tests and the Coverage Tests are sensitive to variations in the ratings applicable to the underlying Collateral Debt Obligations. Generally, deteriorations in the business environment or increases in the business risks facing any particular Obligor may result in downgrade of its obligations, which may result in such obligation becoming a Credit Impaired Obligation, a Moody's Caa Obligation, a Fitch CCC Obligation (and therefore potentially subject to haircuts in the determination of the Par Value Tests and the Reinvestment Overcollateralisation Test and restriction in the Portfolio Profile Tests) or a Defaulted Obligation. The Investment Management and Collateral Administration Agreement contains detailed provisions for determining the Moody's Rating and the Fitch Rating. In most instances, the Moody's Rating and the Fitch Rating will not be based on or derived from a public rating of the Obligor or the actual Collateral Debt Obligation. In most cases, the Moody's Rating and the Fitch Rating in respect of a Collateral Debt Obligation will be based on a confidential credit estimate determined separately by Moody's and Fitch. Such confidential credit estimates are private and therefore not capable of being disclosed to Noteholders. In addition, some ratings will be derived by the Investment Manager based on, among other things, Obligor group or affiliate ratings, comparable ratings provided by a different Rating Agency and, in certain circumstances, temporary ratings applied by the Investment Manager. Furthermore, such derived ratings will not reflect detailed credit analysis of the particular Collateral Debt Obligation and may reflect a more or less conservative view of the actual credit risk of such Collateral Debt Obligation than any such fundamental credit analysis

might, if conducted, warrant; and model-derived variations in such ratings may occur (and have consequential effects on the Collateral Quality Tests, the Reinvestment Overcollateralisation Test, the Portfolio Profile Tests and the Coverage Tests) without necessarily reflecting comparable variation in the actual credit quality of the Collateral Debt Obligation in question. Please see "*The Portfolio*" and "*Ratings of the Notes*".

There can be no assurance that rating agencies will continue to assign such ratings utilising the same methods and standards utilised today despite the fact that such Collateral Debt Obligation might still be performing fully to the specifications set out in its Underlying Instrument. Any change in such methods and standards could result in a significant rise in the number of Moody's Caa Obligations and Fitch CCC Obligations in the Portfolio, which could cause the Issuer to fail to satisfy the Par Value Tests on subsequent Determination Dates, which failure could lead to the early amortisation of some or all of one or more Classes of the Notes (or the requirement to reinvest Interest Proceeds in additional Collateral Debt Obligations as opposed to applying them in the payment on the Notes in accordance with the Priorities of Payment in the case of failure of the Reinvestment Overcollateralisation Test). See Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

Rating Agencies may refuse to give rating agency confirmations

Historically, many actions by issuers of CLO notes (including but not limited to issuing additional securities and amending relevant agreements) have been conditioned on receipt of confirmation from the applicable rating agencies that such action would not cause the ratings on the applicable securities to be reduced or withdrawn. Recently, certain rating agencies have changed the manner and the circumstances under which they are willing to provide such confirmation and have indicated reluctance to provide confirmation in the future, regardless of the requirements of the Trust Deed and the other Transaction Documents. If the Transaction Documents require that written confirmation from a Rating Agency be obtained before certain actions may be taken and an applicable Rating Agency is unwilling to provide the required confirmation, it may be impossible to effect such action, which could result in losses being realised by the Issuer and, indirectly, by Noteholders.

If a Rating Agency announces or informs the Trustee, the Investment Manager or the Issuer that confirmation from such Rating Agency is not required for a certain action or that its practice is to not give such confirmations for certain types of actions, the requirement for confirmation from such Rating Agency will not apply. Further, in connection with the Effective Date, if either Rating Agency has not yet confirmed or been deemed to have confirmed its initial ratings of the applicable Rated Notes, the applicable Rated Notes will be subject to redemption in part in an amount and in the manner described under Condition 7(e) (*Redemption upon Effective Date Rating Event*). There can be no assurance that a Rating Agency will provide such rating confirmations upon request, regardless of the terms agreed to among transaction participants, or not subsequently withdraw or downgrade its ratings on one or more Classes of Rated Notes, which could materially adversely affect the value of liquidity of the Rated Notes.

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

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

Each Rating Agency must be able to reasonably rely on the Issuer's certifications as described above. If the Issuer does not comply with its undertakings to any Rating Agency with respect to this transaction (or the Information Agent fails to perform its duties under the Investment Management and Collateral Administration Agreement), such Rating Agency may withdraw its ratings of the Rated Notes, as applicable. In such case, the withdrawal of ratings by any Rating Agency may adversely affect the price or transferability of the Rated Notes and may adversely affect any beneficial owner that relies on ratings of securities for regulatory or other compliance purposes.

Under Rule 17g-5, rating agencies providing the requisite certifications described above may issue unsolicited ratings of the Rated Notes which may be lower and, in some cases, significantly lower than the ratings provided by the Rating Agencies. The unsolicited ratings may be issued prior to, on or after the Issue Date and will not be reflected herein. Issuance of any unsolicited rating will not affect the issuance of the Notes. Such unsolicited ratings could have a material adverse effect on the price and liquidity of the Rated Notes and, for regulated entities, could adversely affect the value of the Rated Notes as a legal investment or the capital treatment of the Rated Notes. For the avoidance of doubt, no report of any independent accountants will be required to be provided to, or will otherwise be shared with, any Rating Agency and will not, under any circumstances, be posted to the website maintained for the purposes of compliance with Rule 17g-5.

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

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

It is presently unclear what, if any, services provided or to be provided by third parties to the Issuer in connection with the transaction described in this Prospectus, would constitute "due diligence services" under Rule 17g-10, and consequently, no assurance can be given as to whether any certification will be given by the Issuer or any applicable third party service provider to the Rating Agencies in circumstances where such certification is deemed to have been required under the rules described in the preceding paragraph.

If the Issuer or any third party that provides due diligence services to the Issuer does not comply with its obligations under Rule 17g-10, the Rating Agencies may withdraw (or fail to confirm) their ratings of the Notes. In such case, the price or transferability of the Notes (and any beneficial owner of Notes that relies on ratings of securities for regulatory or other compliance purposes) may be adversely affected.

2.40 Financial information provided to Noteholders in the Monthly Report and the Payment Date Report will be unaudited

The Issuer will, or will procure that, certain information will be made available to Noteholders (and other participants in the transaction) pursuant to the Monthly Reports and the Payment Date Reports (see "*Description of the Reports*"). Noteholders may access these reports by way of a unique password obtained from the Collateral Administrator (or as may otherwise be permitted by the Investment Manager). In preparing and furnishing these reports, the Issuer will rely conclusively on the accuracy and completeness of the information or data regarding the Collateral Debt Obligations that has been provided to it by the Collateral Administrator (which will rely conclusively, in turn, on the accuracy and completeness of certain information provided to it by the Investment Manager), and the Issuer will not verify, recompute, reconcile or recalculate any such information or data. Neither such information nor any other financial

information furnished to Noteholders will be audited and reported upon, and an opinion will not be expressed, by an independent public accountant.

2.41 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 26 October 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 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 Issuer to enact anti-money laundering policies. It is possible that there could be promulgated legislation or regulations that would require the Issuer, the Placement Agent, or other service providers to the Issuer, in connection with the establishment of anti-money laundering procedures, to share information with governmental authorities with respect to investors in the Notes. Such legislation and/or regulations could require the Issuer to implement additional restrictions on the transfer of the Notes. The Issuer reserves the right to request such information as is necessary to verify the identity of a Noteholder 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. If there is a delay or failure by the applicant to produce any information required for verification purposes, an application for or transfer of Notes and the subscription monies relating thereto may be refused.

2.42 Resolutions, Amendments and Waivers

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

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

If a meeting of Noteholders is called to consider a Resolution, determination as to whether the requisite number of Notes has been voted in favour of such Resolution will be determined by reference to the percentage which the Notes voted in favour represent of the total amount of Notes held or represented by any person or persons entitled to vote which are present at such meeting and not by the aggregate Principal Amount Outstanding of all such Notes which are entitled to be voted in respect of such Resolution. The voting threshold at any Noteholders' meeting in respect of an Ordinary Resolution or an Extraordinary Resolution of all Noteholders is, respectively, more than 50 per cent. or at least $66^{2}/_{3}$ per cent. of the votes cast on such Resolution. This means that a lower percentage of Noteholders may pass a Resolution which is put to a meeting of Noteholders than would be required for a Written Resolution in respect of the same matter, which would be determined by reference to the aggregate Principal Amount Outstanding of the relevant Class of Notes. See Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*). There are however quorum provisions which provide that a minimum number of Noteholders representing a minimum amount of the aggregate Principal Amount Outstanding of the applicable Class or Classes of Notes be present at any meeting to consider an Extraordinary Resolution or an Ordinary Resolution. In the case of an Extraordinary Resolution, this is one or more persons holding or representing not less than $66^{2}/_{3}$ per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or

Classes only, if applicable) and in the case of an Ordinary Resolution this is one or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable). Such quorum provisions still, however, require considerably lower thresholds than would be required for a Written Resolution. In addition, if a quorum requirement is not satisfied at any meeting, a lower quorum threshold will apply at any meeting previously adjourned for want of quorum, as set out in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and in the Trust Deed. Any such Resolution may be adverse to any Class of Noteholders or to any group of Noteholders or individual Noteholders within any Class.

Class A Notes, Class B Notes, Class C Notes and Class D Notes that are in the form of IM Non-Voting Notes or IM Non-Voting Exchangeable Notes (and any Notes held by the Investment Manager or Investment Manager Related Persons) will have no right to vote or be counted in any quorum or result of voting in connection with any IM Removal Resolution or IM Replacement Resolution. As a result, only such Notes that are in the form of IM Voting Notes (and Notes not held by the Investment Manager or Investment Manager Related Persons) may vote and be counted in any quorum or result of voting in respect of an IM Removal Resolution or an IM Replacement Resolution.

Notes that are in the form of IM Voting Notes (and excluding any Notes held by the Investment Manager or Investment Manager Related Persons) may form a small percentage of the Controlling Class and/or be held by a concentrated group of Noteholders. Investors should be aware that such Notes will be entitled to vote to pass an IM Removal Resolution or an IM Replacement Resolution and the remaining percentage of the Controlling Class (in the form of IM Non-Voting Notes and/or IM Non-Voting Exchangeable Notes and Notes held by the Investment Manager or Investment Manager Related Persons) will be bound by such Resolution. Holders of the IM Voting Notes may have interests that differ from other holders of the same Class and may seek to profit or seek direct benefits from their voting rights.

The Controlling Class for the purposes of an IM Removal Resolution or an IM Replacement Resolution shall be determined in accordance with the definition thereof set out in the Conditions below. In particular, where a Class of Notes is held entirely in the form of IM Non-Voting Notes or IM Non-Voting Exchangeable Notes (and/or by the Investment Manager or Investment Manger Related Persons) such Class will not be the Controlling Class for such purpose, and accordingly, where the Controlling Class is entitled to vote on an IM Removal Resolution or IM Replacement Resolution in such circumstances, such right shall pass to a more junior Class of Notes in accordance with the definition of "Controlling Class".

Certain waivers, amendments and modifications to the Transaction Documents may be made without the consent of any Noteholders and the Trustee (subject to the receipt of prior written notice and certain other conditions including, without limitation those set out in Condition 14(c) (*Modification and Waiver*)) will be obliged to consent to such changes. Without limitation to the foregoing, potential investors should note that the Issuer may amend the Transaction Documents to modify or amend the components of the Portfolio Profile Tests, the Eligibility Criteria, the Reinvestment Criteria, the Collateral Quality Tests or certain Rating Agency requirements and the related definitions, provided that Rating Agency Confirmation has been obtained and (to the extent provided in Condition 14(c) (*Modification and Waiver*)) the Controlling Class has consented by way of Ordinary Resolution. The Trustee has no discretion in such cases to agree to any amendments, modifications and/or waivers. See Condition 14(c) (*Modification and Waiver*). Any such amendment or modification could be prejudicial or adverse to certain Noteholders.

The Trustee may agree to certain modifications, amendments and waivers in relation to provisions of the Transaction Documents without the consent of the Noteholders if the Trustee determines that such would not be materially prejudicial to the rights or interests of the Holders of any Class of Notes. The Trustee may further agree to formal, minor or technical changes to the Transaction Documents or to changes to correct a manifest error without the consent of the Noteholders. See Condition 14(c) (*Modification and Waiver*).

Certain entrenched rights relating to the Conditions including the currency thereof, Payment Dates applicable thereto, the Priorities of Payment, the provisions relating to quorums and the

percentages of votes required for the passing of a Resolution can only be amended or waived by Extraordinary Resolution. It should however be noted that amendments may still be effected and waivers may still be granted in respect of such provisions in circumstances where not all Noteholders agree with the terms thereof and any amendments or waivers once passed in accordance with the provisions of the Conditions and the provisions of the Trust Deed will be binding on all such dissenting Noteholders.

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

Each Hedge Counterparty may also need to be notified and its consent required to the extent provided for in the applicable Hedge Agreement in respect of a modification, amendment or supplement to any provision of the Transaction Documents. Any such consent, if withheld, may prevent the modification of the Transaction Documents which may be beneficial to or in the best interests of the Noteholders.

2.43 Enforcement rights following an Event of Default

If an Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by Ordinary Resolution (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer and the Investment Manager that all the Notes are to be immediately due and payable following which the security over the Collateral shall become enforceable and, subject as provided below, may be enforced either by the Trustee, at its discretion, or if so directed by the Controlling Class acting by Ordinary Resolution (subject to the Trustee being indemnified and/or prefunded and/or secured to its satisfaction). Following an Event of Default described in paragraph (vi) (*Insolvency Proceedings*) or (vii) (*Illegality*) of the definition thereof, such notice shall be deemed to have been given and all the Notes shall automatically become immediately due and payable.

At any time after the Notes become due and payable and the security over the Collateral becomes enforceable, the Trustee may, at its discretion, and shall, if so directed by the Controlling Class acting by Ordinary Resolution (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), take an Enforcement Action in respect of the security over the Collateral, provided that no such Enforcement Action may be taken by the Trustee unless: (A) it (or an agent or Appointee on its behalf) determines (in consultation with the Investment Manager) in accordance with Condition 11 (*Enforcement*) that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith), would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes other than the Subordinated Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) and all amounts payable in priority to the Subordinated Notes pursuant to the Priorities of Payment; or otherwise (B)(i) in the case of an Event of Default specified in sub paragraphs (i), (ii) or (iv) of Condition 10(a) (*Events of Default*) the Controlling Class acting by way of Ordinary Resolution (and no other Class of Notes) may direct the Trustee to take Enforcement Action without regard to any other Event of Default which has occurred prior to, contemporaneously or subsequent to such Event of Default; or (ii) in the case of any other Event of Default specified in Condition 10(a) (*Events of Default*), the Holders of each Class of Rated Notes voting separately by Class by way of Ordinary Resolution may direct the Trustee to take Enforcement Action.

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

2.44 EU Directive on the Taxation of Savings Income

Under Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the "**EU Savings Directive**"), each member state is required to provide to the tax authorities of another member state details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain entities (as described in Article 4.2 of the EU Savings Directive each a "**Residual Entity**") established in that other member state; however for a transitional period, Austria may instead apply a withholding system in relation to such payments. The end of this transitional period depends on the conclusion of certain other agreements relating to the exchange of information with certain other countries

A number of non EU countries, including Switzerland, ("**Third Countries**") and certain dependent or associated territories of certain member states ("**Dependent and Associated Territories**") have adopted similar measures (either the provision of information or transitional withholding) in relation to payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or Residual Entities established in another member state, or certain Third Countries or Dependent and Associated Territories.

The Council of the European Union formally adopted a Council Directive amending the EU Savings Directive on 24 March 2014 (the "**Amending Directive**"). The Amending Directive broadens the scope of the requirements described above. EU Member States have until 1 January 2016 to adopt national laws to comply with the Amending Directive. The changes made under the Amending Directive include extending the scope of the EU Savings Directive to payments made to, or collected for, certain other entities and legal arrangements. They also broaden the definition of "interest payment" to cover income that is equivalent to interest.

However, the European Commission has proposed the repeal of the EU Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive. Investors who are in any doubt as to their position should consult their professional advisers.

2.45 Taxation Implications of Contributions

A Noteholder may, in certain circumstances, provide the Issuer with cash by way of a Contribution in accordance with Condition 2(l) (*Contributions*). Noteholders may become subject to taxation in relation to the making of a Contribution. Noteholders are solely responsible for any and all taxes that may be applicable in such circumstances. Noteholders should consult their own tax advisor as to the tax treatment to them of making a Contribution in accordance with Condition 2(l) (*Contributions*).

3. Relating to the Collateral Debt Obligations

3.1 The Portfolio

The decision by any prospective Noteholder to invest in the Notes should be based, among other things (including, without limitation, the identity of the Investment Manager), on the Eligibility Criteria which each Collateral Debt Obligation is required to satisfy, as disclosed in this Prospectus, and on the Portfolio Profile Tests, Collateral Quality Tests, the Reinvestment Overcollateralisation Test, Coverage Tests and Target Par Amount that the Portfolio is required to satisfy as at the Effective Date (other than in respect of the Interest Coverage Tests, which are required to be satisfied as at the Determination Date preceding the second Payment Date following the Effective Date) and in each case (save as described herein) thereafter. This Prospectus does not contain any information regarding the individual Collateral Debt Obligations

on which the Notes will be secured from time to time. Purchasers of any of the Notes will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by the Issuer and, accordingly, will be dependent upon the judgement and ability of the Investment Manager in acquiring investments for purchase on behalf of the Issuer over time. No assurance can be given that the Issuer will be successful in obtaining suitable investments or that, if such investments are made, the objectives of the Issuer will be achieved.

Neither the Issuer nor the Placement Agent has made or will make any investigation into the Obligors of the Collateral Debt Obligations. The value of the Portfolio may fluctuate from time to time (as a result of substitution or otherwise) and none of the Issuer, the Trustee, the Placement Agent, the Agents, the Custodian, the Investment Manager, any Hedge Counterparty or any of their Affiliates is under any obligation to maintain the value of the Collateral Debt Obligations at any particular level. None of the Issuer, the Trustee, the Investment Manager, the Agents, any Hedge Counterparty, the Placement Agent or any of their Affiliates has any liability to the Noteholders as to the amount or value of, or any decrease in the value of, the Collateral Debt Obligations from time to time.

3.2 Nature of Collateral; defaults

The Issuer will invest in a portfolio of Collateral Debt Obligations consisting at the time of acquisition of predominantly Secured Senior Loans, Secured Senior Bonds, Corporate Rescue Loans, Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations, Bridge Loans, and High Yield Bonds, all of which will have greater credit and liquidity risk than investment grade sovereign or corporate bonds or loans. The Collateral is subject to credit, liquidity and interest rate risks.

The lower rating of below investment grade collateral reflects a greater possibility that adverse changes in the financial condition of an issuer or borrower or in general economic conditions or both may impair the ability of the relevant borrower or issuer, as the case may be, to make payments of principal or interest. Such investments may be speculative. See "*The Portfolio*".

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

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

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

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

3.3 Below investment-grade Collateral Debt Obligations involve particular risks

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

Prices of the Collateral Debt Obligations may be volatile, and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including but not limited to changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic and international economic or political events, developments or trends in any particular industry, and the financial condition of the Obligors of the Collateral Debt Obligations. The current uncertainty affecting the European economy and the economies of countries in which issuers of the Collateral Debt Obligations are domiciled and the possibility of increased volatility in financial markets could adversely affect the value and performance of the Collateral Debt Obligations. Additionally, loans and interests in loans have significant liquidity and market value risks since they are not generally traded in organised 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 customised, 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 Debt Obligations, and an increase in default levels could adversely affect payments on the Notes.

A non-investment grade loan, bond or other debt obligation or an interest in a non-investment grade obligation is generally considered speculative in nature and may become a Defaulted Obligation for a variety of reasons. Upon any Collateral Debt Obligation becoming a Defaulted Obligation, such Defaulted Obligation may become subject to either substantial work out negotiations or restructuring, which may entail, among other things, a substantial 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 Moody's or Fitch in rating the Rated Notes or any recovery rate used in connection with any analysis of the Notes that may have been prepared by the Placement Agent for or at the direction of Noteholders.

It is a requirement of the rating of the Rated Notes that Collateral Debt Obligations that are to constitute Restructured Obligations following a restructuring satisfy the Restructured Obligation Criteria on the applicable Restructuring Date. Such requirement may result in Collateral Debt Obligations ceasing to be Collateral Debt Obligations following a restructuring of the terms thereof.

3.4 Credit ratings are not a guarantee of quality or performance

Credit ratings of Collateral Debt Obligations 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 Collateral Debt Obligations and may be subject to revision or withdrawal at any time by the assigning rating agency. If a credit rating assigned to any Collateral Debt Obligation is lowered for any reason, no party is obligated to provide any additional support or credit enhancement with respect to such Collateral Debt 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 Debt Obligation (as is also the case in respect of the Rated 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 Collateral Debt Obligations 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 Collateral Debt Obligations included in or similar to the Collateral Debt Obligations will be subject to significant or severe adjustments downward. See paragraph 2.39 "*Actions of any Rating Agency can adversely affect the market value or liquidity of the Notes*".

3.5 The Warehouse Arrangements

It is expected that approximately €245,000,000 in aggregate principal amount of the initial Collateral Debt Obligations will be acquired or committed to be acquired by the Investment Manager (on behalf of the Issuer) by or on the Issue Date at prevailing market prices at the time of purchase by the Investment Manager (on behalf of the Issuer). The Investment Manager conducts trades in accordance with its cross-transaction policy. See 4.1 "*Investment Manager – Certain Conflicts of Interest Involving or Relating to the Investment Manager and its Affiliates*".

The Issuer's purchase of some of such Collateral Debt Obligations have been financed by a warehouse financing facility (the "**Warehouse Facility**") provided by JPMorgan Chase Bank, National Association ("**JPMCB**"), as lender and administrative agent, and several third party investors as purchasers of certain warehouse subordinated note certificates issued by the Issuer (the "**Warehouse Equity Purchasers**"). On the Issue Date, the Warehouse Facility will terminate and JPMCB will be paid in full from the issuance proceeds received by the Issuer for the Notes. All realised and unrealised losses and gains with respect to the Collateral Debt Obligations purchased under the Warehouse Facility will be for the Issuer's account and, consequently, the market value of such Collateral Debt Obligations on the Issue Date may be lower or higher (as the case may be) than at the time they were acquired by the Issuer. If the issuance of the Notes does not occur, the initial Collateral Debt 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 Investment Manager to close the transaction in non-optimal conditions.

Collateral Debt Obligations will be selected and acquired by the Investment Manager (on behalf of the Issuer). In connection with the Warehouse Facility, each of JPMCB and the Warehouse Equity Purchasers has the right to approve all Collateral Debt Obligations which are selected and acquired by the Investment Manager under the Warehouse Facility (on behalf of the Issuer) and, in certain circumstances, each of JPMCB and the Warehouse Equity Purchasers has the right to require or approve sales of Collateral Debt Obligations. 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. In certain circumstances, the Investment Manager may sell Collateral Debt Obligations pursuant to the Warehouse Facility. The Warehouse Equity Purchaser may purchase Notes on the Issue Date or at any time thereafter. None of JPMCB, the Placement Agent nor any of their Affiliates nor the Warehouse Equity Purchaser has done, and no such person will do, any analysis of the Collateral Debt Obligations acquired or sold by the Investment Manager (on behalf of the Issuer) (or by the Investment Manager under the Warehouse Facility) for the benefit of, or in a

manner designed to further the interests of, any Noteholder. Neither JPMCB or the Warehouse Equity Purchaser will have the right to approve the sale or purchase of any Collateral Debt Obligations by the Investment Manager (on behalf of the Issuer) on and after the Issue Date.

The Investment Manager will represent that the Issuer has acquired Collateral Debt Obligations from the Investment Manager with an Aggregate Principal Balance, as of the Issue Date, equal to not less than 5 per cent. of the Target Par Amount. All such purchases will be carried out in accordance with the Investment Manager's prescribed origination procedures. See "*The Retention Holder and Retention Requirements – Origination Procedures*".

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

3.6 The Target Par Amount

The Issuer will, by or on the Issue Date, enter into transactions to purchase Collateral Debt Obligations, the Aggregate Principal Balance of which is to equal approximately €245,000,000 on the primary or secondary market for transfer to the Issuer (including from the Investment Manager such that the Originator Requirement will be satisfied on the Issue Date. See "*The Retention Holder and Retention Requirements – The Retention*" and "*The Portfolio*") on or before the Issue Date. The Issuer will use the proceeds of the issuance of the Notes to pay any amounts due and payable in respect of the purchase price of Collateral Debt Obligations acquired on or prior to the Issue Date. The requirement that the Eligibility Criteria be satisfied applies only at the time that any commitment to purchase is entered into provided that Issue Date Collateral Debt Obligations must satisfy the Eligibility Criteria as at the Issue Date. It is possible that the obligations (other than Issue Date Collateral Debt Obligations which settle on or prior to the Issue Date) may not satisfy such Eligibility Criteria on the later settlement of the acquisition thereof due to intervening events. Any failure by such obligation to satisfy the Eligibility Criteria at a later stage will not result in any requirement to sell it or take any other action.

As of the Effective Date, the Issuer is required to have acquired, or entered into binding commitments to acquire, Collateral Debt Obligations the Aggregate Principal Balance of which equals or exceeds the Target Par Amount (provided that for the purposes of determining such Aggregate Principal Balance, any repayments or prepayments of Collateral Debt Obligations subsequent to the Issue Date may be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation shall be the lower of its Fitch Collateral Value and its Moody's Collateral Value). If the Target Par Amount has not been reached on the Effective Date an Effective Date Rating Event may occur pursuant to the Conditions which may in certain circumstances lead to an early redemption of the Notes.

3.7 Considerations Relating to the Initial Investment Period

During the Initial Investment Period, the Investment Manager on behalf of the Issuer, will seek to acquire additional Collateral Debt Obligations in order to satisfy each of the Coverage Tests, Collateral Quality Tests, Portfolio Profile Tests and Target Par Amount requirement as at the Effective Date (other than in respect of the Interest Coverage Tests). See "*The Portfolio*". The ability to satisfy such tests and requirement will depend on a number of factors beyond the control of the Issuer and the Investment Manager, including the availability of obligations that satisfy the Eligibility Criteria and other Portfolio related requirements in the primary and secondary loan markets, the condition of the financial markets, general economic conditions and international political events. Therefore, there can be no assurance that such tests and requirements will be met. To the extent such additional Collateral Debt Obligations are not purchased, the level of income receivable by the Issuer on the Collateral and therefore its ability to meet its interest payment obligations under the Notes, together with the weighted average lives of the Notes, may be adversely affected. Any failure by the Investment Manager (on behalf of the Issuer) to acquire such additional Collateral Debt Obligations could result in the non-confirmation or downgrade or withdrawal by any Rating Agency of its Initial Rating of any Class of Rated Notes. Such non confirmation, downgrade or withdrawal may result in the redemption of the Notes and therefore reduce the leverage ratio of the Subordinated Notes to the other

Classes of Notes which could adversely affect the level of returns to the holders of the Subordinated Notes. Any such redemption of the Notes may also adversely affect the risk profile of Classes of Notes in addition to the Subordinated Notes to the extent that the amount of excess spread capable of being generated in the transaction reduces as the result of redemption of the most senior ranking Classes of Notes in accordance with the Note Payment Sequence which bear a lower rate of interest than the remaining Classes of Notes.

3.8 Noteholders will receive limited disclosure about the Collateral Debt Obligations

None of the Issuer or the Investment Manager will provide the Noteholders or the Trustee with financial or other information (which may include material non-public information) it receives pursuant to the Collateral Debt Obligations and related documents unless required to do so pursuant to the Trust Deed or the Investment Management and Collateral Administration Agreement. The Investment Manager also will not disclose to any of these parties the contents of any notice it receives pursuant to the Collateral Debt Obligations or related documents unless required to do so pursuant to the Trust Deed or the Investment Management and Collateral Administration Agreement. In particular, the Investment Manager will not have any obligation to keep any of these parties informed as to matters arising in relation to any Collateral Debt 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 Trust Deed.

The Noteholders and the Trustee will not have any right to inspect any records relating to the Collateral Debt Obligations, and the Investment 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 Debt Obligations, unless (i) specifically required by the Investment Management and Collateral Administration Agreement or (ii) following its receipt of a written request from the Trustee, the Investment 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 Debt Obligation to the Trustee would not be prohibited by applicable law or the Underlying Instruments relating to such Collateral Debt Obligation, in which case the Investment 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 Trust Deed. Furthermore, the Investment 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.

3.9 Lender liability considerations and equitable subordination can affect the Issuer's rights with respect to Collateral Debt 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 Portfolio, 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 or bondholder (a) intentionally takes an action that results in the undercapitalisation 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 shareholder to dominate or control a borrower to the detriment of other creditors of such borrower, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors, a remedy called "equitable subordination". Because of the nature of the Portfolio, the Portfolio may be subject to claims of equitable subordination.

Because Affiliates of, or Persons related to, the Investment Manager may hold equity or other interests in Obligors of Collateral Debt 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 Debt Obligations that are obligations of non-United States obligors are concerned, the laws of certain foreign jurisdictions may impose liability upon lenders or bondholders under factual circumstances similar to those described above, with consequences that may or may not be analogous to those described above under United States federal and state laws.

3.10 Acquisition and Disposition of Collateral Debt Obligations

The Issuer anticipates that, by or on the Issue Date, it will have purchased or committed to purchase Collateral Debt Obligations, the Aggregate Principal Balance of which equals approximately €245,000,000 (representing approximately 70 per cent. of the Target Par Amount). The remaining proceeds deposited in the Unused Proceeds Account (following the payment of certain costs and expenses and deposits into the Expense Reserve Account and the First Period Reserve Account) shall be used to purchase (or enter into agreements to purchase) additional Collateral Debt Obligations during the Initial Investment Period (as defined in the Conditions of the Notes). The Investment Manager's decisions concerning purchases of Collateral Debt Obligations will be influenced by a number of factors, including market conditions and the availability of securities and loans satisfying the Eligibility Criteria, Reinvestment Criteria and the other requirements of the Investment Management and Collateral Administration Agreement. The failure or inability of the Investment Manager to acquire Collateral Debt Obligations with the proceeds of the offering or to reinvest Sale Proceeds or payments and prepayments of principal in Substitute Collateral Debt Obligations in a timely manner will adversely affect the returns on the Notes, in particular with respect to the most junior Class or Classes.

Under the Investment Management and Collateral Administration Agreement and as described herein, the Investment Manager may only, on behalf of the Issuer, dispose of a limited percentage of Collateral Debt Obligations in any successive rolling twelve month period following the Effective Date, as well as any Collateral Debt Obligation that meets the definition of a Defaulted Obligation, an Exchanged Security and, subject to the satisfaction of certain conditions, a Credit Impaired Obligation or Credit Improved Obligation. Notwithstanding such restrictions and subject to the satisfaction of the conditions set out in the Investment Management and Collateral Administration Agreement, sales and purchases by the Investment Manager of Collateral Debt Obligations could result in losses by the Issuer, which will be borne in the first instance by the holders of the Subordinated Notes and then by holders of the Rated Notes, beginning with the most junior Class.

In addition, circumstances may exist under which the Investment Manager may believe that it is in the best interests of the Issuer to dispose of a Collateral Debt Obligation, but will not be permitted to do so under the terms of the Investment Management and Collateral Administration Agreement.

3.11 Reinvestment risk/uninvested cash balances

To the extent that the Investment Manager maintains cash balances invested in short-term investments instead of higher yielding loans or bonds, Portfolio income will be reduced which will result in reduced amounts available for payment on the Notes. In some circumstances the cash balances invested in short-term investments may accrue negative interest so that the Issuer is obliged to make payments to the institution with which such short-term investments are made. In general, the larger the amount and the longer the time period during which cash balances remain uninvested the greater the adverse impact on Portfolio income which will reduce amounts available for payment on the Notes, especially the Subordinated Notes. The extent to which cash balances remain uninvested will be subject to a variety of factors, including future market conditions and is difficult to predict.

During the Reinvestment Period, subject to compliance with certain criteria and limitations described herein, the Investment Manager will have discretion to dispose of certain Collateral Debt Obligations and to reinvest the proceeds thereof in Substitute Collateral Debt Obligations in

compliance with the Reinvestment Criteria. In addition, during the Reinvestment Period, to the extent that any Collateral Debt Obligations prepay or mature prior to the Maturity Date, the Investment Manager will seek, to invest the related Principal Proceeds in Substitute Collateral Debt Obligations, subject to the Reinvestment Criteria. The yield with respect to such Substitute Collateral Debt Obligations will depend, among other factors, on reinvestment rates available at the time, on the availability of investments which satisfy the Reinvestment Criteria and are acceptable to the Investment Manager, and on market conditions related to high yield securities and bank loans in general. The need to satisfy such Reinvestment Criteria and identify acceptable investments may require the purchase of Collateral Debt Obligations with a lower yield than those replaced, with different characteristics than those replaced (including, but not limited to, coupon, maturity, call features and/or credit quality) or require that such funds be maintained in cash or Eligible Investments pending reinvestment in Substitute Collateral Debt Obligations, which will further reduce the yield of the Aggregate Principal Balance. Any decrease in the yield on the Aggregate Principal Balance will have the effect of reducing the amounts available to make distributions on the Notes which will adversely affect cash flows available to make payments on the Notes, especially the most junior Class or Classes of Notes. There can be no assurance that if Collateral Debt Obligations are sold, prepaid, or mature, yields on Collateral Debt Obligations that are eligible for purchase will be at the same levels as those replaced and there can be no assurance that the characteristics of any Substitute Collateral Debt Obligations purchased will be the same as those replaced and there can be no assurance as to the timing of the purchase of any Substitute Collateral Debt Obligations.

The timing of the initial investment of the net proceeds of issue of the Notes remaining after the payment of certain fees and expenses due and payable by the Issuer on the Issue Date and reinvestment of Sale Proceeds, Scheduled Principal Proceeds and Unscheduled Principal Proceeds, can affect the return to the Noteholders of, and cash flows available to make payments on, the Notes, especially the most junior Class or Classes of Notes. Loans and privately placed high yield securities are not as easily (or as quickly) purchased or sold as publicly traded securities for a variety of reasons, including confidentiality requirements with respect to Obligor information, the customised nature of loan agreements and private syndication. The reduced liquidity and lower volume of trading in loans, in addition to restrictions on investment represented by the Reinvestment Criteria, could result in periods of time during which the Issuer is not able to fully invest its cash in Collateral Debt Obligations. The longer the period between reinvestment of cash in Collateral Debt Obligations, the greater the adverse impact may be on the aggregate amount of the Interest Proceeds collected and distributed by the Issuer, including on the Notes, especially the most junior Class or Classes of Notes, thereby resulting in lower yields than could have been obtained if Principal Proceeds were immediately reinvested. In addition, loans are often prepayable by the borrowers thereof with no, or limited, penalty or premium. As a result, loans generally prepay more frequently than other corporate debt obligations of the issuers thereof. Secured Senior Loans usually have shorter terms than more junior obligations and often require mandatory repayments from excess cash flow, asset dispositions and offerings of debt and/or equity securities. The increased levels of prepayments and amortisation of loans increase the associated reinvestment risk on the Collateral Debt Obligations which risk will first be borne by holders of the Subordinated Notes and then by holders of the Rated Notes, beginning with the most junior Class.

The amount of Collateral Debt Obligations owned by the Issuer on the Issue Date, the timing of purchases of additional Collateral Debt Obligations on and after the Issue Date and the scheduled interest payment dates of those Collateral Debt Obligations may have a material impact on collections of Interest Proceeds during the first Due Period, which could affect interest payments on the Rated Notes and the payment of distributions to the Subordinated Notes on the first Payment Date.

3.12 Early Redemption and Prepayment Risk

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

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 Collateral Debt Obligations with comparable interest rates that satisfy the Eligibility Criteria or Reinvestment Criteria (as applicable) specified herein may adversely affect the timing and amount of payments received by the Noteholders and the yield to maturity of the Rated Notes and the distributions on the Subordinated Notes. There is no assurance that the Issuer will be able to reinvest proceeds in Collateral Debt Obligations with comparable interest rates at favourable prices that satisfy the Eligibility Criteria or Reinvestment Criteria (as applicable) 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, amortisation 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 amortisation or defaults which will be experienced with respect to the Collateral Debt Obligations. As a result, the Notes may not be a suitable investment for any investor that requires a regular or predictable schedule of principal payments.

Early Redemption Risk

Bonds frequently have call or redemption features (with or without a premium or make whole) that permit the issuer to redeem such obligations prior to their final maturity date.

Repayments on bonds may be caused by a variety of factors which are difficult to predict. Accordingly, there exists a risk that bonds purchased at a price greater than par may experience a capital loss as a result of such repayment. In addition, Principal Proceeds received upon such a repayment are subject to reinvestment risk. Any inability of the Issuer to reinvest payments or other proceeds in Collateral Debt Obligations with comparable interest rates that satisfy the Reinvestment Criteria may adversely affect the timing and amount of payments and distributions received by holders of the Notes and the yield to maturity of the Notes. There can be no assurance that the Issuer will be able to reinvest proceeds in Collateral Debt Obligations with comparable interest rates that satisfy the Reinvestment Criteria or (if it is able to make such reinvestments) as to the length of any delays before such investments are made.

3.13 The Issuer may not be able to acquire Collateral Debt Obligations that satisfy the Eligibility Criteria or the Reinvestment Criteria, as applicable

The Investment Manager is permitted to purchase Collateral Debt Obligations after the Issue Date as described herein, in accordance with the Eligibility Criteria or the Reinvestment Criteria, as applicable. The ability of the Investment Manager (on behalf of the Issuer) to acquire Collateral Debt Obligations that satisfy the Eligibility Criteria or the Reinvestment Criteria, as applicable, at the projected prices, ratings, rates of interest and any other applicable characteristics will be subject to market conditions and availability of such Collateral Debt Obligations. Any inability of the Investment Manager (on behalf of the Issuer) to acquire Collateral Debt Obligations that satisfy the Eligibility Criteria or the Reinvestment Criteria, as applicable, specified herein may adversely affect the timing and amount of payments received by the Noteholders and the yield to maturity of the Rated Notes and the distributions on the Subordinated Notes. There is no assurance that the Investment Manager on behalf of the Issuer will be able to acquire Collateral Debt Obligations that satisfy the Eligibility Criteria or the Reinvestment Criteria, as applicable.

3.14 Characteristics and risks relating to the Portfolio

Characteristics of Secured Senior Loans, Secured Senior Bonds, High Yield Bonds and Mezzanine Obligations

The Portfolio Profile Tests provide that on each Measurement Date (save as otherwise provided herein) either "at least" or "not more than" certain specified percentages of the Aggregate Collateral Balance shall consist of particular categories of Collateral Debt Obligations including Secured Senior Loans, Secured Senior Bonds, Corporate Rescue Loans, Second Lien Loans, Mezzanine Obligations, Unsecured Senior Obligations and High Yield Bonds.

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

Secured Senior Loans, Secured Senior Bonds, Mezzanine Obligations, High Yield Bonds and Unsecured Senior Obligations are of a type generally incurred by the Obligors thereunder in connection with highly leveraged transactions, often (although not exclusively) to finance internal growth, pay dividends or other distributions to the equity holders in the Obligor, or finance acquisitions, mergers, and/or share purchases. As a result of the additional debt incurred by the Obligor in the course of such a transaction, the Obligor's creditworthiness is typically judged by the rating agencies to be below investment grade.

Secured Senior Loans, Secured Senior Bonds and Unsecured Senior Obligations are typically at the most senior level of the capital structure with Mezzanine Obligations being subordinated to any senior loans or to any other senior debt of the Obligor.

Mezzanine Obligations take the form of medium term loans or obligations of such type repayable shortly (perhaps six months or one year) after the senior loans or obligations of the Obligor thereunder are repaid. Because Mezzanine Obligations are only repayable after the senior debt (and interest payments may be blocked to protect the position of senior debt interest in certain circumstances), they will carry a higher rate of interest to reflect the greater risk of such an obligation not being repaid. Due to the greater risk associated with Mezzanine Obligations as a result of their subordination below senior loans of the Obligor, mezzanine lenders may be granted share options, warrants or higher cash paying instruments or payment in kind in the Obligor which can be exercised in certain circumstances, principally being immediately prior to the Obligor's shares being sold or floated in an initial public offering.

Cov-Lite Loans

The Portfolio Profile Tests provide that not more than 30 per cent. of the Aggregate Collateral Balance may be comprised of Cov-Lite Loans. Cov-Lite Loans typically do not have Maintenance Covenants but they usually have Incurrence Covenants in the same manner as a High Yield Bond. Ownership of Cov-Lite Loans may expose the Issuer to greater risks, including with respect to liquidity, price volatility and ability to restructure loans, than is the case with loans that have Maintenance Covenants. In addition, the lack of Maintenance Covenants may make it more difficult for lenders to trigger a default in respect of such Collateral Debt Obligations. This makes it more likely that any default will only arise under a Cov-Lite Loan at a stage where the relevant Obligor is in a greater degree of financial distress. Such a delay may make any successful restructuring more difficult to achieve and/or result in a greater reduction in the value of the Cov-Lite Loan as a consequence of any restructuring effected in such circumstances.

Security

Secured Senior Loans and Secured Senior Bonds are often secured by specific collateral, including but not limited to, trademarks, patents, accounts receivable, inventory, equipment, buildings, real estate, franchises and common and preferred shares of the Obligor and its subsidiaries and

any applicable associated liens relating thereto. In continental Europe, security is often limited to shares in certain group companies, accounts receivable, bank account balances and intellectual property rights. Mezzanine Obligations may have the benefit of a second priority charge over such Collateral Debt Obligations. Unsecured Senior Obligations do not have the benefit of such security. High Yield Bonds are also generally unsecured.

Secured Senior Loans and Secured Senior Bonds usually have shorter terms than more junior obligations and often require mandatory prepayments from excess cash flows, asset dispositions and offerings of debt and/or equity securities.

Collective Action Clauses

Secured Senior Bonds, Unsecured Senior Obligations (other than those in the form of loans) and High Yield Bonds typically contain bondholder collective action clauses permitting specified majorities of bondholders to approve matters which, in a typical senior loan, would require unanimous lender consent. The Obligor under a Secured Senior Bond, Unsecured Senior Obligation (other than in the form of loans) or High Yield Bond may therefore be able to amend the terms of the bond, including terms as to the amount and timing of payments, with the consent of a specified majority of bondholders, either voting by written resolution or as a majority of those attending and voting at a meeting, and the Issuer is unlikely to have a blocking minority position in respect of any such resolution. The Issuer may further be restricted by the Investment Management and Collateral Administration Agreement from voting on certain matters, particularly extensions of maturity, which may be considered at a bondholder meeting. Consequently, material terms of a Secured Senior Bond, Unsecured Senior Obligation (other than in the form of a loan) or High Yield Bond may be varied without the consent of the Issuer.

Rate of Interest

Many Secured Senior Bonds and Unsecured Senior Obligations bear interest at a fixed rate. Risks associated with fixed rate obligations are discussed at paragraph 3.21 "*Relating to the Collateral Debt Obligations - Interest rate risk*" below. The majority of Secured Senior Loans and Mezzanine Obligations bear interest based on a floating rate index, for example EURIBOR, a certificate of deposit rate, a prime or base rate (each as defined in the applicable loan agreement) or other index, which may reset daily (as most prime or base rate indices do) or offer the borrower a choice of one, two, three, six, nine or twelve month interest and rate reset periods.

Loan Fees

The purchaser of an interest in a Secured Senior Loan, Mezzanine Obligation in the form of a loan or Unsecured Senior Obligation in the form of a loan may receive certain syndication or participation fees in connection with its purchase. Other fees payable in respect of a Secured Senior Loan, Mezzanine Obligation in the form of a loan or Unsecured Senior Obligation in the form of a loan, which are separate from interest payments on such loan, may include facility, commitment, amendment and prepayment fees.

Restrictive Covenants

Secured Senior Loans, Secured Senior Bonds, High Yield Bonds, Mezzanine Obligations and Unsecured Senior Obligations also generally provide for restrictive covenants designed to limit the activities of the Obligors thereunder in an effort to protect the rights of lenders or bondholders to receive timely payments of interest on, and repayment of, principal of the obligations. Such covenants may include restrictions on dividend payments, specific mandatory minimum financial ratios, limits on total debt and other financial tests. A breach of covenant (after giving effect to any cure period) under a Secured Senior Loan, Mezzanine Obligation or Unsecured Senior Obligation which is not waived by the lending syndicate is normally an event of acceleration which allows the syndicate to demand immediate repayment in full of the outstanding loan. A breach of covenant (after giving effect to any cure period) under a Secured Senior Bond or a High Yield Bond which is not waived by the requisite majority of the holders thereof is normally an event of default which may trigger the acceleration of the bonds.

Limited liquidity, prepayment and default risk of Secured Senior Loans, Mezzanine Obligations and Unsecured Senior Obligations

In order to induce banks and institutional investors to invest in Secured Senior Loans, Mezzanine Obligations in the form of loans or Unsecured Senior Obligations in the form of loans, and to obtain a favourable rate of interest, an Obligor under such an obligation often provides the investors therein with extensive information about its business, which is not generally available to the public. Because of the provision of confidential information, the unique and customised nature of the loan agreement including such Secured Senior Loan, Mezzanine Obligation or Unsecured Senior Obligation, and the private syndication of the loan, Secured Senior Loans, Mezzanine Obligations in the form of loans and Unsecured Senior Obligations in the form of loans are not as easily purchased or sold as a publicly traded security, and historically the trading volume in the loan market has been small relative to, for example, the high yield bond market. The range of investors for such Secured Senior Loans, Mezzanine Obligations and Unsecured Senior Obligations has broadened significantly to include money managers, insurance companies, arbitrageurs, bankruptcy investors and mutual funds seeking increased potential total returns and investment managers of trusts or special purpose companies issuing collateralised bond and loan obligations. As secondary market trading volumes increase, new loans are frequently adopting more standardised documentation to facilitate loan trading which should improve market liquidity. There can be no assurance, however, that future levels of supply and demand in loan trading will provide the degree of liquidity which currently exists in the market. This means that such Collateral Debt Obligations will be subject to greater disposal risk if such Collateral Debt Obligations are sold following enforcement of the security over the Collateral or otherwise. The European market for Mezzanine Obligations and Unsecured Senior Obligations is also generally less liquid than that for Secured Senior Loans, resulting in increased disposal risk for such obligations.

Limited liquidity, prepayment and default risk of Secured Senior Bonds and High Yield Bonds

Secured Senior Bonds and High Yield Bonds are generally freely transferrable negotiable instruments (subject to standard selling and transfer restrictions to ensure compliance with applicable law, and subject to minimum denominations) and may be listed and admitted to trading on a regulated or an exchange regulated market; however there is currently no liquid market for them to any materially greater extent than there is for Secured Senior Loans. Additionally, as a consequence of the disclosure and transparency requirements associated with such listing, the information supplied by the Obligors to its debtholders (including the Issuer) may typically be less than would be provided on a Secured Senior Loan.

Increased risks for Mezzanine Obligations

The fact that Mezzanine Obligations are generally subordinated to any senior loan or other senior debt and potentially other indebtedness of the relevant Obligor thereunder, may have a longer maturity than such other indebtedness and will generally only have a second ranking security interest over any security granted in respect thereof, increases the risk of non-payment thereunder of such Mezzanine Obligations in an enforcement.

Mezzanine Obligations may provide that all or part of the interest accruing thereon will not be paid on a current basis but will be deferred. Mezzanine Obligations also generally involve greater credit and liquidity risks than those associated with investment grade corporate obligations and Secured Senior Loans. They are often entered into in connection with leveraged acquisitions or recapitalisations in which the Obligors thereunder incur a substantially higher amount of indebtedness than the level at which they previously operated and, as referred to above, sit at a subordinated level in the capital structure of such companies.

Defaults and recoveries

There is limited historical data available as to the levels of defaults and/or recoveries that may be experienced on Secured Senior Loans, Secured Senior Bonds, Mezzanine Obligations, Unsecured Senior Obligations and High Yield Bonds and no assurance can be given as to the levels of default and/or recoveries that may apply to any Secured Senior Loans, Secured Senior Bonds, Mezzanine Obligations, Unsecured Senior Obligations and High Yield Bonds purchased by the

Issuer. As referred to above, although any particular Secured Senior Loan, Secured Senior Bond, Mezzanine Obligation, Unsecured Senior Obligation and High Yield Bond often will share many similar features with other loans and obligations of its type, the actual terms of any particular Secured Senior Loan, Secured Senior Bond, Mezzanine Obligation, Unsecured Senior Obligation and High Yield Bond will have been a matter of negotiation and will thus be unique. The types of protection afforded to creditors will therefore vary from investment to investment. Recoveries on Secured Senior Loans, Secured Senior Bonds, Mezzanine Obligations, Unsecured Senior Obligations and High Yield Bonds may also be affected by the different bankruptcy regimes applicable in different jurisdictions, the availability of comprehensive security packages in different jurisdictions and the enforceability of claims against the Obligors thereunder.

The effect of an economic downturn on default rates and the ability of finance providers to protect their investment in a default is uncertain. Furthermore, the holders of Secured Senior Loans, Secured Senior Bonds, Mezzanine Obligations, Unsecured Senior Obligations and High Yield Bonds are more diverse than ever before, including not only banks and specialist finance providers but also alternative investment managers, specialist debt and distressed debt investors and other financial institutions. The increasing diversification of the investor base has also been accompanied by an increase in the use of hedges, swaps and other derivative instruments to protect against or spread the economic risk of defaults. All of these developments may further increase the risk that historic recovery levels will not be realised. The returns on Secured Senior Loans, Secured Senior Bonds, Mezzanine Obligations, Unsecured Senior Obligations and High Yield Bonds therefore may not adequately reflect the risk of future defaults and the ultimate recovery rates.

A non-investment grade loan or debt obligation or an interest in a non-investment grade loan is generally considered speculative in nature and may become a Defaulted Obligation for a variety of reasons. Upon any Collateral Debt Obligation becoming a Defaulted Obligation, such Defaulted Obligation may become subject to either substantial work out negotiations or restructuring, which may entail, among other things, a substantial change in the interest rate, a substantial write-down of principal, a conversion of some or all of the principal debt into equity, an extension of the maturity and a substantial change in the terms, conditions and covenants with respect to such Defaulted Obligation. Junior creditors may find that a restructuring leads to the total eradication of their debt whilst the borrower continues to service more senior tranches of debt on improved terms for the senior lenders. In addition, such negotiations or restructuring may be quite extensive and protracted over time, and therefore may result in uncertainty with respect to the ultimate recovery on such Defaulted Obligation. Forum shopping for a favourable legal regime for a restructuring is not uncommon, English law schemes of arrangement having become a popular tool for European incorporated companies, even for borrowers with little connection to the UK. The liquidity for Defaulted Obligations may be limited, and to the extent that Defaulted Obligations are sold, it is highly unlikely that the proceeds from such sale will be equal to the amount of unpaid principal and interest thereon. Furthermore, there can be no assurance that the ultimate recovery on any Defaulted Obligation will be at least equal either to the minimum recovery rate assumed by the Rating Agencies in rating the Notes or any recovery rate used in the analysis of the Notes by investors in determining whether to purchase the Notes.

In some European jurisdictions (including the UK, as noted above), obligors or lenders may seek a "scheme of arrangement". In such instance, a lender may be forced by a court to accept restructuring terms. Recoveries on Secured Senior Loans, Secured Senior Bonds, Mezzanine Obligations, Unsecured Senior Obligations and High Yield Bonds will also be affected by the different bankruptcy regimes applicable in different European jurisdictions and the enforceability of claims against the obligors thereunder.

Second Lien Loans

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

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

Liens arising by operation of law may take priority over the Issuer's liens on an Obligor's underlying collateral and may impair the Issuer's recovery on a Collateral Debt Obligation if a default or foreclosure on that Collateral Debt Obligation occurs.

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

Characteristics and risks associated with investing in High Yield Bonds involves certain risks

High Yield Bonds are generally unsecured, may be subordinated to other obligations of the applicable Obligor and generally have greater credit, insolvency and liquidity risk than is typically associated with investment grade obligations and secured obligations. Depending upon market conditions, there may be a very limited market for High Yield Bonds. High Yield Bonds are often issued in connection with leveraged acquisitions or recapitalisations in which the issuers incur a substantially higher amount of indebtedness than the level at which they had previously operated. The lower rating of High Yield Bonds reflects a greater possibility that adverse changes in the financial condition of the Obligor or general economic conditions (including, for example, a substantial period of rising interest rates or declining earnings or disruptions in the financial markets) or both may impair the ability of the Obligor to make payments of principal and interest. Many issuers of High Yield Bonds are highly leveraged, and specific developments affecting such issuers, including reduced cash flow from operations or inability to refinance debt at maturity, may also adversely affect such issuers' ability to meet their debt service obligations. There can be no assurance as to the levels of defaults and/or recoveries that may be experienced on the High Yield Bonds in the Portfolio.

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

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

high yield market differs from the U.S. high yield market, where structural subordination is markedly less prevalent.

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

Characteristics and risks associated with investing in Unsecured Senior Obligations involves certain risks

Unsecured Senior Obligations of an 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 Senior Obligations will generally have lower rates of recovery than secured obligations following a default. Also, if the insolvency of an Obligor of any Unsecured Senior Obligations occurs, the holders of such Unsecured Senior Obligations will be considered general, unsecured creditors of the Obligor and will have fewer rights than secured creditors of the Obligor.

Corporate Rescue Loans

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

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

Although a Corporate Rescue Loan may be unsecured, where the Obligor is subject to U.S. insolvency law, it has a priority permitted by section 364(c) or section 364(d) under the United States Bankruptcy Code and at the time that it is acquired by the Issuer is required to be current with respect to scheduled payments of interest and principal (if any).

Bridge Loans

The Portfolio Profile Tests provide that not more than 2.5 per cent. of the Aggregate Collateral Balance may be comprised of Bridge Loans. Bridge Loans are generally a temporary financing instrument and as such the interest rate may increase after a short period of time in order to encourage an Obligor to refinance the Bridge Loan with more long term financing. If an Obligor is unable to refinance a Bridge Loan, the interest rate may be subject to an increase and as such Bridge Loans may have greater credit and liquidity risk than other types of loans.

3.15 Participations, Novations and Assignments

The Investment Manager, acting on behalf of the Issuer may acquire interests in Collateral Debt Obligations which are loans either directly (by way of novation or assignment) or indirectly (by way of participation). Interests in loans acquired directly by way of novation or assignment are referred to herein as "Assignments". Interests in loans taken indirectly by way of participation are referred to herein as "Participations". Each institution from which such an interest is taken by way of Participation or acquired by way of Assignment is referred to herein as a "Selling Institution".

The purchaser of an Assignment typically succeeds to all the rights of the assigning Selling Institution and becomes entitled to the benefit of the loans and the other rights of the lender under the loan agreement. The Issuer, as an assignee, will generally have the right to receive directly from the borrower all payments of principal and interest to which it is entitled, provided that notice of such Assignment has been given to the borrower. As a purchaser of an Assignment, the Issuer typically will have the same voting rights as other lenders under the applicable loan agreement and will have the right to vote to waive enforcement of breaches of covenants. The Issuer will generally also have the same rights as other lenders to enforce compliance by the borrower with the terms of the loan agreement, to set off claims against the borrower and to have recourse to collateral supporting the loan. As a result, the Issuer will generally not bear the credit risk of the Selling Institution and the insolvency of the Selling Institution should have no effect on the ability of the Issuer to continue to receive payment of principal or interest from the borrower. The Issuer will, however, assume the credit risk of the borrower. The purchaser of an Assignment also typically succeeds to and becomes entitled to the benefit of any other rights of the Selling Institution in respect of the loan agreement including the right to the benefit of any security granted in respect of the loan interest transferred. The loan agreement usually contains mechanisms for the transfer of the benefit of the loan and the security relating thereto. The efficacy of these mechanisms is rarely tested, if ever, and there is debate amongst counsel in continental jurisdictions over their effectiveness. With regard to some of the loan agreements, security will have been granted over assets in different jurisdictions. Some of the jurisdictions will require registrations, filings and/or other formalities to be carried out not only in relation to the transfer of the loan but, depending on the mechanism for transfer, also with respect to the transfer of the benefit of the security.

Participations by the Issuer in a Selling Institution's portion of a loan typically result in a contractual relationship only with such Selling Institution and not with the borrower under such loan. The Issuer would, in such case, only be entitled to receive payments of principal and interest to the extent that the Selling Institution has received such payments from the borrower (and such payments may be co-mingled with other monies not related to such Participation). In purchasing Participations, the Issuer generally will have no right to enforce compliance by the borrower with the terms of the applicable loan agreement and the Issuer may not directly benefit from the collateral supporting the loan in respect of which it has purchased a Participation. As a result, the Issuer will assume the credit risk of both the borrower and the Selling Institution selling the Participation. If an insolvency of the Selling Institution selling a Participation occurs, the Issuer may be treated as a general creditor of the Selling Institution and may not benefit from any set off between the Selling Institution and the borrower and the Issuer may suffer a loss to the extent that the borrower sets off claims against the Selling Institution. The Issuer may purchase a Participation from a Selling Institution that does not itself retain any economic interest in the loan, and therefore, may have limited interest in monitoring the terms of the loan agreement and the continuing creditworthiness of the borrower. When the Issuer holds a Participation in a loan it generally will not have the right to participate directly in any vote to waive enforcement of any covenants breached by a borrower. A Selling Institution voting in connection with a potential waiver of a restrictive covenant may have interests which are different from those of the Issuer and such Selling Institutions may not be required to consider the interest of the Issuer in connection with the exercise of its votes.

Additional risks are therefore associated with the purchase of Participations by the Issuer as opposed to Assignments. The Portfolio Profile Tests impose limits on the amount of Collateral Debt Obligations that may comprise Participations as a proportion of the Aggregate Collateral Balance.

3.16 Collateral Enhancement Obligations

All funds required in respect of the purchase price of any Collateral Enhancement Obligations and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of the Balance standing to the credit of the Collateral Enhancement Account at the relevant time as well as from Contributions by Noteholders in accordance with the Conditions. Such Balance shall be comprised of all sums deposited therein from time to time which will comprise amounts which the Investment Manager, acting on behalf of the Issuer, determines shall be paid into the Collateral Enhancement Account pursuant to the Priorities of Payment rather than being paid to the Subordinated Noteholders. The aggregate amount which may be credited to the Collateral Enhancement Account in accordance with the Priorities of Payment is subject to the following caps: (i) €1,000,000 in aggregate on any particular Payment Date and (ii) the cumulative maximum aggregate total in respect of all Payment Dates may not exceed €2,000,000.

All proceeds received in respect of any Collateral Enhancement Obligations will be paid into the Principal Account for allocation in accordance with the Principal Proceeds Priority of Payments.

The Investment Manager is under no obligation whatsoever to exercise its discretion (acting on behalf of the Issuer) to take any of the actions described above and there can be no assurance that the Balance standing to the credit of the Collateral Enhancement Account will be sufficient to fund the exercise of any right or option under any Collateral Enhancement Obligation at any time. The ability of the Investment Manager (acting on behalf of the Issuer) to exercise any rights or options under any Collateral Enhancement Obligation will be dependent upon there being sufficient amounts standing to the credit of the Collateral Enhancement Account (as well as the availability of any Noteholder Contributions in accordance with the Conditions) to pay the costs of any such exercise. Failure to exercise any such right or option may result in a reduction of the returns to the Subordinated Noteholders (and, potentially, Noteholders of other Classes).

Collateral Enhancement Obligations and any income or return generated thereby are not taken into account for the purposes of determining satisfaction of, or required to satisfy, any of the Coverage Tests, Portfolio Profile Tests or Collateral Quality Tests.

3.17 Certain risks relating to Hedge Agreements

The payments associated with any Hedge Agreements generally rank senior to payments on the Notes. 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, if the insolvency of a Hedge Counterparty occurs, 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 Debt 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 Collateral Debt Obligations upon the occurrence of an Event of Default under the Trust Deed), 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 Noteholders. In either case, there can be no assurance that the remaining payments on the Collateral Debt Obligations would be sufficient to make payments of interest and principal on the Rated 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. If 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 Noteholders as required under the Priorities of Payment. Recent decisions in U.S. bankruptcy proceedings have held that subordination provisions similar to those set out in the Priorities of Payment 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 Noteholders would be reduced and may be materially reduced. See also paragraph 3.19 "*Flip clauses*" below, in particular in relation to the bankruptcy position under English law.

3.18 Concentration risk

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

3.19 Flip clauses

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

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

In the U.S. courts, the U.S. Bankruptcy Court for the Southern District of New York in Lehman Brothers Special Financing Inc. v. BNY Corporate Trustee Services Limited. (In re Lehman Brothers Holdings Inc.), Adv. Pro. No. 09-1242-JMP (Bankr. S.D.N.Y. 20 May, 2009) examined a flip clause and held that such a provision, which seeks to modify one creditor's position in a priority of payments when that creditor files for bankruptcy, is unenforceable under the United States Bankruptcy Code. Judge Peck acknowledged that this has resulted in the U.S. courts coming to a decision "directly at odds with the judgment of the English Courts". While BNY Corporate Trustee Services Ltd filed a motion for and was granted leave to appeal with the U.S. Bankruptcy Court, the case was settled before the appeal was heard. In 2012, a new suit was filed in the U.S. Bankruptcy Court by claimants in the Belmont case asking, among other things, for the U.S. Bankruptcy Court to recognise and enforce the decision of the English Supreme Court and to declare that flip clauses are enforceable under U.S. insolvency law notwithstanding that court's earlier decision. Plaintiffs in that suit have also filed a companion motion alleging that the issues in their complaint are tangential to the bankruptcy before the U.S. Bankruptcy Court and that, therefore, the suit should be removed to a U.S. district court. Given the current state of U.S.

insolvency law and English law, this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies.

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

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

3.20 Credit risk

Risks applicable to Collateral Debt Obligations also include the possibility that earnings of the Obligor may be insufficient to meet its debt service obligations thereunder and the declining creditworthiness and potential for insolvency of the Obligor of such Collateral Debt Obligations during periods of rising interest rates and economic downturn. An economic downturn could severely disrupt the market for leveraged loans and adversely affect the value thereof and the ability of the obligor thereunder to repay principal and interest.

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

If a Hedge Counterparty is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, there will be a termination event under the applicable Hedge Agreement unless, within the applicable remedy period following such rating withdrawal or a downgrade, such Hedge Counterparty either transfers its obligations under the applicable Hedge Agreement to a replacement counterparty with the requisite ratings, obtains a guarantee of its obligations by a guarantor with the requisite ratings, collateralises its obligations in a manner satisfactory to the Rating Agencies or employs some other such strategy as may be approved by the Rating Agencies.

The Issuer will also be exposed to the credit risk of the Account Bank and the Custodian to the extent of, respectively, all cash of the Issuer held in the Accounts and all Collateral of the Issuer held by the Custodian. In the event that the Account Bank or the Custodian is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, the Issuer shall use its reasonable endeavours to procure the appointment of a replacement Account Bank or Custodian, as the case may be, with the applicable Rating Requirement on substantially the same terms as the Agency and Account Bank Agreement within 30 calendar days of such withdrawal or downgrade.

3.21 Interest rate risk

It is possible that Collateral Debt Obligations (in particular Secured Senior Bonds and High Yield Bonds) may bear interest at fixed rates and there is no requirement that the amount or portion of Collateral Debt Obligations securing the Notes must bear interest on a particular basis, save for

the Portfolio Profile Tests which requires that not more than 7.5 per cent. of the Aggregate Collateral Balance may comprise Fixed Rate Collateral Debt Obligations.

In addition, any payments of principal or interest received in respect of Collateral Debt Obligations and not otherwise reinvested in Substitute Collateral Debt Obligations will generally be used to repay principal on the Notes, subject to the Priorities of Payment. As a result of these factors, it is expected that there will be a fixed/floating rate mismatch and/or a floating rate basis mismatch between the Notes and the underlying Collateral Debt Obligations and Eligible Investments. Such mismatch may be material and may change from time to time as the composition of the related Collateral Debt Obligations and Eligible Investments change and as the liabilities of the Issuer accrue or are repaid. As a result of such mismatches, changes in the level of EURIBOR could adversely affect the ability to make payments on the Notes. Depending on whether payments of principal on Fixed Rate Collateral Debt Obligations or Floating Rate Collateral Debt Obligations are invested in Substitute Collateral Debt Obligations or used to repay principal on the Notes, subject to the Priorities of Payment, such fixed/floating rate mismatch and/or floating rate basis mismatch described above may be improved or may be made worse. The calculation of EURIBOR on the Floating Rate Notes is subject to a floor of zero. In addition, pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager, acting on behalf of the Issuer, is authorised (but is not obliged) to enter into Hedge Transactions in order to mitigate such interest rate mismatch from time to time, subject to receipt in each case of Rating Agency Confirmation in respect thereof (other than in the case of a Form Approved Hedge) and subject to certain regulatory considerations in relation to swaps, discussed in "*Legislative and regulatory actions in the United States, Europe and elsewhere may adversely affect the Issuer and the Notes*" above. However, the Issuer will depend on each Hedge Counterparty to perform its obligations under any Hedge Transaction to which it is a party and if any Hedge Counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from such Hedge Counterparty to cover its interest rate risk exposure.

Interest Amounts are due and payable in respect of the Notes on a quarterly basis during each three month Accrual Period and on a semi-annual basis during each six month Accrual Period. If a significant number of Collateral Debt Obligations pay interest on a semi-annual or annual basis, there may be insufficient interest received to make quarterly interest payments on the Notes during three month Accrual Periods. In order to mitigate the effects of any such timing mis match, prior to the occurrence of a Frequency Switch Event (since following the occurrence of such an event, Accrual Periods will be semi-annual), the Issuer will be required to hold back a portion of the interest received on Collateral Debt Obligations which pay interest less than quarterly in order to make quarterly payments of interest on the Notes ("**Interest Smoothing**").

In addition, if a significant number of Collateral Debt Obligations switch from paying interest on a quarterly to a semi-annual basis, a Frequency Switch Event may occur pursuant to the Conditions and following the occurrence of which Note Payments shall be made on a semi-annual basis in order to mitigate such reset risk. See the definition of "**Frequency Switch Event**" contained in the Conditions.

However, there can be no assurance that Interest Smoothing and such Frequency Switch Event mechanism will be sufficient to mitigate basis and reset risks respectively.

More generally, there can be no assurance that the Collateral Debt Obligations and Eligible Investments securing the Notes will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Notes or that any particular levels of return will be generated on the Subordinated Notes.

3.22 Currency risk and Asset Swap Transactions

Although the Issuer intends to hedge against certain currency exposures pursuant to the Asset Swap Transactions, fluctuations in the Euro exchange rate for currencies in which Non-Euro Obligations are denominated may lead to the proceeds of the Collateral Debt Obligations being insufficient to pay all amounts due to the respective Classes of Noteholders or may result in a

decrease in value of the Collateral for the purposes of sale hereof upon enforcement of the security over it.

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

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

The Issuer will depend upon the Asset Swap Counterparty to perform its obligations under any hedges. If the Asset Swap Counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from the Asset Swap Counterparty to cover its foreign exchange exposure.

The Principal Balance of any Non-Euro Obligation shall be, to the extent the related Asset Swap Transaction terminates, the Spot Rate in respect of such Non-Euro Obligation multiplied by the outstanding principal amount of such Non-Euro Obligation.

3.23 Rising interest rates may render some Obligors unable to pay interest on their Collateral Debt Obligations

Most of the Collateral Debt 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 Debt Obligations or refinance their balloon and bullet Collateral Debt Obligations, resulting in payment defaults, Defaulted Obligations and an inability of the Issuer to make payment on some or all Classes of Notes. Conversely if interest rates decline, Obligors may refinance their Collateral Debt Obligations at lower interest rates which could shorten the average life of the Notes.

3.24 Balloon obligations and bullet obligations present refinancing risk

The Portfolio will primarily consist of Collateral Debt Obligations that are either balloon obligations or bullet obligations. Balloon obligations and bullet obligations 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 Debt Obligation. The ability of such Obligor to make this final payment upon the maturity of the Collateral Debt Obligation typically depends upon its ability either to refinance the Collateral Debt Obligation prior to maturity or to generate sufficient cash flow to repay the Collateral Debt 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 Debt 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 Debt Obligation at maturity, and the Issuer could lose all or most of the principal of the Collateral Debt 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 Debt Obligation on a timely basis or at all.

3.25 Regulatory risk

In many jurisdictions, especially in Continental Europe, engaging in lending activities "in" certain jurisdictions whether conducted via the granting of loans, purchases of receivables, discounting

of invoices, guarantee transactions or otherwise (collectively, "**Lending Activities**") is generally considered a regulated financial activity and, accordingly, must be conducted in compliance with applicable local banking laws. In many such jurisdictions, there is comparatively little statutory, regulatory or interpretative guidance issued by the competent authorities or other authoritative guidance as to what constitutes the conduct of Lending Activities in such jurisdictions.

As such, Collateral Debt Obligations may be subject to these local law requirements. Moreover, these regulatory considerations may differ depending on the country in which each Obligor is located or domiciled, on the type of Obligor and other considerations. Therefore, at the time when Collateral Debt Obligations are acquired by the Issuer, there can be no assurance that, as a result of the application of regulatory law, rule or regulation or interpretation thereof by the relevant governmental body or agency, or change in such application or interpretation thereof by such governmental body or agency, payments on the Collateral Debt Obligations might not in the future be adversely affected as a result of such application of regulatory law or that the Issuer might become subject to proceedings or action by the relevant governmental body or agency, which if determined adversely to the Issuer, may adversely affect its ability to make payments in respect of the Notes.

In addition, it should be noted that a number of Continental European jurisdictions operate "debtor friendly" insolvency regimes which would result in delays in payments under Collateral Debt Obligations where obligations thereunder are subject to such regimes, if the insolvency of the relevant Obligor occurs.

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

Centre of main interest

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

Examinership

Examinership is a court moratorium/protection procedure which is available under the Companies Act 2014 to facilitate the survival of Irish companies in financial difficulties. The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer are each entitled to petition the court for the appointment of an examiner.

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

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

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

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

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

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

Preferred Creditors

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

(a) under Irish law, the claims of creditors holding fixed charges may rank behind other creditors (namely fees, costs and expenses of any examiner appointed and certain capital gains tax liabilities) and, in the case of fixed charges over book debts, may rank behind claims of the Irish Revenue Commissioners for PAYE, local property tax and VAT;

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

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

4. Relating to certain conflicts of interest

In general, the transaction described in this Prospectus 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 Investment Manager, its clients and its Affiliates, the Rating Agencies, the Placement Agent and their respective Affiliates. The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

4.1 Investment Manager

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

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

the Investment Manager and Investment Manager Related Persons, 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.

The Investment Manager or any Investment Manager Related Person may at times be a Noteholder (including, but not limited to the case of the Retention Holder holding and retaining the Retention Notes pursuant to the Risk Retention Letter for the purposes of complying with the Retention Requirements), and their interests and incentives may not necessarily be completely aligned with those of any other Noteholders of any particular Class. Subject to the Conditions, the Investment Manager (or any Investment Manager Related Person) will be free to exercise the voting, consent and other rights of such Notes in whatever way each determines to be in its own interests (including, without limitation, the Investment Manager having regard to its interests as Retention Holder) and without taking into account the interests of the other Noteholders.

The Investment Manager or any Investment Manager Related Person may also have ongoing relationships with companies whose securities or loans are pledged to secure the Notes and may own debt and equity securities issued by obligors of Collateral Debt Obligations. As a result, the Investment Manager or any Investment Manager Related Person may possess information relating to issuers of Collateral Debt Obligations that may not be known by the individuals at the Investment Manager who are responsible for monitoring the Collateral Debt Obligations and performing the other obligations under the Investment Management and Collateral Administration Agreement, and such officers will be under no obligation to make such information available to those responsible for monitoring the Collateral Debt Obligations and performing the other obligations of the Investment Manager under the Investment Management and Collateral Administration Agreement.

The Investment Manager or any Investment Manager Related Person may also carry on investment activities for other client accounts, their own accounts and accounts for family members and other third parties 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 objectives may be the same or similar to the Issuer's.

Additionally, the Investment Manager or any Investment Manager Related Person may receive fees or other benefits for these services which are greater than any fees the Investment Manager will be receiving for its services to the Issuer. This disparity in fee income may create potential conflicts of interest between the Investment Manager's obligations to the Issuer and the Investment Manager's or any Investment Manager Related Person's obligations to other clients.

In addition, the Investment Manager or any Investment Manager Related Person may invest in securities and/or loans that are *pari passu*, senior or junior to, or have interests different from or adverse to, the Collateral Debt Obligations. In such instances, the Investment Manager or any Investment Manager Related Person 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 Investment Manager and/or Investment Manager Related Person currently serve, and/or may in the future, serve as investment manager for, invest in or be affiliated with other entities organised to issue collateralised debt obligations secured or backed by loans, high yield debt securities or emerging market bonds and loans. The Investment Manager or any Investment Manager Related Person may at certain times be simultaneously seeking to purchase or sell investments for the Issuer and any similar entity for which it serves as investment manager at such time, or for its affiliates (including any account, portfolio or investment company for which the Investment Manager or any Investment Manager Related Person serves as manager or investment advisor). Other entities for which the Investment Manager or any Investment Manager Related Person have investment discretion, 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 or have ongoing relationships with companies whose obligations are acquired by the Issuer 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 Investment Manager or any Investment Manager Related Person may give advice or take action with respect to the investments of the other Investment Manager Related Persons 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.

When buying and selling assets for Investment Manager Related Persons, the Investment Manager and Affiliates, as applicable, generally aggregate multiple transactions into one order so that multiple accounts may participate equally, on a *pro rata* basis, over time on a fair and equitable basis, in terms of best available cost, efficiency and terms under the circumstances. Although certain accounts may be excluded from a given aggregated order, no account is favoured over any other account on an overall, long-term basis. Each account that participates in an aggregated order participates at the average price, except as noted below. Typically, transaction costs are shared pro rata based on each account's participation in the transaction. In certain transactions, prices may differ as a result of differences in fees, taxes and transaction charges that are assessed on each participating account and vary depending upon a number of factors including, but not limited to, the domicile of the account, the size of participating accounts or amounts allocated. As a result and depending upon market conditions, the aggregation of multiple transactions into one order may result in a higher or lower average price paid or received by each account. The Investment Manager will determine whether an asset is appropriate for one or more of its funds, accounts or portfolios managed or advised by the Investment Manager on the basis of a number of factors including, but not limited to: (i) differences with respect to available capital, size, and remaining life of a fund; (ii) different investment objectives or strategies; (iii) differences in risk profile at the time the opportunity becomes available; (iv) the potential transaction and other costs of allocating an opportunity among various funds; (v) potential conflicts of interest, including whether a fund has an existing investment in the issuer in question; (vi) the nature of the security or the transaction, including concentration limitations and portfolio tests, both at the time of such determination and prospectively, and the source of the opportunity; (vii) current and anticipated market conditions; and (viii) differences in particular portfolio profile covenants or other contractual requirements, including requirements set forth in debt agreements of funds utilising leverage. It is possible, due to differing investment objectives or other reasons, that the Investment Manager may purchase debt obligations of an issuer for one client or account and sell such debt obligations for another client or account. In addition, while the Investment Manager may determine that an asset is a suitable investment for the Issuer, the Investment Manager or its Affiliates may determine that the relevant asset would also be a suitable investment for other funds or accounts managed or advised by the Investment Manager or its Affiliates and decide to not allocate any portion of the asset to the Issuer.

Portfolio transactions for the Issuer and for Investment Manager Related Persons are allocated to broker-dealers on the basis of best execution available in light of the overall quality of brokerage, prime brokerage, financing and other services, as applicable, provided to the Issuer and Investment Manager Related Persons. In seeking best execution, the Investment Manager and its Affiliates may consider a variety of factors including quality of execution, reputation, financial strength and stability, block trading and block positioning capabilities, willingness and ability to execute difficult transactions, willingness and ability to commit capital, access to underwritten offerings and secondary markets, ongoing reliability, overall costs of a trade including commissions, mark-ups, mark-downs or spreads in the context of the Investment Manager's knowledge of negotiated commission rates currently available and other current transaction costs, nature of the security and the available market makers, desired timing of the transaction and size of trade, confidentiality of trading activity, market intelligence, idea generation, sourcing of investment opportunities by the broker and its affiliates, quality and timeliness of market information provided and the provision of research or brokerage services, and other similar services.

Certain separately managed accounts or funds managed by the Investment Manager and one or more of its Affiliates may require the Investment Manager or such Affiliates 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 Investment Manager or its Affiliates may differ from the value assigned to the same investments held by the Issuer by the Transaction Documents.

Although the Investment Manager will devote as much time to the Issuer as the Investment Manager deems appropriate in order to satisfy its obligations under the Investment Management and Collateral Administration Agreement, the Investment Manager may have conflicts in allocating its time and services among the Issuer and Investment Manager Related Persons. In addition, the Investment Manager and Investment Manager Related Persons, in connection with their other business activities, may acquire material non-public confidential information and enter into non-disclosure agreements that may restrict the Investment Manager and its Affiliates from purchasing securities or selling securities for themselves or their clients (including the Issuer) or otherwise using such information for the benefit of their clients or themselves. In order to avoid restrictions on the trading capabilities for certain of its funds, the Investment Manager may actively avoid exposure to certain material, non-public information regarding certain of the issuers of Collateral Debt Obligations that the Investment Manager would otherwise be entitled to receive.

If the Investment Manager or any of its personnel or any of its Affiliates were to receive material non-public information about a particular obligor or asset, and have an interest in causing the Issuer to transact a particular asset, the Investment Manager may be prevented from causing the Issuer to transact such asset due to internal restrictions imposed on the Investment Manager. Notwithstanding the maintenance of certain internal controls relating to the management of material non-public information, it is possible that such controls could fail and result in the Investment Manager, or one of its investment professionals or any of its Affiliates, buying or selling an asset while, at least constructively, in possession of material non-public information. Inadvertent trading on material non-public information could have adverse effects on the Investment Manager's reputation, result in the imposition of regulatory or financial sanctions, and as a consequence, negatively impact the Investment Manager's ability to perform its investment management services to the Issuer. In addition, while the Investment Manager and certain of its Affiliates currently use information barriers in certain circumstances, such entities could be required by certain regulations, or decide that is advisable, to establish additional information barriers. In such event, the Investment Manager's ability to operate as an integrated platform could also be impaired.

Unless the Investment Manager determines in its reasonable judgment that such purchase or sale is appropriate and otherwise permitted under applicable law (including the Investment Advisers Act), the Investment Manager will refrain from directing the purchase or sale under the Transaction Documents of securities issued by (i) Persons of which any Affiliate of the Investment Manager that is a direct or indirect subsidiary of AXA Investment Managers SA or a director, officer, employee or general partner of AXA Investment Managers SA or a direct or indirect subsidiary thereof is a director or officer or (ii) persons about which any Investment Manager Related Person has information that such Investment Manager Related Person deems confidential or non-public or otherwise might prohibit it from trading such securities in accordance with applicable law. Subject to the limitations set forth in the Investment Management and Collateral Administration Agreement and the other Transaction Documents, the Investment Manager will not be obligated to pursue any particular investment strategy or opportunity with respect to the Portfolio.

Neither the Investment Manager nor any Investment Manager Related Person 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 Investment Manager Related Persons. Furthermore, the Investment Manager and any of its Affiliates may make an investment on behalf of any Investment Manager Related Persons without offering the investment opportunity or making any investment on behalf of the Issuer. Furthermore, the Investment Manager or any Investment Manager Related Person may make an investment on its own behalf without offering the investment opportunity to, or the Investment Manager making any investment on behalf of, the Issuer. Affirmative obligations

may exist, or may arise in the future, whereby the Investment Manager or one or more of its Affiliates is obligated to offer certain investments to one or more Investment Manager Related Persons before or without the Investment Manager offering those investments to the Issuer. The Investment Manager and each Investment Manager Related Person 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 Investment 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 Investment Manager Related Persons or the account of its other clients. Collateral Debt Obligations may be purchased by the Issuer from or sold by the Issuer to Investment Manager Related Persons and any such purchase or sale will be effected in accordance with the Investment Manager's internal policies and procedures (including the policies and procedures set out below), the Investment Management and Collateral Administration Agreement, and applicable law.

The Investment Manager may, in one or more transactions, effect a "cross" and/or a "principal" transaction (as further described below) between an Investment Manager Related Person and the Issuer if permitted in accordance with applicable policies and procedures, and in any case by applicable law. In such a case, the Investment Manager causes a transaction to be effected between the Issuer and another collateralised loan obligation, fund or account or other client managed or advised by the Investment Manager or one or more of its Affiliates. If the Investment Manager or its Affiliates effects such cross transactions between itself or its Affiliates and the Issuer, then they will effect these types of transactions only (i) when the Investment Manager and, if applicable, one or more of its Affiliates deem the transaction to be in the best interest of both the Issuer and the applicable Investment Manager Related Person, (ii) at a price and under circumstances that the Investment Manager and its Affiliates have determined, by reference to independent market indicators constitute not only best execution for the Issuer and the applicable Investment Manager Related Person, but that such transactions are executed at a verifiable mid-market price so that neither side of the transaction is advantaged or disadvantaged, and (iii) for any and all principal transactions (as further described below), with the written consent from the third party client prior to the settlement of any such transaction, and (iv) for principal transactions, which are a type of cross transaction between the Issuer and another collateralised loan obligation, fund or account or other client where the Investment Manager or one or more of its Affiliates have been deemed to "own" at least 25% of any such account, then the Investment Manager shall (a) disclose to the non-principal accounts the capacity in which it is acting and (b) secure the written consent of such accounts acknowledging such transaction; provided that cross transactions and principal transactions will be effected only to the extent permitted under applicable law. If so conducted, such transactions shall be conducted at arm's length and in accordance with the respective applicable internal policies and procedures of the Investment Manager and its Affiliates as determined appropriate by the Investment Manager. Further, the Investment Manager will be prohibited under the terms of the Investment Management and Collateral Administration Agreement from directing the acquisition of Collateral Debt Obligations from, or disposition of Collateral Debt Obligations to, its affiliates or any other account managed by the Investment Manager except in a transaction whose terms are no less favourable as those that could be obtained with an unaffiliated third party. Neither the Investment Manager nor any of its Affiliates receives any compensation in connection with "cross" transactions. "Inadvertent" cross transactions may also occur when trades cross in the market. For example, when the Investment Manager or its Affiliates periodically rebalance accounts, certain Investment Manager Related Persons may sell securities into the market at the same time that other Investment Manager Related Persons and/or the Issuer are purchasing the same securities in the market, resulting in an inadvertent or "deemed" market cross. In these situations, the Investment Manager and its Affiliates do not instruct the broker to directly move positions between accounts.

The Originated Assets (as defined in "*The Retention Holder and Retention Requirements*" below) will be acquired by the Issuer from the Investment Manager in accordance with the procedures for "principal" transactions described above and on the terms summarised in "*The Retention Holder and Retention Requirements – Origination Procedures*" below. In addition, the Issuer may purchase additional Collateral Debt Obligations from the Investment Manager or Investment Manager Related Persons on a principal basis, in each case in accordance with the procedures for "principal" transactions described above. The Issuer will receive disclosure in writing of the

identity and method of acquisition of, and the procedures for determining the purchase price with respect to, such Collateral Debt Obligations (including the Originated Assets), and will provide its consent to such matters. The Noteholders, by their acquisition of the Notes, will be deemed to have consented to the foregoing.

Certain amounts payable to the Investment Manager under the Transaction Documents 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 Investment Manager and the Noteholders of one or more Classes of Notes.

The Investment Manager's duties and obligations under the Investment Management and Collateral Administration Agreement are owed solely to the Issuer. The Investment Manager is not in contractual privity with, and owes no separate duties or obligations to, any of the holders of the Notes. Actions taken by the Investment Manager may differentially affect the interests of the various Classes of Notes (whose holders may themselves have different interests), and except as provided in the Investment Management and Collateral Administration Agreement and the other Transaction Documents, the Investment Manager has no obligation to consider such differential effects or different interests. The Investment Manager may delegate some or all of its duties and obligations under the Investment Management and Collateral Administration Agreement in the manner and subject to the limitations provided for therein (including, without limitation, the condition that the Investment Manager shall remain liable to the Issuer for the performance of such duties and obligations). Please see "*Description of the Investment Management and Collateral Administration Agreement*" below.

The Investment Manager may discuss the composition of the Collateral Debt Obligations and other matters relating to the transactions contemplated hereby with any partner or employee of the Investment Manager or any Investment Manager Related Persons, and may also have such discussions with certain beneficial owners of the Notes and any other third parties. There can be no assurance that such discussions will not influence the actions or inactions of the Investment Manager in its role as Investment Manager for the Issuer, which actions or inactions may have material effects on the performance of the Notes.

By its purchase of Notes, each Noteholder is deemed to have acknowledged and consented to the existence of the conflicts of interest inherent to this transaction, including as described herein, and to have agreed that it will have no claim arising from or otherwise related to the existence thereof.

The past performance of any portfolio or investment vehicle managed by the Investment Manager, its Affiliates or its current personnel or authorised persons at prior places of employment may not be indicative of the results that the Investment Manager may be able to achieve with the Portfolio. Similarly, the past performance of the Investment Manager, its Affiliates and its current personnel or authorised 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 historically by the Investment Manager, its Affiliates and its current personnel or authorised persons at a prior place of employment over a particular period 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 utilising a leveraged capital structure, an asset mix and fee arrangements that are different from the anticipated capital structure, asset mix and/or fee arrangements of the Issuer. Moreover, because the investment criteria that govern investments in the Collateral Debt Obligations do not govern the investments and investment strategies of the Investment Manager, its Affiliates or its current personnel or authorised persons generally, such investments conducted in accordance with such criteria, and the results they yield, are not directly comparable with, and may differ substantially from, other portfolios advised by the Investment Manager, its Affiliates and its current personnel or authorised persons at prior places of employment.

Certain of the Issuer's investment activities will be directed by the Investment Manager. The Noteholders generally will not make decisions with respect to the management, disposition or other realisation of any Collateral Debt Obligation, or other decisions regarding the business and affairs of the Issuer and further, the composition of the Portfolio will vary over time. As a result, the performance of the Portfolio depends heavily on the skills of the Investment Manager in analysing, selecting and managing the Collateral Debt Obligations. Consequently, the success of the Issuer will be highly dependent on the financial and managerial experience of the investment professionals employed by the Investment Manager who are assigned to select and manage the Collateral Debt Obligations and perform the other obligations of the Investment Manager under the Investment Management and Collateral Administration Agreement. There can be no assurance that such investment professionals will continue to serve in their current positions or continue to be authorised persons of the Investment Manager. Although such investment professionals will devote such time as they determine in their discretion is reasonably necessary to fulfil the Investment Manager's obligations to the Issuer effectively, the Investment Manager and such investment professionals are not required to devote all their time to the performance of the Investment Management and Collateral Administration Agreement and they will not devote all of their professional time to the affairs of the Issuer and there can be no assurance that such investment professionals will continue to be involved in the investment activities of the Issuer. The Issuer is not a direct beneficiary of employment arrangements between the Investment Manager and its employees, which arrangements are in any event subject to change without notice to, or the consent of, the Issuer. The loss of any such persons could have a material adverse effect on the Portfolio.

Furthermore, the Investment Manager may hire individuals not currently associated with the Investment Manager, including replacement employees, that may not have the same level of experience in selecting and managing loans and high-yield debt securities and performing such other obligations as the persons they replace. Any such change in personnel performing such obligations may have an adverse effect on the Collateral Debt Obligations and the Issuer's ability to make payments on the Notes. See "*Description of the Investment Management and Collateral Administration Agreement*".

The Investment Manager may resign or be removed subject to certain conditions. There can be no assurance that any successor collateral manager would have the same level of skill in performing the obligations of the Investment Manager, in which event payments on the Notes could be reduced or delayed. See "*Description of the Investment Management and Collateral Administration Agreement*".

Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager may assign its rights and responsibilities thereunder as further described in "*Description of the Investment Management and Collateral Administration Agreement*".

The Issuer is the first European cash-flow collateralised loan obligation transaction managed by the Investment Manager and the first European cash-flow collateralised loan obligation transaction managed by the Investment Manager or any of its Affiliates post-financial crisis of 2007-2008. As a result, the Investment Manager has a limited history operating such a cash-flow collateralised loan obligation transaction in Europe.

The Investment Manager will agree with one or more Noteholders to rebate and/or assign a portion of its Investment Management Fees and the Investment Manager will not be obliged to enter into similar agreements with or to notify other Noteholders. Such rebates or assignments may affect the incentives of the Investment Manager in managing the Collateral Debt Obligations and may also affect the actions of the relevant Noteholders in taking any actions they may be permitted to take in respect of the Notes, including votes concerning amendments.

4.2 The Issuer will be subject to certain conflicts of interest involving the Rating Agencies

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

4.3 The Issuer will be subject to various conflicts of interest involving the Placement Agent

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 the Placement Agent, JPMorgan Chase Bank, National Association ("**JPMCB**") and its Affiliates (together, the "**J.P. Morgan Companies**") to the Issuer, the Trustee, the Investment Manager, the issuers of the Collateral Debt Obligations and other assets comprised in the Portfolio, as well as in connection with the investment, trading and brokerage activities of the J.P. Morgan Companies. The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

J.P. Morgan Securities plc 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 Notes. One or more other J.P. Morgan Companies and one or more accounts or funds managed by a J.P. Morgan Company may from time to time hold Notes (the "**J.P. Morgan Holders**"). Without limitation to the foregoing, J.P. Morgan Holders may purchase certain unsold Notes and such purchases may be at prices which may be higher or lower than the prices at which such Notes were sold to other investors. No J.P. Morgan Holder will be required to retain any Notes acquired by it and a J.P. Morgan Holder may realise a gain in the secondary market by selling Notes purchased by it. J.P. Morgan 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 J.P. Morgan Holders hold sufficient Notes of the Controlling Class to exercise Ordinary Resolutions or Extraordinary Resolutions (as applicable), 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 Collateral Debt Obligations. The interests of the J.P. Morgan Holders may not coincide with those of the other Noteholders at all times. Any J.P. Morgan Holder in its capacity as a Noteholder 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. The J.P. Morgan 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 Issue Date, or to retain Notes for any length of time. An Affiliate of the Placement Agent was also a lender under the Warehouse Arrangements. See further paragraph 3.5 "*The Warehouse Arrangements*" above.

The J.P. Morgan Companies will not be limited in their activities relating to buying, holding or selling Notes or obligations constituting, or which may constitute, part of the Collateral Debt Obligations. Without limitation of the foregoing, at any time, one or more J.P. Morgan 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 Collateral Debt Obligations or any Class of Notes.

Prior to the Issue Date, JPMCB has provided a warehouse financing facility to the Issuer as described under paragraph 3.5 "*The Warehouse Arrangements*". Upon the occurrence of the Issue Date, the warehouse financing facility will terminate and JPMCB will be paid in full from the issuance proceeds received by the Issuer for the Notes. As a lender and administrative agent in connection with the warehouse financing facility, JPMCB has the right to approve all Collateral Debt Obligations which are selected and acquired by the Investment Manager under the Warehouse Facility (on behalf of the Issuer) and, in certain circumstances, JPMCB has the right to require or approve sales of Collateral Debt Obligations 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 J.P. Morgan Company has done, and no J.P. Morgan Company will do, any analysis of the Collateral Debt Obligations acquired or sold by the Issuer for the benefit of, or in a manner designed to further the interests of, any Noteholder.

The J.P. Morgan Companies are significant participants in the leveraged loan and high yield bond markets. The Issuer has purchased and sold prior to the Issue Date, and it is likely that the Issuer will purchase or sell after the Issue Date, Collateral Debt Obligations from, to or through one or more of the J.P. Morgan Companies (and such purchases or sales may relate to a significant portion of the Collateral Debt Obligations) and will also have purchased or sold, or will purchase

or sell (as applicable) Collateral Debt Obligations with respect to which a J.P. Morgan Company acted as underwriter, arranger, lender or administrative agent or in a similar capacity as further described below (and such Collateral Debt Obligations may constitute a significant portion of the Portfolio).

Certain Eligible Investments may be issued, managed or underwritten by one or more of the J.P. Morgan Companies. One or more of the J.P. Morgan Companies may provide investment banking, commercial banking, asset management, financing and financial advisory services and products to the Investment Manager, its Affiliates, and funds managed by the Investment 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 Investment Manager, its Affiliates, and funds managed by the Investment Manager and its Affiliates. As a result of such transactions or arrangements, one or more of the J.P. Morgan Companies may have interests adverse to those of the Issuer and the Noteholders. The J.P. Morgan 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 J.P. Morgan 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 J.P. Morgan 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 Debt Obligations;
- act as trustee, facility agent, paying agent and in other capacities in connection with certain of the Collateral Debt Obligations or other classes of securities issued by an issuer of a Collateral Debt Obligation or an Affiliate thereof;
- be a counterparty to issuers of certain of the Collateral Debt Obligations under swap or other derivative agreements;
- provide finance under the Warehouse Arrangements in respect of certain assets;
- be a Hedge Counterparty under a Hedge Agreement with the Issuer;
- sell Collateral Debt Obligations to the Issuer, including Collateral Debt Obligations in respect of which the J.P. Morgan Companies act as underwriter, arranger, lender, obligor or administrative agent;
- be a Selling Institution with respect to a Participation;
- lend to certain of the issuers of Collateral Debt Obligations or their respective Affiliates or receive guarantees from the issuers of those Collateral Debt Obligations or their respective Affiliates;
- provide other investment banking, asset management, commercial banking, financing or financial advisory services to the issuers of Collateral Debt Obligations or their respective Affiliates; or
- have an equity interest, which may be a substantial equity interest, in certain Obligors of the Collateral Debt Obligations or their respective Affiliates.

When acting as a trustee, facility agent, paying agent or in other service capacities with respect to a Collateral Debt Obligation, the J.P. Morgan Companies will be entitled to fees and expenses senior in priority to payments to such Collateral Debt Obligation. When acting as a trustee for other classes of securities issued by the issuer of a Collateral Debt Obligation or an Affiliate thereof, the J.P. Morgan 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 Debt 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 Debt Obligation is a part. As a counterparty under swaps and other derivative agreements (including without limitation, under a Hedge Agreement), the J.P. Morgan Companies might take actions adverse to the interests of the Issuer, including, but not limited to, demanding collateralisation 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 J.P. Morgan 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 Debt Obligations may enhance the profitability or value of investments made by the J.P. Morgan Companies in the issuers thereof. As a result of all such transactions or arrangements between the J.P. Morgan Companies and issuers of Collateral Debt Obligations or their respective Affiliates, the J.P. Morgan Companies may have interests that are contrary to the interests of the Issuer and the Noteholders. A J.P. Morgan Company will be an Initial Hedge Counterparty. Further, additional J.P. Morgan Companies may subsequently become Hedge Counterparties. The interests of such entities as a Hedge Counterparty may not coincide with those of Noteholders at all times. Such entities, in their capacities as Hedge Counterparties, may act in their own commercial interest and need not consider whether their actions will have an adverse effect on the Issuer or the Noteholders (including, without limitation, if a J.P. Morgan Company as a Hedge Counterparty chooses not to exercise its prior written consent pursuant to Condition 14(c) (*Modification and Waiver*)).

As part of their regular business, the J.P. Morgan 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 J.P. Morgan 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 J.P. Morgan 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 J.P. Morgan 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 Debt Obligations and their respective Affiliates, that is or may be material in the context of the Notes and that is or may not be known to the general public. None of the J.P. Morgan Companies has any obligation, and the offering of the Notes will not create any obligation on their part, to disclose to any purchaser of the Notes any such relationship or information, whether or not confidential.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of each of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes, substantially in the form in which they will be endorsed on such Notes if issued in definitive certificated form, which will be incorporated by reference into the Global Certificates of each Class representing the Notes, subject to the provisions of such Global Certificates, some of which will modify the effect of these terms and Conditions of the Notes. See "*Form of the Notes—Amendments to Terms and Conditions*".

The issue of €200,500,000 Class A-1 Senior Secured Floating Rate Notes due 2029 (the "**Class A-1 Notes**"), €5,000,000 Class A-2 Senior Secured Fixed Rate Notes due 2029 (the "**Class A-2 Notes**" and together with the Class A-1 Notes, the "**Class A Notes**"), €39,200,000 Class B-1 Senior Secured Floating Rate Notes due 2029 (the "**Class B-1 Notes**"), €7,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2029 (the "**Class B-2 Notes**" and together with the Class B-1 Notes, the "**Class B Notes**"), €18,000,000 Class C Deferrable Mezzanine Floating Rate Notes due 2029 (the "**Class C Notes**"), €18,600,000 Class D Deferrable Mezzanine Floating Rate Notes due 2029 (the "**Class D Notes**"), €25,200,000 Class E Deferrable Junior Floating Rate Notes due 2029 (the "**Class E Notes**"), €11,700,000 Class F Deferrable Junior Floating Rate Notes due 2029 (the "**Class F Notes**", together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the "**Rated Notes**") and €37,100,000 Subordinated Notes due 2029 (the "**Subordinated Notes**") (the Rated Notes and the Subordinated Notes, together the "**Notes**") of Adagio IV CLO Limited (the "**Issuer**") was authorised by resolution of the board of Directors of the Issuer dated on or about 4 September 2015. The Notes are constituted, secured by, subject to and have the benefit of a trust deed (together with any other security document entered into in respect of the Notes, the "**Trust Deed**") dated on or about 8 September 2015, as amended, varied or substituted from time to time, between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited in its capacity as trustee for the Noteholders and security trustee for the Secured Parties (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed).

These terms and conditions of the Notes, as amended, varied or substituted from time to time (the "**Conditions of the Notes**" include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes the forms of the certificates representing the Notes). The following agreements have been entered into in relation to the Notes: (a) an agency agreement to be dated on or about 8 September 2015, as amended, varied or substituted from time to time, (the "**Agency Agreement**") between, amongst others, the Issuer, The Bank of New York Mellon (Luxembourg) S.A., as registrar and transfer agent (respectively, the "**Registrar**" and "**Transfer Agent**" which terms shall include any successor or substitute registrar or transfer agent, and together, the "**Transfer Agents**" and each a "**Transfer Agent**"), The Bank of New York Mellon acting through its London Branch, as principal paying agent, account bank, calculation agent and custodian (respectively, the "**Principal Paying Agent**", "**Account Bank**", "**Calculation Agent**" and "**Custodian**", which terms shall include any successor or substitute principal paying agent, account bank, calculation agent or custodian, respectively, appointed pursuant to the terms of the Agency Agreement), The Bank of New York Mellon S.A./N.V., Dublin Branch, 4th Floor Hanover Building, Windmill Lane, Dublin 2, Ireland as collateral administrator and information agent (the "**Collateral Administrator**" and "**Information Agent**" which terms shall include any successor or substitute collateral administrator or information agent, respectively, appointed pursuant to the terms of the Investment Management and Collateral Administration Agreement) and the Trustee; (b) an investment management and collateral administration agreement dated on or about 8 September 2015, as amended, varied or substituted from time to time, (the "**Investment Management and Collateral Administration Agreement**") between AXA Investment Managers, Inc., as investment manager in respect of the Portfolio (the "**Investment Manager**", which term shall include any successor or substitute investment manager appointed pursuant to the terms of the Investment Management and Collateral Administration Agreement), the Issuer, the Custodian, the Collateral Administrator and the Trustee; (c) a corporate services agreement dated 26 May 2014, as amended, varied or substituted from time to time, (the "**Corporate Services Agreement**") between the Issuer and the Corporate Services Provider and (d) a placement agency agreement to be dated on or about 8 September 2015, (the "**Placement Agency Agreement**") between the Issuer and J.P. Morgan Securities plc as placement agent (the "**Placement Agent**"). Copies of the Trust Deed, the Agency Agreement and the Investment Management and Collateral Administration Agreement are available for inspection during usual business hours at the principal office of the Issuer (presently at 3rd Floor, Kilmore House, Park Lane, Spencer Dock,

Dublin 1, Ireland) and at the specified offices of the Transfer Agents for the time being. The holders of each Class of Notes are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Trust Deed, and are deemed to have notice of all the provisions of the Transaction Documents applicable to them.

1. Definitions

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

"**Accounts**" means the Principal Account, the Custody Account, the Interest Account, the Unused Proceeds Account, the Payment Account, the Expense Reserve Account, the First Period Reserve Account, the Collateral Enhancement Account, the Counterparty Downgrade Collateral Account, the Contribution Account, the Interest Smoothing Account, each Hedge Termination Account, each Asset Swap Account and the Unfunded Revolver Reserve Account all of which shall be held and administered outside Ireland.

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

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

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

(b) without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (to the extent such amounts represent Principal Proceeds and including Eligible Investments therein which represent Principal Proceeds); *plus*

(c) in relation to a Deferring Security, the lesser of: (i) its Moody's Collateral Value; and (ii) its Fitch Collateral Value and in relation to a Defaulted Obligation, the lesser of: (i) its Moody's Collateral Value; and (ii) its Fitch Collateral Value, provided that in the case of a Defaulted Obligation, the Adjusted Collateral Principal Amount of a Defaulted Obligation that has been a Defaulted Obligation for more than three years after the date on which it became a Defaulted Obligation and continues to be a Defaulted Obligation on such date shall be zero; *plus*

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

(e) the Excess CCC/Caa Adjustment Amount;

provided further that:

(i) with respect to any Collateral Debt Obligation that would otherwise fall into more than one of paragraphs (c) to (e) above it shall, for the purposes of this definition, be attributed to that paragraph (c) to (e) which results in the lowest Adjusted Collateral Principal Amount on any date of determination; and

(ii) in respect of paragraphs (b) to (e) above, any non-Euro amounts received will be converted into Euro at the Applicable Exchange Rate.

"**Administrative Expenses**" means amounts due and payable by the Issuer in the following order of priority including except as expressly set out otherwise below, any VAT thereon (and to the extent such amounts relate to costs and expenses, such VAT to be limited to irrecoverable VAT) (whether payable to such party or directly to the relevant tax authority):

(a) on a *pro-rata* basis and *pari passu*, to:

(i) the Agents pursuant to the Agency Agreement and, in the case of the Collateral Administrator and the Information Agent, the Investment Management and Collateral Administration Agreement, including by way of indemnity;

(ii) the Corporate Services Provider pursuant to the Corporate Services Agreement; and

(iii) the Irish Stock Exchange, or such other stock exchange or exchanges upon which any of the Notes are listed from time to time;

(b) on a *pro-rata* and *pari passu* basis, to:

(i) any Rating Agency which may from time to time be requested to assign:

(A) a rating to each of the Rated Notes; or

(B) a confidential credit estimate to any of the Collateral Debt Obligations, for fees and expenses (including surveillance fees) in connection with any such rating or confidential credit estimate including, in each case, the ongoing monitoring thereof and any other amounts due and payable to any Rating Agency under the terms of the Issuer's engagement with such Rating Agency;

(ii) the independent certified public accountants, auditors, agents and counsel of the Issuer (other than amounts payable to the Agents pursuant to (a) above);

(iii) on a *pro-rata* basis to each Reporting Delegate pursuant to any Reporting Delegation Agreement;

(iv) the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement (including the indemnities, costs and expenses provided for therein), but excluding any Investment Management Fees or any VAT payable thereon;

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

(vi) on a *pro-rata* basis to any other Person in respect of any other fees or expenses contemplated in the Conditions of the Notes and in the Transaction Documents (other than the Investment Management and Collateral Administration Agreement) or any other documents (other than the Investment Management and Collateral Administration Agreement) delivered pursuant to or in connection with the issue and sale of the Notes, including, without limitation, an amount up to €10,000 *per annum* in respect of fees and expenses incurred by the Issuer (in its sole and absolute discretion) in assisting in the preparation, provision or validation of data for purposes of Noteholder tax jurisdictions (including information reasonably available to the Issuer that a U.S. holder reasonably requests to satisfy filing requirements under the passive foreign investment company rules (including as necessary to make a qualified electing fund election) or controlled foreign corporation rules);

(vii) to the Placement Agent pursuant to the Placement Agency Agreement in respect of any indemnity payable to it thereunder;

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

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

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

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

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

(i) on a *pro-rata* basis to any other Person (including the Investment Manager) in connection with satisfying the requirements of EMIR (excluding any requirement under EMIR to post margin to either any central clearing counterparty, or to any Hedge Counterparty, as applicable), CRA3 or the Dodd-Frank Act, in each case as applicable to the Issuer only;

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

(iii) costs of complying with FATCA; and

(iv) reasonable fees, costs and expenses of the Issuer and Investment Manager including reasonable attorneys' fees, in each case in relation to compliance by the Issuer and the Investment Manager with the United States Commodity Exchange Act of 1936, as amended (including rules and regulations promulgated thereunder);

(d) on a *pro-rata* basis, any Refinancing Costs; and

(e) on a *pro-rata* basis, payment of any indemnities payable to any Person as contemplated in these Conditions or the Transaction Documents and not already paid pursuant to paragraphs (a) or (b) above,

provided that:

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

(ii) the Investment Manager may direct payment other than in the order required by paragraph (b) if, in its reasonable judgment, it determines a payment other than in the order required by paragraph (b) above is required to ensure the delivery of certain accounting services and reports.

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

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

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

(i) of such Person;

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

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

For the purposes of this definition:

(a) control of a Person shall mean the power, direct or indirect:

(i) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of such Person; or

(ii) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise;

(b) a Person will not be deemed to be an Affiliate of the Issuer solely by virtue of the fact that it acts in any capacity for the Issuer; and

(c) Obligors in respect of Collateral Debt Obligations will be deemed not to be Affiliates if they have distinct corporate family ratings.

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

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

(a) the Aggregate Principal Balance of all Collateral Debt Obligations, save that for the purpose of calculating the Aggregate Principal Balance for the purposes of:

(i) the Portfolio Profile Tests and the Collateral Quality Tests; and

(ii) determining whether an Event of Default has occurred in accordance with Condition 10(a)(iv) (*Collateral Debt Obligations*),

the Principal Balance of each Defaulted Obligation shall be zero; and

(b) the Balances standing to the credit of the Principal Account and the Unused Proceeds Account (to the extent such amounts represent Principal Proceeds) and any Eligible Investments which represent Principal Proceeds (excluding, for the avoidance of doubt, any interest accrued on Eligible Investments).

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

"**AIFM**" means an EEA manager of an alternative investment fund for the purposes of AIFMD.

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

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

"**Annual Obligations**" means Collateral Debt Obligations which, at the date of measurement, pay interest less frequently than semi-annually.

"**Applicable Exchange Rate**" means, in relation to any Asset Swap Obligation, the exchange rate set forth in the relevant Asset Swap Transaction, or otherwise, the Spot Rate.

"**Applicable Margin**" has the meaning given thereto in Condition 6 (*Interest*).

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

"**Article 404**" means Articles 404-410 (inclusive) of the CRR provided that any reference to Article 404 shall be deemed to include any successor or replacement provisions included in any European Union directive or regulation subsequent to the CRR.

"**Asset Swap Account**" means each segregated currency account into which amounts due to the Issuer in respect of each Asset Swap Obligation and out of which amounts from the Issuer to each applicable Asset Swap Counterparty under each applicable Asset Swap Transaction are to be paid.

"**Asset Swap Agreement**" means a 1992 ISDA Master Agreement (Multicurrency-Cross-Border) or a 2002 ISDA Master Agreement (or such other ISDA *pro forma* Master Agreement as may be published by ISDA from time to time), together with the schedule and confirmations relating thereto including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof, each as amended or supplemented from time to time, and entered into by the Issuer with an Asset Swap Counterparty which shall govern one or more Asset Swap Transactions entered into by the Issuer and such Asset Swap Counterparty (including any Replacement Asset Swap Transaction) under which the Issuer swaps cash flows receivable on such Asset Swap Obligations for Euro denominated cash flows from each Asset Swap Counterparty.

"**Asset Swap Counterparty**" means any financial institution with which the Issuer enters into an Asset Swap Agreement, or any permitted assignee or successor thereof, under the terms of the related Asset Swap Agreement and, in each case, which satisfies, at the time of entry into the Asset Swap Agreement, the applicable Rating Requirement (or whose obligations are guaranteed by a guarantor which satisfies the applicable Rating Requirement) and provided always that such financial institution has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents.

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

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

"**Asset Swap Obligation**" means any Collateral Debt Obligation which is not denominated or drawn in EUR and which is the subject of an Asset Swap Transaction.

"**Asset Swap Replacement Payment**" means any amount payable by the Issuer to a replacement Asset Swap Counterparty upon entry into a Replacement Asset Swap Transaction which is replacing an Asset Swap Transaction which was terminated.

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

"**Asset Swap Termination Payment**" means the amount payable to an Asset Swap Counterparty by the Issuer upon termination or modification of an Asset Swap Transaction excluding, for purposes other than payment by the Issuer, any due and unpaid scheduled amounts payable thereunder and any Asset Swap Issuer Principal Exchange Amounts.

"**Asset Swap Termination Receipt**" means the amount payable by an Asset Swap Counterparty to the Issuer upon termination or modification of an Asset Swap Transaction excluding, for purposes other than payment to the applicable Account to which the Issuer shall credit such amounts, the portion thereof representing any due and unpaid scheduled amounts payable thereunder and any Asset Swap Counterparty Principal Exchange Amounts.

"**Asset Swap Transaction**" means each asset swap transaction entered into under an Asset Swap Agreement for the sole purpose described in the definition of Asset Swap Agreement.

"**Assigned Moody's Rating**" means the monitored publicly available rating or the unpublished monitored loan rating or the credit estimate expressly assigned to a debt obligation (or facility) by Moody's.

"**Assignment**" means an interest in a loan acquired directly by way of novation or assignment.

"**Authorised Denomination**" means, in respect of any Note, the Minimum Denomination thereof and any denomination equal to a multiple of the Authorised Integral Amount in excess of the Minimum Denomination thereof.

"**Authorised Integral Amount**" means for each Class of Notes, €1,000.

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

"**Average Life**" means, on any Measurement Date with respect to any Collateral Debt Obligation, an amount equal to:

(a) the sum of the products of:

(i) the number of years (rounded to the nearest one hundredth thereof) from such Measurement Date to the respective dates of each successive scheduled distribution of principal of such Collateral Debt Obligation; and

(ii) the respective amounts of principal of such scheduled distributions; *divided by*

(b) the sum of all successive scheduled distributions of principal on such Collateral Debt Obligation.

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

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

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

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

provided that if a default as to payment of principal and/or interest has occurred and is continuing (disregarding any grace periods provided for pursuant to the terms thereof) in respect of any Eligible Investment or any obligation of the obligor thereunder which is senior or equal in right of payment to such Eligible Investment such Eligible Investment shall have a value equal to the lesser of its Fitch Collateral Value and its Moody's Collateral Value (determined as if such Eligible Investment were a Collateral Debt Obligation), provided further that, any balance which is denominated in a currency other than Euro shall be converted into Euro at the Applicable Exchange Rate.

"**Benefit Plan Investor**" means:

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

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

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

"**Business Day**" means (save to the extent otherwise defined) a day:

(a) on which TARGET2 is open for settlement of payments in Euro;

(b) on which commercial banks and foreign exchange markets settle payments in London, Dublin and New York (other than a Saturday or a Sunday); and

(c) for the purposes of the definition of Presentation Date, in relation to any place, on which commercial banks and foreign exchange markets settle payments in that place.

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

(a) the excess of the Principal Balance of all Moody's Caa Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance; and

(b) the excess of the Principal Balance of all Fitch CCC Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance,

provided that, in determining which of the Moody's Caa Obligations or Fitch CCC Obligations, as applicable, shall be included under part (a) or (b) above, the Moody's Caa Obligations or Fitch CCC Obligations, as applicable, with the lowest Market Value (assuming that such Market Value is expressed as a percentage of the Principal Balance of such Collateral Debt Obligations as of such Determination Date) shall be deemed to constitute the CCC/Caa Excess.

"**CFR**" means, with respect to an obligor of a Collateral Debt Obligation, if such obligor has a corporate family rating by Moody's, then such corporate family rating; provided, if such obligor does not have a corporate family rating by Moody's but any entity in the obligor's corporate family does have a corporate family rating, then the CFR is such corporate family rating.

"**Class A IM Non-Voting Exchangeable Notes**" means the Class A-1 Notes and the Class A-2 Notes in the form of IM Non-Voting Exchangeable Notes.

"**Class A IM Non-Voting Notes**" means the Class A-1 Notes and the Class A-2 Notes in the form of IM Non-Voting Notes.

"**Class A IM Voting Notes**" means the Class A-1 Notes and the Class A-2 Notes in the form of IM Voting Notes.

"**Class A Noteholders**" means the holders of any Class A-1 Notes and the holders of any Class A-2 Notes from time to time.

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

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

"**Class A-2 Fixed Rate of Interest**" has the meaning given thereto in Condition 6(f) *(Interest on the Fixed Rate Notes)*.

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

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

"**Class A/B Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date following the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the Interest Coverage Amount; by

(b) the sum of the scheduled interest payments due on the Class A Notes and the Class B Notes on the following Payment Date.

For the purposes of calculating the Class A/B Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the Class A Notes and the Class B Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

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

"**Class A/B Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the amount equal to the Adjusted Collateral Principal Amount; by

(b) the sum of the Principal Amount Outstanding of each of the Class A Notes and the Class B Notes.

"**Class A/B Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class A/B Par Value Ratio is at least equal to 129.55 per cent.

"**Class B IM Non-Voting Exchangeable Notes**" means the Class B-1 Notes and the Class B-2 Notes in the form of IM Non-Voting Exchangeable Notes.

"**Class B IM Non-Voting Notes**" means the Class B-1 Notes and the Class B-2 Notes in the form of IM Non-Voting Notes.

"**Class B IM Voting Notes**" means the Class B-1 Notes and the Class B-2 Notes in the form of IM Voting Notes.

"**Class B Noteholders**" means the holders of any Class B-1 Notes and the holders of any Class B-2 Notes from time to time.

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

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

"**Class B-2 Fixed Rate of Interest**" has the meaning given thereto in Condition 6(f) *(Interest on the Fixed Rate Notes)*.

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

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

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

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

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

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

"**Class C Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date following the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the Interest Coverage Amount; by

(b) the sum of the scheduled interest payments due on the Class A Notes, the Class B Notes and the Class C Notes on the following Payment Date.

For the purposes of calculating the Class C Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the Class A Notes, the Class B Notes and the Class C Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

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

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

"**Class C Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the amount equal to the Adjusted Collateral Principal Amount; by

(b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes and the Class C Notes.

"**Class C Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class C Par Value Ratio is at least equal to 122.27 per cent.

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

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

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

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

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

"**Class D Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date following the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the Interest Coverage Amount; by

(b) the sum of the scheduled interest payments due on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes on the following Payment Date.

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

"**Class D Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date following the Effective Date and which will be satisfied on such Measurement Date if the Class D Interest Coverage Ratio is at least equal to 105.00 per cent.

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

"**Class D Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the amount equal to the Adjusted Collateral Principal Amount; by

(b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, Class C Notes and the Class D Notes.

"**Class D Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class D Par Value Ratio is at least equal to 115.40 per cent.

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

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

"**Class E Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date following the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the Interest Coverage Amount; by

(b) the sum of the scheduled interest payments due on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes on the following Payment Date.

For the purposes of calculating the Class E Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and Class E Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class E Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date following the Effective Date and which will be satisfied on such Measurement Date if the Class E Interest Coverage Ratio is at least equal to 101.00 per cent.

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

"**Class E Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the amount equal to the Adjusted Collateral Principal Amount; by

(b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

"**Class E Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class E Par Value Ratio is at least equal to 106.64 per cent.

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

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

"**Class F Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the amount equal to the Adjusted Collateral Principal Amount; by

(b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

"**Class F Par Value Test**" means the test which will apply as of any Measurement Date on and after the expiry of the Reinvestment Period and which will be satisfied on such Measurement Date if the Class F Par Value Ratio is at least equal to 104.13 per cent.

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

(a) the Class A-1 Notes;

(b) the Class A-2 Notes;

(c) the Class B-1 Notes;

(d) the Class B-2 Notes;

(e) the Class C Notes;

(f) the Class D Notes;

(g) the Class E Notes;

(h) the Class F Notes; and

(i) the Subordinated Notes,

and "**Class of Noteholders**" and "**Class**" shall be construed accordingly, **provided that**:

(i) although (a) the Class A IM Voting Notes, Class A IM Non-Voting Exchangeable Notes and the Class A IM Non-Voting Notes are in the same Class, (b) the Class B IM Voting Notes, Class B IM Non-Voting Exchangeable Notes and the Class B IM Non-Voting Notes are in the same Class, (c) the Class C IM Voting Notes, Class C IM Non-Voting Exchangeable Notes and the Class C IM Non-Voting Notes are in the same Class, and (d) the Class D IM Voting Notes, Class D IM Non-Voting Exchangeable Notes and the Class D IM Non-Voting Notes are in the same Class, in each case they shall not be treated as a single Class in respect of any vote or determination of quorum under the Trust Deed in connection with any IM Removal Resolution or IM Replacement Resolution and, instead, the IM Voting Notes shall be treated as the relevant Class solely for such purpose;

(ii) for the purposes of determining voting rights attributable to the Notes and the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*), (A) the Class A-1 Notes and the Class A-2 Notes together and (B) the Class B-1 Notes and the Class B-2 Notes together, shall in each case be deemed to constitute a single class in respect of any voting rights specifically granted to them including as the Controlling Class; and

(iii) for the purposes of determining compliance with the Retention Requirements, (A) the Class A-1 Notes and the Class A-2 Notes together and (B) the Class B-1 Notes and the Class B-2 Notes together, shall in each case be deemed to constitute a single class.

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

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

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

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

"**Collateral Debt Obligation**" means any debt obligation or debt security purchased by or on behalf of the Issuer from time to time (or, if the context so requires, to be purchased by or on behalf of the Issuer) and which satisfies the Eligibility Criteria. References to Collateral Debt Obligations shall include Non-Euro Obligations, but shall not include Collateral Enhancement Obligations, Eligible Investments or Exchanged Equity Securities. Obligations which are to constitute Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to purchase but which have not yet settled shall be included as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests, Collateral Quality Tests, Reinvestment Overcollateralisation Test and Coverage Tests at any time as if such purchase had been completed. Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but which have not yet settled shall be excluded as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests, the Collateral Quality Tests, Reinvestment Overcollateralisation Test and Coverage Tests at any time as if such sale had been completed. The failure of any obligation to satisfy the Eligibility Criteria at any time after the Issuer or the Investment Manager on behalf of the Issuer has entered into a binding agreement to purchase it, shall not cause such obligation to cease to constitute a Collateral Debt Obligation unless it is an Issue Date Collateral Debt Obligation which does not satisfy the Eligibility Criteria on the Issue Date. A Collateral Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) shall only constitute a Collateral Debt Obligation if it is a Restructured Obligation.

"**Collateral Enhancement Account**" means an interest bearing account in the name of the Issuer, so entitled and held with the Account Bank.

"**Collateral Enhancement Amount**" means, with respect to any Payment Date during the Reinvestment Period, the amount of Interest Proceeds retained in the Collateral Enhancement Account on the Payment Date in accordance with the Interest Proceeds Priority of Payments, at the sole discretion of the Investment Manager which amounts shall not exceed €1,000,000 in the aggregate for any Payment Date or an aggregate amount for all applicable Payment Dates of €2,000,000.

"**Collateral Enhancement Obligation**" means any warrant or equity security, excluding Exchanged Equity Securities, but including without limitation, warrants relating to Mezzanine Obligations and any equity security received upon conversion or exchange of, or exercise of an option under, or otherwise in respect of a Collateral Debt Obligation; or any warrant or equity security purchased as part of a unit with a Collateral Debt Obligation (but in all cases, excluding, for the avoidance of doubt, the Collateral Debt Obligation), in each case, the acquisition of which will not result in the imposition of any present or future, actual or contingent liabilities or obligations on the Issuer other than those which may arise at its option.

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

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

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

(i) the Moody's Minimum Diversity Test;

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

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

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

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

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

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

(i) the Minimum Weighted Average Spread Test;

(ii) the Minimum Weighted Average Fixed Coupon Test; and

(iii) the Maximum Weighted Average Life Test,

each as defined in the Investment Management and Collateral Administration Agreement.

"**Collateral Tax Event**" means at any time, as a result of the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, market practice procedure or judicial decision or interpretation (whether proposed, temporary or final), or as a result of the application of FATCA, interest payments due from the Obligors of any Collateral Debt Obligations (or from Selling Institutions in the case of Participations) in relation to any Due Period becoming properly subject to the imposition of home jurisdiction or foreign withholding tax (other than where such withholding tax is compensated for by a "gross up" provision in the terms of the Collateral Debt Obligation or such requirement to withhold is eliminated pursuant to a double taxation treaty or otherwise so that the Issuer as holder thereof, either directly or indirectly through a Participation, is held completely harmless from the full amount of such withholding tax on an after tax basis) so that the aggregate amount of such withholding tax on all Collateral Debt Obligations in relation to such Due Period is equal to or in excess of 6 per cent. of the aggregate interest payments due (for the avoidance of doubt, excluding any additional interest arising as a result of the operation of any gross up provision) on all Collateral Debt Obligations in relation to such Due Period.

"**Commitment Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, the maximum aggregate outstanding principal amount (whether at the time funded or unfunded) of advances or other extensions of credit at any one time outstanding that the Issuer could be required to make to the Obligor under the Underlying Instruments relating thereto or to a funding bank in connection with any ancillary facilities related thereto.

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

"**Companies Act 2014**" means the Companies Act 2014 of Ireland.

"**Conditions**" means these terms and conditions of the Notes, as set out in the Trust Deed as amended, varied or substituted from time to time.

"**Constitution**" means the memorandum and articles of association of the Issuer as may be in force from time to time.

"**Contribution**" has the meaning specified in Condition 2(l) (*Contributions*).

"**Contribution Account**" means the account described as such in the name of the Issuer with the Account Bank.

"**Contributor**" has the meaning specified in Condition 2(l) (*Contributions*).

"**Controlling Class**" means:

(a) the Class A-1 Notes and the Class A-2 Notes acting as a single class; or

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

(ii) prior to the redemption and payment in full of the Class A Notes and solely in connection with an IM Removal Resolution or an IM Replacement Resolution, if 100 per

cent. of the Principal Amount Outstanding of the Class A Notes is held in the form of IM Non-Voting Exchangeable Notes and/or IM Non-Voting Notes and/or held by or on behalf of the Investment Manager or any Investment Manager Related Person;

(b) the Class B-1 Notes and the Class B-2 Notes acting as a single class; or

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

(ii) prior to the redemption and payment in full of the Class A Notes and the Class B Notes and solely in connection with an IM Removal Resolution or an IM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of each of the Class A Notes and the Class B Notes is held in the form of IM Non-Voting Exchangeable Notes and/or IM Non-Voting Notes and/or held by or on behalf of the Investment Manager or any Investment Manager Related Person;

(c) the Class C Notes; or

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

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes and solely in connection with an IM Removal Resolution or an IM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes and the Class C Notes is held in the form of IM Non-Voting Exchangeable Notes and/or IM Non-Voting Notes and/or held by or on behalf of the Investment Manager or any Investment Manager Related Person;

(d) the Class D Notes; or

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

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and solely in connection with an IM Removal Resolution or an IM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes is held in the form of IM Non-Voting Exchangeable Notes and/or IM Non-Voting Notes and/or held by or on behalf of the Investment Manager or any Investment Manager Related Person;

(e) the Class E Notes; or

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

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

provided that, (i) solely in connection with an IM Removal Resolution or an IM Replacement Resolution, no Notes held in the form of IM Non-Voting Exchangeable Notes and/or IM Non-Voting Notes shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of such IM Removal Resolution or IM Replacement Resolution, or (C) be counted for the purposes of determining a quorum or the result of voting in respect of such IM Removal Resolution or IM Replacement Resolution; and (ii) solely in connection with an IM Removal Resolution or an IM Replacement Resolution, no Notes held by or on behalf of the Investment Manager or any Investment Manager Related Person shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of such IM Removal Resolution or IM Replacement Resolution or (C) be counted for the purposes of determining a quorum or the result of voting in respect of such IM Removal Resolution or IM Replacement Resolution.

"**Corporate Rescue Loan**" shall mean any interest in a loan or financing facility that is acquired directly by way of assignment which is paying principal and interest on a current basis and either:

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

(i) such Corporate Rescue Loan is secured by liens on the Debtor's otherwise unencumbered assets pursuant to section 364(c)(2) of the United States Bankruptcy Code;

(ii) such Corporate Rescue Loan is secured by liens of equal or senior priority on property of the Debtor's estate that is otherwise subject to a lien pursuant to section 364(d) of the United States Bankruptcy Code;

(iii) such Corporate Rescue Loan is secured by junior liens on the Debtor's encumbered assets and such Corporate Rescue Loan is fully secured based upon a current valuation or appraisal report; or

(iv) if the Corporate Rescue Loan or any portion thereof is unsecured, the repayment of such Corporate Rescue Loan retains priority over all other administrative expenses pursuant to section 364(c)(1) of the United States Bankruptcy Code; or

(b) (i) it is a credit facility or other advance made available to a company or group in a restructuring or insolvency process with main proceedings outside of the United States which constitutes the most senior secured obligations of the entity which is the borrower thereof; and

(ii) either:

(A) ranks *pari passu* in all respects with the senior unsecured debt of the borrower, provided that such facility is entitled to recover proceeds of enforcement of security shared with the other senior secured indebtedness (e.g. bond) of the Obligor and its subsidiaries in priority to all such other senior secured indebtedness; or

(B) achieves priority over other senior secured obligations of the Obligor otherwise than through the grant of security, such as pursuant to the operation of applicable insolvency legislation (including as an expense of the restructuring or insolvency process) or other applicable law.

"**Corporate Services Provider**" means TMF Administration Services Limited in its capacity as corporate services provider under the Corporate Services Agreement (which term shall include any successor or replacement corporate services provider appointed in accordance with the Corporate Services Agreement).

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

"**Counterparty Downgrade Collateral Account**" means one or more accounts of the Issuer with the Custodian into which all Counterparty Downgrade Collateral received in respect of a Hedge Counterparty (other than cash) is to be deposited or (as the case may be) an interest bearing account(s) of the Issuer with the Account Bank into which all Counterparty Downgrade Collateral (in the form of cash) is to be deposited. A separate Counterparty Downgrade Collateral Account shall be opened in respect of each Hedge Counterparty.

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

"**Cov-Lite Loan**" means a Collateral Debt Obligation, as determined by the Investment Manager in its reasonable commercial judgment, that is an interest in a loan, the Underlying Instruments for which do not (i) contain any financial covenants or (ii) require the borrower thereunder to comply with any Maintenance Covenant (regardless of whether compliance with one or more Incurrence Covenants is otherwise required by such Underlying Instruments), provided that, for all purposes, a loan described in (i) or (ii) above which either contains a cross-default or a cross-acceleration provision to, is *pari passu* with, another loan of the underlying obligor that requires the underlying obligor to comply with a Maintenance Covenant will be deemed not to be a Cov-Lite Loan (for the avoidance of doubt, for the purposes of this proviso, compliance with a Maintenance Covenant may be required only while such other loan is funded or upon the occurrence of a particular event).

"**CRA3**" means Regulation EC 1060/2009 on credit rating agencies as may be amended, supplemented or replaced including any implementing and/or delegated regulation, technical standards and guidance related thereto.

"**Credit Impaired Obligation**" means any Collateral Debt Obligation that, in the Investment Manager's reasonable commercial judgment, has a significant risk of declining in credit quality or price; provided that, at any time during a Restricted Trading Period, a Collateral Debt Obligation will qualify as a Credit Impaired Obligation for purposes of sales of Collateral Debt Obligations only if:

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

(b) the Credit Impaired Obligation Criteria are satisfied with respect to such Collateral Debt Obligation; or

(c) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Debt Obligation as a Credit Impaired Obligation.

"**Credit Impaired Obligation Criteria**" means the criteria that will be met in respect of a Collateral Debt Obligation if any of the following apply to such Collateral Debt Obligation, as determined by the Investment Manager in its discretion:

(a) if such Collateral Debt Obligation is a loan obligation or floating rate note, the price of such Collateral Debt Obligation has changed during the period from the date on which the Issuer entered into a binding commitment to purchase such Collateral Debt Obligation to the proposed date the Issuer intends to enter into a binding commitment to sell such Collateral Debt Obligation by a percentage which is:

(i) in the case of Secured Senior Loans or Secured Senior Bonds, either at least 0.25 per cent. more negative or at least 0.25 per cent. less positive; and

(ii) in the case of Unsecured Senior Obligations, Second Lien Loans or Mezzanine Obligations, either at least 0.50 per cent. more negative or at least 0.50 per cent. less positive,

in each case, than the percentage change in the average price of an Eligible Loan Index;

(b) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1 per cent. more negative or at least 1 per cent. less positive, as the case may be, than the percentage change in the Eligible Bond Index over the same period, as determined by the Investment Manager;

(c) the price of such Collateral Debt Obligation has decreased by at least 1 per cent. of the price paid by the Issuer for such Collateral Debt Obligation; or

(d) if such Collateral Debt Obligation is a loan obligation or a floating rate note, the spread over the applicable reference rate for such Collateral Debt Obligation has been increased in accordance with the underlying Collateral Debt Obligation since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by:

(i) 0.25 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) less than or equal to 2 per cent.);

(ii) 0.375 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 2 per cent. but less than or equal to 4 per cent.); or

(iii) 0.5 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 4 per cent.), due to a deterioration in the Obligor's financial ratios or financial results.

"**Credit Improved Obligation**" means any Collateral Debt Obligation which, in the Investment Manager's reasonable commercial judgment, has significantly improved in credit quality since it was acquired by the Issuer; provided that, at any time during a Restricted Trading Period, a Collateral Debt Obligation will qualify as a Credit Improved Obligation only if:

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

(b) the Credit Improved Obligation Criteria are satisfied with respect to such Collateral Debt Obligation; or

(c) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Debt Obligation as a Credit Improved Obligation.

"**Credit Improved Obligation Criteria**" means the criteria that will be met in respect of a Collateral Debt Obligation if any of the following apply to such Collateral Debt Obligation, as determined by the Investment Manager in its discretion:

(a) if such Collateral Debt Obligation is a loan obligation, a bond or security, the Sale Proceeds (excluding Sale Proceeds that constitute Interest Proceeds) of such loan obligation, bond or security would be at least 101 per cent. of the purchase price paid by the Issuer at the time of its acquisition;

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

(c) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1 per cent. more positive or at least 1 per cent. less negative than the percentage change in the Eligible Bond Index over the same period, as determined by the Investment Manager; or

(d) if such Collateral Debt Obligation is a loan obligation, the spread over the applicable reference rate for such Collateral Debt Obligation has been decreased in accordance with the underlying Collateral Debt Obligation since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by:

(i) 0.25 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) less than or equal to 2 per cent.);

(ii) 0.375 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) greater than 2 per cent. but less than or equal to 4 per cent.); or

(iii) 0.50 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) greater than 4 per cent.),

due, in each case, to an improvement in the Obligor's financial ratios or financial results.

"**CRR**" means European Union Regulation (EU) No. 575/2013 on capital requirements, as amended, varied or substituted from time to time.

"**CRR Retention Requirements**" means Article 404 together with any guidelines and technical standards published in relation thereto by the EBA as may be effective from time to time.

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

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

(b) if the Obligor is subject to a bankruptcy or insolvency proceedings, a bankruptcy court has authorised all payments when due thereunder;

(c) for so long as any Notes rated by Moody's are outstanding, satisfies the Moody's Additional Current Pay Criteria; and

(d) the Collateral Debt Obligation has a Market Value of at least 80 per cent. of its current Principal Balance,

provided, **however**, that to the extent the Aggregate Principal Balance of all Collateral Debt Obligations that would otherwise be Current Pay Obligations exceeds 5 per cent. of the Aggregate Collateral Balance, such excess over 5 per cent. will constitute Defaulted Obligations; provided, further, that in determining which of the Collateral Debt Obligations will be included in such excess, the Collateral Debt Obligations (or any part of a Collateral Debt Obligation) with the lowest Market Value (expressed as a percentage of the Principal Balance of such Collateral Debt Obligation) will be deemed to constitute such excess.

"**Custody Account**" means the securities account or accounts (and the related cash account or accounts) held and administered on the books of the Custodian in accordance with the provisions of the Agency Agreement.

"**Defaulted Deferring Mezzanine Obligation**" means a Mezzanine Obligation which by its contractual terms provides for the deferral of interest and is a Defaulted Obligation.

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

(a) the "Defaulting Party" (as defined in the applicable Hedge Agreement); or

(b) the sole "Affected Party" (as defined in the applicable Hedge Agreement) in respect of:

(i) any termination event, howsoever described, in each case resulting from a ratings downgrade of the Hedge Counterparty and/or its failure or inability to take any specified curative action within any specified period within the applicable Hedge Agreement; or

(ii) a termination event that is a "Tax Event Upon Merger" (as defined in the applicable Hedge Agreement).

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

(a) the greater of:

(i) zero; and

(ii) the aggregate of all amounts paid into the Principal Account in respect of each Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation, minus the sum of the principal amount of such Mezzanine Obligation outstanding immediately prior to receipt of such amounts plus any Purchased Accrued Interest relating thereto; and

(b) all deferred interest paid in respect of each such Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation, minus any Purchased Accrued Interest relating thereto.

"**Defaulted Obligation**" means a Collateral Debt Obligation as determined by the Investment Manager:

(a) in respect of which there has occurred and is continuing a default with respect to the payment of interest or principal, disregarding any grace periods applicable thereto provided that in the case of any Collateral Debt Obligation in respect of which the Investment Manager has confirmed to the Trustee in writing that, to the knowledge of the Investment Manager, such default has resulted from non-credit related causes, such Collateral Debt Obligation shall not constitute a "Defaulted Obligation" for the lesser of:

(i) five Business Days;

(ii) seven calendar days; or

(iii) any grace period applicable thereto,

in each case which default entitles the holders thereof, with notice or passage of time or both, to accelerate the maturity of all or a portion of the principal amount of such obligation, but only until such default has been cured;

(b) in respect of which any bankruptcy, insolvency or receivership proceeding has been initiated in connection with the Obligor of such Collateral Debt Obligation and, to the knowledge of the Investment Manager, such proceedings have not been stayed or dismissed (provided that a Collateral Debt Obligation shall not constitute a Defaulted Obligation under this paragraph (b) if it is a Current Pay Obligation);

(c) in respect of which the Investment Manager has actual knowledge that the Obligor thereunder is in default as to payment of principal and/or interest on another of its obligations, save for obligations constituting trade debts which the applicable Obligor is disputing in good faith, (and such default has not been cured) but only if:

(i) both such other obligation and the Collateral Debt Obligation are full recourse, unsecured obligations;

(ii) the security interest securing the other obligation is senior to, or *pari passu* with, the security interest securing the Collateral Debt Obligation; and

(iii) the holders of such obligation have accelerated the maturity of all or a portion of such obligation;

(d) which has (i) a Moody's Rating of "Ca" or "C" or below; or (ii) a Fitch Rating of "CC" or below, or, in either case, had such rating immediately prior to it being withdrawn by Moody's or Fitch, as applicable;

(e) such Collateral Debt Obligation is *pari passu* or subordinated in right of payment as to the payment of principal and/interest to another debt obligation of the same Obligor which has: (i) a Moody's Rating of "Ca" or "C" or below or (ii) a Fitch Rating of "CC" or below, or had such

rating before such rating was withdrawn provided that both the Collateral Debt Obligation and such other debt obligation are full recourse obligations of the applicable issuer or secured by the same collateral;

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

(g) which would be treated as a Current Pay Obligation except that such Collateral Debt Obligation would result in the Aggregate Collateral Balance of all Collateral Debt Obligations (excluding any Defaulted Obligations) which constitute Current Pay Obligations exceeding 5 per cent. of the Aggregate Collateral Balance provided that in determining which Collateral Debt Obligations which shall be included as Defaulted Obligations in the event the Aggregate Principal Balance of Current Pay Obligations would exceed 5 per cent. of the Aggregate Collateral Balance, the Collateral Debt Obligations with the lowest Market Value shall constitute Defaulted Obligations;

(h) if the Obligor thereof offers holders of such Collateral Debt Obligation a new security, obligation or package of securities or obligations that amount to a diminished financial obligation (such as preferred or common stock, or debt with a lower coupon or par amount) of such Obligor and in the reasonable business judgement of the Investment Manager, such offer has the apparent purpose of helping the Obligor avoid default; provided, however, such obligation will cease to be a Defaulted Obligation under this paragraph (h) if such new obligation is:

(i) a Restructured Obligation; and

(ii) such Restructured Obligation does not otherwise constitute a Defaulted Obligation pursuant to any other paragraph of the definition hereof; or

(i) in respect of a Collateral Debt Obligation that is a Participation:

(i) the Selling Institution has defaulted in respect of any of its payment obligations under the terms of such Participation;

(ii) the obligation which is the subject of such Participation would constitute a Defaulted Obligation; or

(iii) other than prior to the Effective Date, the Selling Institution has (x) a Moody's Rating of "Ca" or "C" (or below) or in either case had such rating prior to the withdrawal of its Moody's Rating or (y) a Fitch Rating of "CC" (or below) or in either case had such rating prior to withdrawal of its Fitch Rating;

provided that:

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

(B) a Collateral Debt Obligation which is a Corporate Rescue Loan shall constitute a Defaulted Obligation if such Corporate Rescue Loan satisfies this definition of "Defaulted Obligation"; provided that a Corporate Rescue Loan that satisfies only paragraph (b) and/or paragraph (h) of this definition of "Defaulted Obligation" shall not constitute a Defaulted Obligation;

(C) a Collateral Debt Obligation which is a Current Pay Obligation shall not constitute a Defaulted Obligation (other than as provided in sub-paragraph (g) above); and

(D) a Collateral Debt Obligation shall not constitute a "Defaulted Obligation" under paragraph (b) of the definition hereof or paragraph (c) if the Investment Manager has notified the Rating Agencies in writing of its decision not to treat the Collateral Debt Obligation as a Defaulted Obligation.

"**Defaulted Obligation Excess Amounts**" means in respect of a Defaulted Obligation, the greater of:

(a) zero; and

(b) the aggregate of all amounts paid into the Principal Account in respect of such Defaulted Obligation for so long as it is a Defaulted Obligation, minus the sum of the Principal Balance of such Defaulted Obligation outstanding immediately prior to receipt of such amounts.

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

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

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

"**Deferring Security**" means a PIK Security that is deferring the payment of the current cash interest due thereon and has been so deferring the payment of such interest due thereon:

(a) with respect to Collateral Debt Obligations that have a Moody's Rating of at least "Baa3", for the shorter of two consecutive accrual periods or one year; and

(b) with respect to Collateral Debt Obligations that have a Moody's Rating of "Ba1" or below, for the shorter of one accrual period or six consecutive months,

which deferred capitalised interest has not, as of the date of determination, been paid in cash.

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

"**Delayed Drawdown Collateral Debt Obligation**" means a Collateral Debt Obligation (other than a Non-Euro Obligation) that:

(a) requires the Issuer to make one or more future advances to the borrower under the Underlying Instruments relating thereto;

(b) specifies a maximum amount that can be borrowed; and

(c) does not permit the re-borrowing of any amount previously repaid; but any such Collateral Debt Obligation will be a Delayed Drawdown Collateral Debt Obligation only: (i) until all commitments to make advances to the borrower expire or are terminated or reduced to zero; (ii) where the making of any advance to the borrower by the Issuer would not cause the Issuer to breach any law or regulation in its jurisdiction or that of the borrower and (iii) where the underlying borrower cannot transfer its rights and obligations to another entity without the Issuer's consent.

"**Determination Date**" means the last Business Day of each Due Period, or if any redemption of the Notes occurs, following the occurrence of an Event of Default, five Business Days prior to the applicable Redemption Date.

"**Directors**" means John Hackett and Christopher McDonald or such person(s) who may be appointed as Directors of the Issuer from time to time.

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

(a) in the case of any Floating Rate Collateral Debt Obligations, is acquired by the Issuer for a purchase price of less than 80 per cent. of the Principal Balance of such Collateral Debt Obligation (or, if such Collateral Debt Obligation has a Moody's Rating below "B3", such Collateral Debt Obligation is acquired by the Issuer for a purchase price of less than 85 per cent. of its Principal Balance; provided that such Collateral Debt Obligation shall cease to be a Discount Obligation at such time as the Market Value of such Collateral Debt Obligation, as determined for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Debt

Obligation equals or exceeds 90 per cent. of the Principal Balance of such Collateral Debt Obligation; or

(b) in the case of any Fixed Rate Collateral Debt Obligation, is acquired by the Issuer for a purchase price of less than 75 per cent. of the Principal Balance of such Collateral Debt Obligation (or, if such Collateral Debt Obligation has a Moody's Rating below "B3", such Collateral Debt Obligation is acquired by the Issuer for a purchase price of less than 80 per cent. of its Principal Balance); provided that such Collateral Debt Obligation shall cease to be a Discount Obligation at such time as the Market Value of such Collateral Debt Obligation, as determined for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Debt Obligation, equals or exceeds 85 per cent. of the Principal Balance of such Collateral Debt Obligation.

"**Distribution**" means any payment of principal or interest or any dividend or premium or other amount (including any proceeds of sale) or asset paid or delivered on or in respect of any Collateral Debt Obligation, any Collateral Enhancement Obligation, any Eligible Investment or any Exchanged Equity Security (or under or in respect of any Hedge Agreement in respect thereof), as applicable.

"**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 21 July 2010.

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

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

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

(c) at the election of the Investment Manager, notwithstanding paragraph (a) and (b) above, the jurisdiction and the country in which, in the Investment Manager's reasonable determination, the relevant Obligor is treated as being resident for the purposes of income taxation.

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

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

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

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

(b) 9 March 2016 (or, if such day is not a Business Day, the next following Business Day).

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

a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its Fitch Collateral Value).

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

(a) the Issuer is provided with an accountant's certificate recalculating and comparing each element of the Effective Date Report; and

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

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

(a) the Effective Date Determination Requirements not having been satisfied as at the Effective Date (unless Rating Agency Confirmation is received in respect of such failure to satisfy any of the Effective Date Determination Requirements) and either:

(i) the failure by the Investment Manager (acting on behalf of the Issuer) to present a Rating Confirmation Plan to the Rating Agency; or

(ii) the Investment Manager (acting on behalf of the Issuer) does present a Rating Confirmation Plan to the Rating Agencies but Rating Agency Confirmation is not received for the Rating Confirmation Plan; or

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

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

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

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

"**Eligibility Criteria**" means the Eligibility Criteria specified in the Investment Management and Collateral Administration Agreement which are required to be satisfied in respect of each Collateral Debt Obligation acquired by the Investment Manager (on behalf of the Issuer) at the time of entering into a binding commitment to acquire such obligation and, in the case of Issue Date Collateral Debt Obligations, the Issue Date.

"**Eligible Bond Index**" means Markit iBoxx EUR High Yield Index or any other index subject to Rating Agency Confirmation.

"**Eligible Investments**" means any investment denominated in Euro that is one or more of the following obligations or securities (other than obligations or securities which are zero coupon obligations or securities), including, without limitation, any Eligible Investments for which the Agents, the Trustee or the Investment Manager, any Investment Manager Related Person, or an Affiliate of any of them provides services:

(a) direct obligations of, and obligations the timely payment of principal of and interest under which is fully and expressly guaranteed by, a Qualifying Country or any agency or instrumentality of a Qualifying Country, the obligations of which are fully and expressly guaranteed by a Qualifying Country in each case satisfying the Eligible Investments Minimum Rating (but excluding (i) "General Services Administration" participation certificates; (ii) "U.S. Maritime Administration guaranteed Title XI financings"; (iii) "Financing Corp. debt obligations"; (iv) "Farmers Home Administration Certificates of Beneficial Ownership"; and (v) "Washington Metropolitan Area Transit Authority guaranteed transit bonds");

(b) demand and time deposits in, certificates of deposit of and bankers' acceptances issued by any depository institution (including the Account Bank) or trust company incorporated under the laws of a Qualifying Country with, in each case, a maturity of no more than ninety days or, following the occurrence of a Frequency Switch Event, one hundred and eighty days and subject to supervision and examination by governmental banking authorities so long as the commercial paper and/or the debt obligations of such depository institution or trust company (or, in the case of the principal depository institution in a holding company system, the commercial paper or debt obligations of such holding company) and such depository institution or trust company at the time of such investment or contractual commitment have a rating of not less than the applicable Eligible Investment Minimum Rating;

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

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

(ii) any other security issued or guaranteed by an agency or instrumentality of a Qualifying Country, in either case entered into with a depository institution or trust company (acting as principal) described in paragraph (b) above or entered into with a corporation (acting as principal) whose debt obligations are rated not less than the applicable Eligible Investments Minimum Rating at the time of such investment;

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

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

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

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

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

and, in each case, such instrument or investment provides for payment of a pre-determined fixed amount of principal on maturity that is not subject to change and either:

(a) has a Stated Maturity (giving effect to any applicable grace period) no later than the Business Day immediately preceding the next following Payment Date; or

(b) is capable of being liquidated on demand without penalty and having a remaining maturity of less than three hundred and sixty-six calendar days,

provided, **however**, that Eligible Investments shall not include any mortgage backed security, interest only security, security subject to withholding or similar taxes, security purchased at a price in excess of 100 per cent. of par, or security whose repayment is subject to substantial non-credit related risk (as determined by the Investment Manager in its discretion) and only assets which are "qualifying assets" within the meaning of Section 110 of the TCA may constitute Eligible Investments.

"**Eligible Investments Minimum Rating**" means:

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

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

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

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

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

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

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

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

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

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

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

(C) such other ratings as confirmed by Fitch.

"**Eligible Loan Index**" means the Credit Suisse Western European Leveraged Loan Index or any other index subject to Rating Agency Confirmation.

"**EMIR**" means the European Market Infrastructure Regulation (Regulation (EU) No 648/2012) as the same may be amended, varied or substituted from time to time, including any implementing and/or delegated regulation, technical standards and guidance related thereto.

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

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

(a) in the case of the initial Accrual Period, as determined pursuant to a straight line interpolation of the rates applicable to 6 and 9 month Euro deposits;

(b) in the case of each six month Accrual Period, as applicable to six month Euro deposits or, in the case of the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls in July 2029, as applicable to three month Euro deposits; and

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

"**Euro**", "**Euros**", "**euro**" and "**€**" means the lawful currency of the member states of the European Union that have adopted and retain the single currency in accordance with the Treaty establishing the European Community, as amended from time to time; **provided that** if any member state or states ceases to have such single currency as its lawful currency (such member state(s) being the "**Exiting State(s)**"), the euro shall, for the avoidance of doubt, mean for all purposes the single currency adopted

and retained as the lawful currency of the remaining member states and shall not include any successor currency introduced by the Exiting State(s).

"**Euroclear**" means Euroclear Bank SA/NV.

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

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

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

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

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

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

"**Exchanged Equity Security**" means an equity security which is not a Collateral Enhancement Obligation and which is delivered to the Issuer upon acceptance of an Offer in respect of a Defaulted Obligation or received by the Issuer as a result of restructuring of the terms in effect as of the later of (a) the Issue Date and (b) the date of issuance of the relevant Collateral Debt Obligation.

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

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

"**FATCA**" means:

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

(b) any agreement pursuant to the implementation of paragraph (a) above with the IRS, the U.S. government or any governmental or taxation authority in any other jurisdiction; or

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

"**First-Lien Last-Out Loan**" means a loan obligation or Participation in a loan obligation that: (a) by its terms becomes subordinate in right of payment to any other obligation of the Obligor of the loan solely upon the occurrence of a default or event of default by the Obligor of the loan and (b) is secured by a valid perfected first priority security interest or lien in, to or on specified collateral securing the Obligor's obligations under the loan. For the avoidance of doubt, a First-Lien Last-Out Loan shall be treated in all cases as if it is a Second Lien Loan.

"**First Period Reserve Account**" means the interest bearing account described as such in the name of the Issuer with the Account Bank.

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

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

"**Fitch Collateral Value**" means:

(a) for each Defaulted Obligation and Deferring Security, the lower of:

(i) its prevailing Market Value; and

(ii) the relevant Fitch Recovery Rate

multiplied by its Principal Balance; or

(b) in the case of any other applicable Collateral Debt Obligation the relevant Fitch Recovery Rate multiplied by its Principal Balance,

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

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

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

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

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

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

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

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

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

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

"**Form Approved Asset Swap**" means an Asset Swap Transaction, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the name and financial aspects of the related Collateral Debt Obligation, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form approved by the Rating Agencies from time to time provided that such approval shall be deemed to have been so received in respect of any such form approved by Fitch and reviewed by Moody's prior to the Issue Date unless otherwise notified to the Investment Manager (acting on behalf of the Issuer) by one or both Rating Agencies prior to entering into a new Asset Swap Transaction.

"**Form Approved Hedge Agreement**" means either a Form Approved Asset Swap or a Form Approved Interest Rate Hedge.

"**Form Approved Interest Rate Hedge**" means an Interest Rate Hedge Transaction, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the applicable floating rate index, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form approved by the Rating Agencies from time to time provided that such approval shall be deemed to have been so received in respect of any such form approved by Fitch and reviewed by Moody's prior to the Issue Date unless otherwise notified to the Investment Manager (acting on behalf of the Issuer) by one or both Rating Agencies that such approval has been withdrawn prior to entering into a new Interest Rate Hedge Transaction.

"**Frequency Switch Event**" shall occur if, on any Frequency Switch Measurement Date (a)(i) the Aggregate Principal Balance of Collateral Debt Obligations that reset so as to become Semi-Annual Obligations in the previous Due Period (or where such Due Period is the first Due Period, in the last three months of such Due Period), is greater than or equal to 20 per cent. of the Aggregate Collateral Balance; and (ii) the Class A/B Interest Coverage Ratio is less than 100 per cent. (and provided that for such purpose, paragraph (b) of the definition of Interest Coverage Amount shall be deemed to be equal to zero); or (b) the Investment Manager declaring in its sole discretion that a Frequency Switch Event shall have occurred, in each case notified in writing by the Investment Manager to the Rating Agencies, the Calculation Agent, the Issuer, the Principal Paying Agent, the Trustee, the Transfer Agents, the Collateral Administrator and the Registrar.

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

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

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

"**Hedge Agreement**" means any Interest Rate Hedge Agreement or any Asset Swap Agreement, as applicable.

"**Hedge Counterparty**" means any Interest Rate Hedge Counterparty or Asset Swap Counterparty, as applicable.

"**Hedge Replacement Payment**" means any Interest Rate Hedge Replacement Payment or Asset Swap Replacement Payment, as applicable.

"**Hedge Replacement Receipt**" means any Interest Rate Hedge Replacement Receipt or Asset Swap Replacement Receipt, as applicable.

"**Hedge Termination Account**" means the interest bearing account (or accounts) of the Issuer with the Account Bank into which Hedge Termination Receipts and Hedge Replacement Receipts shall be paid, which account (or accounts) shall be maintained in each relevant currency in relation to the Asset Swap Transactions.

"**Hedge Termination Payment**" means any Interest Rate Hedge Termination Payment or Asset Swap Termination Payment, as applicable.

"**Hedge Termination Receipt**" means any Interest Rate Hedge Termination Receipt or Asset Swap Termination Receipt, as applicable.

"**Hedge Transaction**" means any Interest Rate Hedge Transaction or Asset Swap Transaction, as applicable, and "**Hedge Transactions**" means any of them.

"**High Yield Bond**" means a debt security which, on acquisition by the Issuer, is either rated below investment grade by at least one internationally recognised credit rating agency (provided that, if such debt security is, at any time following acquisition by the Issuer, no longer rated by at least one internationally recognised credit rating agency as below investment grade it will not, as a result of such change in rating, fall outside this definition) or which is a high yielding debt security, in each case as determined by the Investment Manager, excluding any debt security which is secured directly on, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar security and which is not a Secured Senior Bond.

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

(a) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on an IM Removal Resolution or an IM Replacement Resolution but which do carry a right to vote on and be so counted in respect of all other matters in respect of which the IM Voting Notes have a right to vote and be so counted; and

(b) are exchangeable into IM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor.

"**IM Non-Voting Notes**" means Notes which:

(a) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on an IM Removal Resolution or an IM Replacement Resolution but which do carry a right to vote on and be so counted in respect of all other matters in respect of which the IM Voting Notes have a right to vote and be so counted; and

(b) are not exchangeable into IM Voting Notes or IM Non-Voting Exchangeable Notes at any time.

"**IM Voting Notes**" means Notes which carry a right to vote, in respect of and be counted for the purposes of determining a quorum and the result of voting on an IM Removal Resolution or an IM Replacement Resolution and all other matters as to which Noteholders are entitled to vote.

"**IM Removal Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the removal of the Investment Manager in accordance with the Investment Management and Collateral Administration Agreement.

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

"**Incentive Investment Management Fee**" means the fee payable to the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement in an amount (exclusive of any applicable VAT), as determined by the Collateral Administrator, equal to the amount specified at paragraph (CC) of the Interest Proceeds Priority of Payments, paragraph (T) of the Principal Proceeds Priority of Payments and paragraph (Z) of the Post-Acceleration Priority of Payments provided that such amount will only be payable to the Investment Manager if the Incentive Investment Management Fee IRR Threshold has been reached.

"**Incentive Investment Management Fee IRR Threshold**" means the threshold which will have been reached on the relevant Payment Date if the Subordinated Notes Outstanding have received an IRR of at least 12 per cent. on the Principal Amount Outstanding of the Subordinated Notes as of the first day of the Due Period preceding such Payment Date (after giving effect to all payments in respect of the Subordinated Notes to be made on such Payment Date).

"**Incurrence Covenant**" means a covenant by any Obligor to comply with one or more financial covenants only upon the occurrence of certain actions of the Obligor, including a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.

"**Independent Director**" means a duly appointed member of the board of Directors of the Issuer who was not, at the time of such appointment, or at any time in the preceding five years:

(a) a direct or indirect legal or beneficial owner of any Secured Party or any of its Affiliates (excluding *de minimis* ownership interests);

(b) a creditor, supplier, employee, officer, director, family member, manager or contractor of any Secured Party or its Affiliates; and

(c) a Person who controls (whether directly, indirectly, or otherwise) any Secured Party or its Affiliates, provided that, an employee or a director of TMF Administration Services Limited shall be considered an Independent Director.

"**Initial Investment Period**" means the period from, and including, the Issue Date to, but excluding, the Effective Date.

"**Initial Ratings**" means in respect of any Class of Notes and any Rating Agency, the ratings assigned to such Class of Notes by such Rating Agency as at the Issue Date and "**Initial Rating**" means each such rating.

"**Interest Account**" means an interest bearing account described as such in the name of the Issuer with the Account Bank into which Interest Proceeds are to be paid.

"**Interest Amount**" means:

(a) in the case of the Floating Rate Notes, the amount calculated by the Calculation Agent in accordance with Condition 6(e)(ii) (*Determination of Floating Rate of Interest and Calculation of Interest Amount*);

(b) in the case of the Subordinated Notes, the amount calculated by the Collateral Administrator in accordance with Condition 6(g) (*Proceeds in Respect of Subordinated Notes*); and

(c) in the case of the Fixed Rate Notes, the amount specified in Condition 6(f) (*Interest on the Fixed Rated Notes*)

"**Interest Coverage Amount**" means, on any particular Measurement Date (without double counting), the sum of:

(a) the Balance standing to the credit of the Interest Account; plus

(b) the scheduled interest payments (and any commitment fees due but not yet received in respect of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations) due but not yet received (in each case regardless of whether the applicable due date has yet occurred) in the Due Period in which such Measurement Date occurs on the Collateral Debt Obligations excluding:

(i) accrued and unpaid interest on Defaulted Obligations (excluding Current Pay Obligations) unless such amounts constitute Defaulted Obligation Excess Amounts (in which case such Defaulted Obligation Excess Amounts shall not form part of the exclusion in this paragraph (b)(i));

(ii) interest on any Collateral Debt Obligation to the extent that such Collateral Debt Obligation does not provide for the scheduled payment of interest in cash;

(iii) any amounts, to the extent that such amounts if not paid, will not give rise to a default under the relevant Collateral Debt Obligation;

(iv) any amounts expected to be withheld at source or otherwise deducted in respect of taxes;

(v) interest on any Deferring Security;

(vi) any scheduled interest payments as to which the Issuer or the Investment Manager has actual knowledge that such payment will not be made; and

(vii) any Purchased Accrued Interest,

provided that, in respect of a Non-Euro Obligation this paragraph (b) shall be deemed to refer to the related Scheduled Periodic Asset Swap Counterparty Payment, subject to the exclusions set out above; *minus*

(c) the amounts payable pursuant to paragraphs (A) to (F) of the Interest Proceeds Priority of Payments on the following Payment Date; *minus*

(d) any of the above amounts that would be payable into the Interest Smoothing Account on the Business Day after the Determination Date at the end of the Due Period in which such Measurement Date falls; *plus*

(e) any amounts that would be payable from the Expense Reserve Account, the Interest Smoothing Account, the First Period Reserve Account and/or Currency Account to the Interest Account in the Due period relating to such Measurement Date (without double counting any such amounts which have been already transferred to the Interest Account); *plus*

(f) any Scheduled Periodic Interest Rate Hedge Counterparty Payments payable to the Issuer under any Hedge Transaction but to the extent not already included in accordance with paragraph (a) above; *minus*

(g) any interest in respect of a PIK Security that has been deferred (but only to the extent such amount has not already been excluded in accordance with paragraphs (b)(ii) or (iii) above).

For the purposes of calculating any Interest Coverage Amount, the expected or scheduled interest income on Floating Rate Collateral Debt Obligations and Eligible Investments and the expected or scheduled interest payable on any Class of Notes and on any relevant Account shall be calculated using then current interest rates applicable thereto.

"**Interest Coverage Ratio**" means the Class A/B Interest Coverage Ratio, the Class C Interest Coverage Ratio, the Class D Interest Coverage Ratio and the Class E Interest Coverage Ratio. For the purposes of calculating an Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the relevant Rated Notes will be calculated using the then current interest rates applicable thereto.

"**Interest Coverage Test**" means the Class A/B Interest Coverage Test, the Class C Interest Coverage Test, the Class D Interest Coverage Test and the Class E Interest Coverage Test.

"**Interest Determination Date**" means the second Business Day prior to the commencement of each Accrual Period.

"**Interest Proceeds**" means all amounts paid or payable into the Interest Account from time to time and, with respect to any Payment Date, means any Interest Proceeds received or receivable by the Issuer during the related Due Period to be disbursed pursuant to the Interest Proceeds Priority of Payments on such Payment Date, together with any other amounts to be disbursed out of the Payment Account as Interest Proceeds on such Payment Date pursuant to Condition 3(i) (*Accounts*).

"**Interest Proceeds Priority of Payments**" means the priority of payments in respect of Interest Proceeds set out in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Interest Rate Hedge Agreement**" has the meaning given thereto in the definition of Interest Rate Hedge Transaction.

"**Interest Rate Hedge Counterparty**" means each financial institution with which the Issuer enters into an Interest Rate Hedge Transaction or any permitted assignee or successor thereto under the terms of the related Interest Rate Hedge Transaction and in each case which satisfies the applicable Rating Requirement (taking into account any guarantor thereof), and provided always such financial institution has the regulatory capacity, as a matter of Irish law, to enter into derivatives transactions with Irish residents.

"**Interest Rate Hedge Replacement Payment**" means any amount payable to an Interest Rate Hedge Counterparty by the Issuer upon entry into a Replacement Interest Rate Hedge Transaction which is replacing an Interest Rate Hedge Transaction which was terminated.

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

"**Interest Rate Hedge Termination Payment**" means the amount payable to an Interest Rate Hedge Counterparty by the Issuer upon termination or modification of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement excluding, for purposes other than payment by the Issuer, any due and unpaid scheduled amounts payable thereunder.

"**Interest Rate Hedge Termination Receipt**" means the amount payable by an Interest Rate Hedge Counterparty to the Issuer upon termination of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement, excluding, for purposes other than payment to the applicable Account to which the Issuer shall credit such amounts, the portion thereof representing any due and unpaid scheduled amounts payable thereunder.

"**Interest Rate Hedge Transaction**" means each interest rate protection transaction, which may be an interest rate swap transaction, an interest rate cap, an interest rate floor transaction, or an asset specific interest rate swap, in each case, entered into under an 1992 ISDA Master Agreement (Multicurrency-Cross Border) or 2002 ISDA Master Agreement (or such other ISDA *pro forma* master agreement as may be published by ISDA from time to time) (together with the schedule relating thereto, the applicable confirmation including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof, and each as amended or supplemented from time to time, an "**Interest Rate Hedge Agreement**"), which is entered into between the Issuer and an Interest Rate Hedge Counterparty for the sole purpose described within this definition.

"**Interest Smoothing Account**" means the account described as such in the name of the Issuer with the Account Bank to which the Issuer will procure amounts are deposited in accordance with Condition 3(j)(xiii) (*Interest Smoothing Account*).

"**Interest Smoothing Amount**" means, in respect of each Determination Date on or following the occurrence of a Frequency Switch Event, zero and, in respect of each other Determination Date and for so long as any Rated Notes are Outstanding, an amount equal to the product of:

(a) 0.5; multiplied by

(b) an amount equal to:

(i) the sum of all payments of interest received during the related Due Period in respect of each Semi-Annual Obligation; minus

(ii) the sum of all payments of interest scheduled to be received during the immediately following Due Period in respect of each Semi-Annual Obligation (excluding, for the avoidance of doubt, any of the amounts set out under limb (b)(i) to and including (b)(vii) of the Interest Coverage Amount definition),

provided that (x) such amount may not be less than zero and (y) following redemption in full of the Rated Notes or if the Aggregate Principal Balance of the Semi-Annual Obligations is less than or equal to 5 per cent. of the Aggregate Collateral Balance, such amount shall be deemed to be zero.

"**Intermediary Obligation**" means an interest in relation to a loan which is structured to be acquired indirectly by lenders therein at or prior to primary syndication thereof, including pursuant to a collateralised deposit or guarantee, a participation or other arrangement which has the same commercial effect and in each case, in respect of any obligation of the lender to a "fronting bank" in respect of non-payment by the Obligor, is 100 per cent. collateralised by such lenders.

"**Investment Advisers Act**" means the United States Investment Advisers Act of 1940, as amended.

"**Investment Company Act**" means the United States Investment Company Act of 1940, as amended.

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

"**Investment Manager Related Person**" means the Investment Manager or its Affiliates, any director, officer or employee of such entities or any fund or account for which the Investment Manager or its Affiliates exercises discretionary voting authority on behalf of such fund or account in respect of the Notes.

"**Irish Stock Exchange**" means The Irish Stock Exchange plc.

"**Irish Excluded Assets**" means all assets, property or rights deriving from the Issuer Irish Account and the Corporate Services Agreement.

"**IRR**" means the internal rate of return calculated using the "XIRR" function in Microsoft Excel® or any equivalent function in another software package that would result in a net present value of zero, assuming:

(a) the issue price of the Subordinated Notes on the Issue Date as the initial cash flow and additionally:

(i) the issue price of any Subordinated Notes issued after the Issue Date; and

(ii) all distributions to the Subordinated Notes on the current and each preceding Payment Date,

as subsequent cash flows (including the Redemption Date, if applicable);

(b) the initial date for the calculation as the Issue Date; and

(c) the number of days to each subsequent Payment Date from the Issue Date calculated on the basis of the actual number of days in an Accrual Period divided by 365.

"**IRS**" means the United States Internal Revenue Service or any successor thereto.

"**Issue Date**" means 8 September 2015 (or such other date as may shortly follow such date as may be agreed between the Issuer and the Placement Agent and is notified to the Noteholders in accordance with Condition 16 (*Notices*) and the Irish Stock Exchange).

"**Issue Date Collateral Debt Obligation**" means an obligation for which the Issuer (or the Investment Manager, acting on behalf of the Issuer) has either purchased or entered into a binding commitment to purchase on or prior to the Issue Date.

"**Issuer Irish Account**" means the account in the name of the Issuer established in Ireland for the purposes of, *inter alia*, holding the proceeds of the issued share capital of the Issuer and any fees received by the Issuer in connection with the issue of the Notes.

"**Issuer Profit Amount**" means the payment on each Payment Date prior to the occurrence of a Frequency Switch Event, of €250 and, on each Payment Date following the occurrence of a Frequency Switch Event, of €500, subject always to an aggregate maximum amount of €1,000 per annum, to the Issuer as a fee for entering into the transaction.

"**Maintenance Covenant**" means a covenant by any Obligor to comply with one or more financial covenants during each reporting period, whether or not such Obligor has taken any specified action.

"**Mandatory Redemption**" means a redemption of the Notes pursuant to and in accordance with Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

"**Market Value**" means in respect of any Collateral Debt Obligation, on any date of determination and as provided by the Investment Manager to the Collateral Administrator:

(a) the bid price determined by an independent recognised pricing service; or

(b) if such independent recognised pricing service is not available, the mean of the bid prices (in the case of any High Yield Bond, Secured Senior Bond or PIK Security, excluding accrued interest)

determined by three independent broker-dealers active in the trading of such Collateral Debt Obligations; or

(c) if three such broker-dealer prices are not available, the lower of the bid side prices (in the case of any High Yield Bond, Secured Senior Bond or PIK Security, excluding accrued interest) determined by two such broker-dealers; or

(d) if two such broker-dealer prices are not available, the bid side price (in the case of any High Yield Bond, Secured Senior Bond or PIK Security, excluding accrued interest) determined by one independent broker-dealer (unless, in each case, the fair market value thereof determined by the Investment Manager pursuant to paragraph (e) hereafter would be lower); or

(e) if the determinations of such broker-dealers or independent recognised pricing service are not available, then the lower of:

(i) the higher of:

(A) the lower of:

(1) the Fitch Recovery Rate of such Collateral Debt Obligation; and

(2) the Moody's Recovery Rate of such Collateral Debt Obligation; and

(B) 70 per cent. of such Collateral Debt Obligation's Principal Balance; and

(ii) the fair market value thereof determined by the Investment Manager on a best efforts basis in a manner consistent with reasonable and customary market practice, in each case, as notified to the Collateral Administrator on the date of determination thereof, provided however that if the Investment Manager is not a registered investment adviser under the Investment Advisers Act, the Market Value of any such asset may only be determined in accordance with this paragraph (e)(ii) for a maximum of thirty Business Days, following which time if the Market Value cannot be ascertained by a third party, then the Market Value shall be deemed to be zero,

and for the purposes of this definition:

(a) accrued interest shall be excluded; and

(b) "independent" shall mean that each pricing service and broker-dealer:

(i) from whom a bid price is sought is independent from each of the other pricing service and broker-dealers from whom a bid price is sought; and

(ii) is not an Affiliate of the Investment Manager.

"**Maturity Date**" means the Payment Date falling in October 2029.

"**Measurement Date**" means:

(a) the Effective Date;

(b) for the purposes of determining satisfaction of the Reinvestment Criteria, any Business Day after the Effective Date on which such criteria are required to be determined, which determination shall be made:

(i) firstly, by reference immediately prior to receipt of any Principal Proceeds which are to be reinvested without taking such Principal Proceeds into account; and

(ii) secondly, taking into account on a projected basis, the proposed sale of Collateral Debt Obligations and reinvestment of the Principal Proceeds thereof in Substitute Collateral Debt Obligations;

(c) the date of acquisition of any additional Collateral Debt Obligation following the Effective Date;

(d) each Determination Date;

(e) the date as at which any Report is prepared; and

(f) following the Effective Date, with reasonable (and not less than five Business Days') notice, any Business Day requested by any Rating Agency then rating any Class of Notes Outstanding.

"**Mezzanine Obligation**" means a mezzanine loan obligation or other comparable debt obligation, including any such loan obligation with attached warrants and any such obligation which is evidenced by an issue of notes (other than High Yield Bonds), as determined by the Investment Manager in its reasonable business judgment, or a Participation therein.

"**Minimum Denomination**" means:

(a) in the case of the Regulation S Notes of each Class, €100,000; and

(b) in the case of the Rule 144A Notes of each Class, €250,000.

"**Monthly Report**" means the monthly report defined as such in the Investment Management and Collateral Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Investment Manager) on behalf of the Issuer on such dates as are set forth in the Investment Management and Collateral Administration Agreement and is made available by means of a secured website currently located at https://gctinvestorreporting.bnymellon.com/GCTIRServices (or such other website as may be notified in writing by the Collateral Administrator to the Issuer (who shall notify the Noteholders in accordance with Condition 16 (*Notices*)), the Trustee, the Investment Manager, the Placement Agent on a non-reliance basis, each Hedge Counterparty and the Rating Agencies from time to time) to the Issuer, the Trustee, the Investment Manager, the Placement Agent, any Hedge Counterparty, each Rating Agency and any Noteholder by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator (subject to receipt by the Collateral Administrator of certification that such Noteholder is a holder of a beneficial interest in any Notes), and which shall include information regarding the status of certain of the Collateral pursuant to the Investment Management and Collateral Administration Agreement.

"**Moody's**" means Moody's Investors Service Ltd and any successor or successors thereto.

"**Moody's Additional Current Pay Criteria**" means criteria satisfied with respect to any Collateral Debt Obligation if such Collateral Debt Obligation has:

(a) a Market Value of at least 85 per cent. of its outstanding principal amount and a Moody's Rating of at least "Caa2"; or

(b) a Market Value of at least 80 per cent. of its outstanding principal amount and a Moody's Rating of at least "Caa1",

and for the purposes of this definition, with respect to a Collateral Debt Obligation already owned by the Issuer whose facility rating from Moody's is withdrawn, the facility rating will be the last outstanding facility rating before such withdrawal.

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

"**Moody's Collateral Value**" means:

(a) for each Defaulted Obligation and Deferring Security on or after the earlier to occur of (x) the date which falls ninety days after the Collateral Debt Obligation becomes a Defaulted Obligation or Deferring Security and (y) where a Determination Date falls in the ninety day period referred to in (x), the date which falls thirty days after the Collateral Debt Obligation becomes a Defaulted Obligation or Deferring Security, the lower of:

(i) its prevailing Market Value; and

(ii) the relevant Moody's Recovery Rate,

multiplied by its Principal Balance; or

(b) in the case of any other applicable Collateral Debt Obligation, the relevant Moody's Recovery Rate multiplied by its Principal Balance.

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

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

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

"**Non-Call Period**" means the period from and including the Issue Date up to, but excluding, the Payment Date falling in October 2017.

"**Non-Eligible Issue Date Collateral Debt Obligation**" has the meaning given thereto in the Investment Management and Collateral Administration Agreement.

"**Non-Emerging Market Country**" means any of Austria, Belgium, Canada, the Channel Islands, Denmark, Finland, France, Germany, Iceland, Republic of Ireland, Italy, Liechtenstein, Estonia, Lithuania, Malta, Slovenia, Luxembourg, The Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, United Kingdom or United States and any other country, the foreign currency issuer credit rating of which is rated, at the time of acquisition of the relevant Collateral Debt Obligation, at least "BBB-" by Fitch and the foreign currency country issuer rating of which is rated, at the time of acquisition of the relevant Collateral Debt Obligation, at least "Baa3" by Moody's (**provided that** Rating Agency Confirmation is received in respect of any such other country which is not in the Euro zone) or any other country in respect of which, at the time of acquisition of the relevant Collateral Debt Obligation, Rating Agency Confirmation is received.

"**Non-Euro Obligation**" means any Collateral Debt Obligation, or part thereof, as applicable, denominated in a currency other than Euro.

"**Noteholders**" means the several persons in whose name the Notes are registered from time to time in accordance with and subject to their terms and the terms of the Trust Deed, and "holder" (in respect of the Notes) shall be construed accordingly.

"**Note Payment Sequence**" means the application of Interest Proceeds or Principal Proceeds, as applicable, in accordance with the relevant Priority of Payments in the following order:

(a) firstly, to the redemption of the Class A-1 Notes and the Class A-2 Notes including any Interest Amounts due and payable (on a *pro-rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class A Notes have been fully redeemed;

(b) secondly, to the redemption of the Class B-1 Notes and the Class B-2 Notes including any Interest Amounts due and payable (on a *pro-rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class B Notes have been fully redeemed;

(c) thirdly, to the redemption of the Class C Notes including any Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* basis) at the applicable Redemption Price in whole or in part until the Class C Notes have been fully redeemed;

(d) fourthly, to the redemption of the Class D Notes including any Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* basis) at the applicable Redemption Price in whole or in part until the Class D Notes have been fully redeemed;

(e) fifthly, to the redemption of the Class E Notes including any Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* basis) at the applicable Redemption Price in whole or in part until the Class E Notes have been fully redeemed; and

(f) sixthly, to the redemption of the Class F Notes including any Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* basis) at the applicable Redemption Price in whole or in part until the Class F Notes have been fully redeemed,

provided that, for the purposes of any redemption of the Notes in accordance with the Note Payment Sequence following any breach of Coverage Tests, the Note Payment Sequence shall terminate immediately after the paragraph above that refers to the Class of Notes to which such Coverage Test relates or as soon as the relevant Coverage Test has been remedied, if earlier.

"**Note Tax Event**" means, at any time:

(a) the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final) which results in (or would on the next Payment Date result in) any payment of principal or interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and/or the Subordinated Notes becoming properly subject to any withholding tax other than:

(i) a payment in respect of Deferred Interest becoming properly subject to any withholding tax;

(ii) withholding tax in respect of FATCA; or

(iii) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non-residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland or other applicable tax authority; or

(b) United Kingdom or U.S. state or federal or governmental tax authorities impose net income, profits or similar tax upon the Issuer or its representative.

"**Obligor**" means, in respect of a Collateral Debt Obligation, the borrower thereunder or issuer thereof or, in either case, the guarantor thereof (as determined by the Investment Manager on behalf of the Issuer).

"**Offer**" means, with respect to any Collateral Debt Obligation:

(a) any offer by the Obligor under such obligation or by any other Person made to all of the creditors of such Obligor in relation to such obligation to purchase or otherwise acquire such obligation (other than pursuant to any redemption in accordance with the terms of the related Underlying Instruments) or to convert or exchange such obligation into or for cash, securities or any other type of consideration; or

(b) any solicitation by the Obligor of such obligation or any other Person to amend, modify or waive any provision of such obligation or any related Underlying Instrument.

"**Ongoing Expense Excess Amount**" means, on any Payment Date, an amount equal to the excess, if any, of:

(a) the Senior Expenses Cap; over

(b) the sum of (without duplication):

(i) all amounts paid pursuant to paragraphs (B) and (C) of Condition 3(c)(i) (*Application of Interest Proceeds*) on such Payment Date; plus

(ii) all Trustee Fees and Expenses and Administrative Expenses paid during the related Due Period.

"**Ongoing Expense Reserve Amount**" means, in respect of any Payment Date, an amount equal to the lesser of:

(a) the Ongoing Expense Reserve Ceiling; and

(b) the Ongoing Expense Excess Amount, each as at such Payment Date.

"**Ongoing Expense Reserve Ceiling**" means, on any Payment Date, the excess, if any, of €150,000 over the amount then on deposit in the Expense Reserve Account without giving effect to any deposit thereto on such Payment Date pursuant to paragraph (D) of Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Optional Redemption**" means a redemption pursuant to and in accordance with Condition 7(b) (*Optional Redemption*).

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

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

"**Outstanding**" has the meaning given to it in the Trust Deed.

"**Par Value Ratio**" means the Class A/B Par Value Ratio, Class C Par Value Ratio, the Class D Par Value Ratio, the Class E Par Value Ratio or the Class F Par Value Ratio (as applicable).

"**Par Value Test**" means the Class A/B Par Value Test, Class C Par Value Test, the Class D Par Value Test or the Class E Par Value Test.

"**Participation**" means an interest in a Collateral Debt Obligation taken indirectly by the Issuer by way of participation from a Selling Institution which shall include, for the purposes of the Bivariate Risk Table set forth in the Investment Management and Collateral Administration Agreement, Intermediary Obligations.

"**Participation Agreement**" means an agreement between the Issuer and a Selling Institution in relation to the purchase by the Issuer of a Participation.

"**Payment Account**" means the account described as such in the name of the Issuer held with the Account Bank to which amounts shall be transferred by the Account Bank on the instructions of the Collateral Administrator on the Business Day prior to each Payment Date out of certain of the other Accounts in accordance with Condition 3(i) (*Accounts*) and out of which the amounts required to be paid on each Payment Date pursuant to the Priorities of Payment shall be paid.

"**Payment Date**" means:

(a) 15 April, 15 July, 15 October and 15 January at any time prior to the occurrence of a Frequency Switch Event; and

(b) 15 April and 15 October (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either April or October) or 15 January and 15 July (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either January or July), following the occurrence of a Frequency Switch Event,

in each case, in each year commencing on 15 April 2016 up to and including the Maturity Date and any Redemption Date, provided that if any Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day that is a Business Day (unless it would thereby fall in the following month, in which case it shall be brought forward to the immediately preceding Business Day).

"**Payment Date Report**" means the report defined as such in the Investment Management and Collateral Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Investment Manager) on behalf of the Issuer and made available by means of a secured website

currently located at https://gctinvestorreporting.bnymellon.com/GCTIRServices (or such other website as may be notified in writing by the Collateral Administrator to the Issuer (who shall notify the Noteholders in accordance with Condition 16 (*Notices*)), the Trustee, the Investment Manager, the Placement Agent (on a non-reliance basis), each Hedge Counterparty and the Rating Agencies from time to time) to the Issuer, the Trustee, the Investment Manager, the Placement Agent, any Hedge Counterparty, each Rating Agency and any Noteholder by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator (subject to receipt by the Collateral Administrator of certification that such Noteholder is a holder of a beneficial interest in any Notes), by not later than the Business Day preceding the related Payment Date.

"**Permitted Use**" means, with respect to:

(a) any Contribution received into the Contribution Account;

(b) the proceeds from the issue of additional Subordinated Notes in accordance with Condition 17 (*Additional Issuances*); or

(c) any amount deposited in the Collateral Enhancement Account,

any of the following uses:

(a) the transfer of the applicable portion of such amount to the Interest Account for application as Interest Proceeds;

(b) the transfer of the applicable portion of such amount to the Principal Account for application as Principal Proceeds;

(c) the repurchase of Rated Notes of any Class through a tender offer, in the open market, or in privately negotiated transaction(s) in accordance with Condition 7(k) (*Purchase*) (in each case, subject to applicable law);

(d) subject to the limitations in the Transaction Documents with respect to Margin Stock, the purchase of one or more Collateral Enhancement Obligations, in each case subject to the limitations set forth in the Transaction Documents; or

(e) for deposit into the Expense Reserve Account to pay for the costs of a Refinancing.

"**Person**" means an individual, corporation (including a business trust), partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"**PIK Security**" means any Collateral Debt Obligation which is a security, the terms of which permit the deferral of the payment of interest thereon, including without limitation by way of capitalising interest thereon provided that, for the avoidance of doubt, Mezzanine Obligations shall not constitute PIK Securities.

"**Portfolio**" means the Collateral Debt Obligations, Collateral Enhancement Obligations, Exchanged Equity Securities, Eligible Investments and other similar obligations or securities held by or on behalf of the Issuer from time to time.

"**Portfolio Profile Tests**" means the Portfolio Profile Tests each as defined in the Investment Management and Collateral Administration Agreement.

"**Post-Acceleration Priority of Payments**" means the priority of payments set out in Condition 11 (*Enforcement*).

"**Presentation Date**" means a day which (subject to Condition 12 (*Prescription*)):

(a) is a Business Day;

(b) is or falls after the relevant due date or, if the due date is not or was not a Business Day in the place of presentation, is or falls after the next following Business Day which is a Business Day in the place of presentation; and

(c) is a Business Day in which the account specified by the payee is open.

"**Principal Account**" means the interest bearing account described as such in the name of the Issuer with the Account Bank.

"**Principal Amount Outstanding**" means in relation to any Class of Notes and at any time, the aggregate principal amount outstanding under such Class of Notes at that time, including, in the case of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, Deferred Interest which has been capitalised pursuant to Condition 6(c) (*Deferral of Interest*) save that Deferred Interest shall not be included for the purposes of determining voting rights or the right to give directions or instructions attributable to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, as applicable, and the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

"**Principal Balance**" means, (i) with respect to any Collateral Enhancement Obligation or Exchanged Equity Security, zero, (ii) with respect to cash, the amount of such cash, provided that if such cash amount is in a currency other than Euro, it will be converted into Euro at the Applicable Exchange Rate (iii) so long as Fitch is rating any Notes, for the purposes of any Corporate Rescue Loan that has (x) no Fitch Issuer Default Rating in respect thereof available or (y) no credit estimate assigned to it by Fitch, in each case, before the expiry of a period of three months following the Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, the Principal Balance of such Corporate Rescue Loan shall be zero unless and until a Fitch Issuer Default Rating or credit estimate is available or assigned by Fitch and (iv) with respect to any Collateral Debt Obligation or Eligible Investment, as of any date of determination, the outstanding principal amount thereof (excluding any interest capitalised pursuant to the terms of such instrument other than, with respect to a Mezzanine Obligation and a PIK Security, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Security), provided however that:

(a) the Principal Balance of any Revolving Obligation and Delayed Drawdown Collateral Debt Obligation as of any date of determination, shall be the outstanding principal amount of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, plus any undrawn commitments that have not been irrevocably cancelled with respect to such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation;

(b) the Principal Balance of any Asset Swap Obligation shall be the Euro notional amount of the Asset Swap Transaction entered into in respect thereof;

(c) the Principal Balance of a Non-Euro Obligation which is not an Asset Swap Obligation shall be the outstanding principal amount thereof multiplied by the Applicable Exchange Rate; and

(d) for the purposes of the Portfolio Profile Tests and the Collateral Quality Tests, the Principal Balance of any Defaulted Obligations shall be zero.

"**Principal Proceeds**" means all amounts paid or payable into the Principal Account from time to time and, with respect to any Payment Date, means Principal Proceeds received or receivable by the Issuer during the related Due Period and any other amounts to be disbursed as Principal Proceeds on such Payment Date pursuant to Condition 3(c)(ii) (*Application of Principal Proceeds*) or Condition 11(b) (*Enforcement*).

"**Principal Proceeds Priority of Payments**" means the priority of payments in respect of Principal Proceeds set out in Condition 3(c)(ii) (*Application of Principal Proceeds*).

"**Priorities of Payment**" means:

(a) save for:

(i) in connection with any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*);

(ii) in connection with a redemption in whole pursuant to Condition 7(g) (*Redemption following Note Tax Event*); or

(iii) following the delivery (whether actual or deemed) of an Acceleration Notice which has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*),

in the case of Interest Proceeds, the Interest Proceeds Priority of Payments and in the case of Principal Proceeds, the Principal Proceeds Priority of Payments; and

(b) if any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) occurs or following the delivery (whether actual or deemed) of an Acceleration Notice which has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), the Post-Acceleration Priority of Payments.

"**Prospectus**" means the prospectus of Adagio IV CLO Limited.

"**Purchased Accrued Interest**" means, with respect to any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Debt Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Debt Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of the acquisition thereof with Principal Proceeds and/or amounts paid out of the Unused Proceeds Account.

"**QIB**" means a Person who is a "qualified institutional buyer" as defined in Rule 144A.

"**QIB/QP**" means a Person who is both a QIB and a QP.

"**Qualified Purchaser**" and "**QP**" mean a Person who is a qualified purchaser as defined in section 2(a)(51)(A) of the Investment Company Act.

"**Qualifying Country**" means each of Austria, Belgium, Bermuda, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Liechtenstein, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, the United States or the United Kingdom having a foreign currency issuer credit rating, at the time of acquisition of the relevant Eligible Investment, of at least "AA-" by Fitch and "Aa3" by Moody's or any other country which has been approved, at the time of acquisition of the relevant Eligible Investment, as a Qualifying Country by way of Rating Agency Confirmation.

"**Qualifying Currency**" means Euro, Sterling, U.S. Dollars, Czech Koruna, Danish Krone, Norwegian Krone, Swedish Krone, Canadian Dollars, Australian Dollars, New Zealand Dollars, Swiss Francs, Japanese Yen, Polish Zloty or any other currency in respect of which Rating Agency Confirmation has been received.

"**Rated Notes**" means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

"**Rating Agencies**" means Fitch and Moody's, provided that if at any time Fitch and/or Moody's ceases to provide rating services, "Rating Agencies" shall mean any other nationally recognised investment rating agency or rating agencies (as applicable) selected by the Issuer (a "**Replacement Rating Agency**") and "**Rating Agency**" means any such rating agency. If at any time a Rating Agency is replaced by a Replacement Rating Agency, references to rating categories of the original Rating Agency in these Conditions, the Trust Deed and the Investment Management and Collateral Administration Agreement shall be deemed instead to be references to the equivalent categories of the relevant Replacement Rating Agency as of the most recent date on which such other rating agency published ratings for the type of security in respect of which such Replacement Rating Agency is used and all

references herein to "Rating Agencies" shall be construed accordingly. Any rating agency shall cease to be a Rating Agency if, at any time, it ceases to assign a rating in respect of any Class of Rated Notes.

"**Rating Agency Confirmation**" means, with respect to any specified action, determination or appointment, receipt by the Issuer and/or the Trustee of written confirmation (which may take the form of a bulletin, press release, e-mail or other written communication) by each Rating Agency which has, as at the relevant date assigned ratings to any Class of the Rated Notes that are Outstanding (or, if applicable, the Rating Agency specified in respect of any such action or determination, provided that such Rating Agency has, as at the relevant date assigned ratings to any Class of the Rated Notes) that such specified action, determination or appointment will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency. Notwithstanding anything to the contrary in any Transaction Document and these Conditions, no Rating Agency Confirmation shall be required from a Rating Agency in respect of any action or determination if such Rating Agency has declined a request from the Trustee, the Investment Manager or the Issuer to review the effect of such action, determination or appointment or if such Rating Agency announces or confirms to the Trustee, the Investment Manager or the Issuer that Rating Agency Confirmation from such Rating Agency is not required, or that its practice is to not give such confirmations for such type of action, determination or appointment.

"**Rating Confirmation Plan**" means a plan provided by the Investment Manager (acting on behalf of the Issuer) to the Rating Agencies setting forth the intended timing and manner of acquisition of additional Collateral Debt Obligations and/or any other intended action for the purposes of obtaining confirmation of the Initial Ratings, as further described and as defined in the Investment Management and Collateral Administration Agreement.

"**Rating Requirement**" means:

(a) in the case of the Account Bank and the Principal Paying Agent:

(i) a short-term senior unsecured debt rating of "P-3" by Moody's and a long-term senior unsecured issuer credit rating of at least "Baa3" by Moody's; and

(ii) a long-term issuer default rating of at least "A" and a short-term issuer default rating of at least "F1" by Fitch;

(b) in the case of the Custodian:

(i) a short-term senior unsecured debt rating of "P-1" by Moody's and a long-term senior unsecured issuer credit rating of at least "A2" by Moody's; and

(ii) a long-term issuer default rating of at least "A" and a short-term issuer default rating of at least "F1" by Fitch;

(c) in the case of any Hedge Counterparty, the ratings requirement(s) as set out in the relevant Hedge Agreement;

(d) in the case of a Selling Institution, a counterparty which (i) satisfies the ratings set out in the Bivariate Risk Table, (ii) has a long-term issuer credit rating of at least "A" by Fitch and (iii) has a long-term issuer default rating of at least "A2" and a short-term issuer default rating of at least "P-1" by Moody's,

provided that in each case:

(a) if any of the requirements are not satisfied by any of the parties referred to herein, Rating Agency Confirmation from the relevant Rating Agency is received in respect of such party; and

(b) such other rating or ratings will be applicable as may be agreed by the relevant Rating Agency as would maintain the then-current rating of the Rated Notes.

"**Receiver**" means a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, examiner, curator or other similar official (whether appointed pursuant to the terms of the Trust Deed, pursuant to any statute, by a court or otherwise).

"**Record Date**" means the fifteenth day before the relevant due date for payment of principal and interest in respect of such Note.

"**Redemption Date**" means each date specified for a redemption of the Notes of a Class pursuant to Condition 7 (*Redemption and Purchase*) or, if such day is not a Business Day, the next following Business Day or the date on which the Notes of such Class are accelerated pursuant to Condition 10 (*Events of Default*).

"**Redemption Determination Date**" has the meaning given thereto in Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*).

"**Redemption Notice**" means a redemption notice in the form available from any of the Transfer Agents which has been duly completed by a Noteholder and which specifies, amongst other things, the applicable Redemption Date.

"**Redemption Price**" means, when used with respect to:

(a) any Subordinated Note, such Subordinated Note's *pro-rata* share (calculated in accordance with paragraph (CC) of Condition 3(c)(i) (*Application of Interest Proceeds*), paragraph (T) of Condition 3(c)(ii) (*Application of Principal Proceeds*) or paragraph (Z) of the Post-Acceleration Priority of Payments (as applicable)) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application thereof in accordance with the Priorities of Payment; and

(b) any Rated Note (i) 100 per cent. of the Principal Amount Outstanding thereof (if any), (including, in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, any Deferred Interest); and (ii) any accrued but unpaid interest thereon to the relevant date of redemption.

"**Redemption Threshold Amount**" means the aggregate of all amounts which would be due and payable on redemption of the Rated Notes on the scheduled Redemption Date (not taking into account for this purpose any reduction in the Issuer's payment obligations pursuant to the Conditions of the Notes or any other Transaction Documents as a result of any limited recourse provisions) pursuant to Condition 11(b) (*Enforcement*) which rank in priority to payments in respect of the Subordinated Notes in accordance with the Priorities of Payment.

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

"**Refinancing**" has the meaning given to it in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

"**Refinancing Costs**" means the fees, costs, charges and expenses incurred by or on behalf of the Issuer in respect of a Refinancing, provided that such fees, costs, charges and expenses have been incurred as a direct result of a Refinancing, as determined by the Investment Manager.

"**Refinancing Proceeds**" means the cash proceeds from a Refinancing.

"**Register**" means the register of holders of the legal title to the Notes kept by the Registrar pursuant to the terms of the Agency Agreement.

"**Regulation S**" means Regulation S under the Securities Act.

"**Regulation S Notes**" means the Notes offered for sale to non-U.S. Persons outside of the United States in reliance on Regulation S.

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

"**Reinvestment Overcollateralisation Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and during the Reinvestment Period which will be satisfied on such Measurement Date if the Class F Par Value Ratio is at least equal to 104.13 per cent.

"**Reinvestment Period**" means the period from and including the Issue Date up to and including the earliest of:

(a) the end of the Due Period preceding the Payment Date falling on 15 October 2019 or, if such day is not a Business Day, the immediately following Business Day;

(b) the date of the acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*) (**provided** the related Acceleration Notice (actual or deemed) (if any) has not been rescinded or annulled in accordance with Condition 10(c) (*Curing of Default*)); and

(c) the date on which the Investment Manager reasonably believes and notifies the Issuer, the Rating Agencies and the Trustee that it can no longer reinvest in additional Collateral Debt Obligations in accordance with the Reinvestment Criteria.

"**Reinvestment Target Par Balance**" means as of any date of determination:

(a) the Target Par Amount; *minus*

(b) the amount of any reduction in the Principal Amount Outstanding of the Notes; *plus*

(c) the Principal Amount Outstanding of any additional Notes issued pursuant to Condition 17 (*Additional Issuance*), or, if greater, the aggregate amount of Principal Proceeds that result from the issuance of such additional Notes.

"**Replacement Asset Swap Transaction**" means any Asset Swap Transaction entered into by the Issuer, or the Investment Manager on its behalf, in accordance with the provisions of the Investment Management and Collateral Administration Agreement upon termination of an existing Asset Swap Transaction on substantially the same terms as such terminated Asset Swap Transaction, that preserves for the Issuer the economic effect of the terminated Asset Swap Transaction, subject to such amendments thereto as may be agreed by the Investment Manager, acting on behalf of the Issuer.

"**Replacement Interest Rate Hedge Transaction**" means any Interest Rate Hedge Transaction entered into by the Issuer, or the Investment Manager on its behalf, in accordance with the provisions of the Investment Management and Collateral Administration Agreement upon termination of an existing Interest Rate Hedge Transaction on substantially the same terms as such terminated Interest Rate Hedge Transaction, that preserves for the Issuer the economic effect of the terminated Interest Rate Hedge Transaction, subject to such amendments thereto as may be agreed by the Investment Manager, acting on behalf of the Issuer.

"**Report**" means each Monthly Report and Payment Date Report.

"**Reporting Delegate**" means a Hedge Counterparty or third party that undertakes to provide delegated reporting in connection with certain derivatives transaction reporting obligations of the Issuer.

"**Reporting Delegation Agreement**" means an agreement for the delegation by the Issuer of certain derivatives transaction reporting obligations to one or more Reporting Delegates.

"**Required Diversion Amount**" has the meaning given to it in Condition 3(c)(i)(W) (*Priorities of Payment*).

"**Resolution**" means any Ordinary Resolution or Extraordinary Resolution, as the context may require.

"**Restricted Trading Period**" means any period during which the Class A Notes, the Class B Notes, or the Class C Notes are Outstanding and (a) the Fitch rating of the Class A Notes, the Class B Notes or the Class C Notes is withdrawn (and not reinstated or upgraded) or, in the case of the Class A Notes, is one or more sub categories below its rating on the Issue Date or, in the case of the Class B Notes or the Class C Notes, is two or more sub categories below its rating on the Issue Date, or (b) the Moody's rating of the Class A Notes, the Class B Notes or the Class C Notes is withdrawn (and not reinstated or upgraded) or, in the case of the Class A Notes, is one or more sub categories below its rating on the Issue Date or, in the case of the Class B Notes or the Class C Notes, is two or more sub categories below its rating on the Issue Date; provided that:

(a) in either case such period will not be a Restricted Trading Period if so determined by the Issuer with the consent of the Controlling Class acting by Ordinary Resolution;

(b) in either case, such period will not be a Restricted Trading Period if the sum of: (1) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding the Collateral Debt Obligation being sold but including, without duplication, any related reinvestment and the anticipated cash proceeds, if any, of such sale), and (2) amounts standing to the credit of the Principal Account and the Unused Proceeds Account (to the extent such amounts have not and will not be designated as Interest Proceeds to be credited to the Interest Account and including Eligible Investments therein but save for any interest accrued on Eligible Investments) is equal to or greater than the Restricted Trading Period Par Balance; and

(c) no Restricted Trading Period shall restrict any sale of a Collateral Debt Obligation entered into by the Issuer at a time when a Restricted Trading Period is not in effect, regardless of whether such sale has settled.

"**Restricted Trading Period Par Balance**" means, as of any date of determination, an amount equal to (a) a linear interpolation between the amount specified in the table below corresponding to the number of complete calendar years following the Issue Date that have occurred as at such date of determination and the amount specified in the table below corresponding to the next complete calendar year following such date of determination, minus (b) the aggregate amount of any reduction in the Principal Amount Outstanding of the Notes, plus (c) the aggregate amount of all Principal Proceeds received by the Issuer following the issuance of any additional Notes pursuant to these Conditions provided that the amount to be added pursuant to this paragraph (c) shall not be less than the aggregate Principal Amount Outstanding of such additional Notes issued.

Number of complete calendar years following Issue Date	Amount specified in paragraph (a) above
0	350,000,000
1	347,854,573
2	345,722,178
3	343,602,914
4	341,496,641
5	339,403,279
6	337,322,750
7	335,254,974
8	333,199,873

"**Restructured Obligation**" means a Collateral Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) and which satisfies the Restructured Obligation Criteria as at its applicable Restructuring Date.

"**Restructured Obligation Criteria**" means the restructured obligation criteria specified in the Investment Management and Collateral Administration Agreement which are required to be satisfied in respect of each Restructured Obligation at the applicable Restructuring Date.

"**Restructuring Date**" means the date a restructuring of a Collateral Debt Obligation becomes binding on the holders thereof provided if an obligation satisfies the Restructured Obligation Criteria at a later date, such later date shall be deemed to be the Restructuring Date for the purposes of determining whether such obligation shall constitute a Restructured Obligation.

"**Retention Event**" means an event which occurs if at any time the Retention Holder transfers the Retention Notes or otherwise sells, hedges or otherwise mitigates its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except that no Retention Event shall occur in respect of a transfer:

(a) that is permitted under the Risk Retention Letter; and

(b) (i) that is permitted under the Retention Requirements; and

(ii) which would not cause the transaction to cease to be compliant with the Retention Requirements.

"**Retention Holder**" means AXA Investment Managers, Inc. in its capacity as retention holder in accordance with the Risk Retention Letter or any permitted transferee in accordance with the Risk Retention Letter and the other Transaction Documents.

"**Retention Notes**" means the Notes of each Class subscribed for by the Investment Manager on the Issue Date and comprising not less than 5 per cent. of the nominal value of each Class of Notes; provided that each of (i) the Class A-1 Notes and the Class A-2 Notes and (ii) the Class B-1 Notes and the Class B-2 Notes together, shall in each case be deemed to constitute a single class for such purpose.

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

"**Revolving Obligation**" means any Collateral Debt Obligation (other than a Delayed Drawdown Collateral Debt Obligation or a Non-Euro Obligation) that is a loan (including, without limitation, revolving loans, funded and unfunded portions of revolving credit lines and letter of credit facilities, unfunded commitments under specific facilities and other similar loans and investments) that pursuant to the terms of its Underlying Instruments may require one or more future advances to be made to the borrower by the Issuer; but any such Collateral Debt Obligation will be a Revolving Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"**Risk Retention Letter**" means the letter entered into on the Issue Date between the Issuer, the Investment Manager, the Trustee, the Collateral Administrator (in the case of the Collateral Administrator, solely in connection with the Retention Holder's covenants made in favour of the Collateral Administrator as set out therein) and J.P. Morgan Securities plc in its capacity as Placement Agent.

"**Rule 144A**" means Rule 144A under the Securities Act.

"**Rule 144A Notes**" means Notes offered for sale within the United States or to U.S. Persons in reliance on Rule 144A.

"**Rule 17g-5**" means Rule 17g-5 under the Exchange Act.

"**S&P**" means Standard & Poor's Credit Market Services Europe Limited and any successor or successors thereto.

"**Sale Proceeds**" means:

(a) all proceeds received upon the sale of any Collateral Debt Obligation (save for any Asset Swap Obligation) excluding any sale proceeds representing accrued interest designated as Interest Proceeds, by the Investment Manager provided that no such designation may be made in respect of:

(i) Purchased Accrued Interest;

(ii) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts;

(iii) proceeds that represent deferred interest accrued in respect of any PIK Security; or

(iv) proceeds representing accrued interest received in respect of any Defaulted Obligation;

unless and until:

(i) such amounts represent Defaulted Obligation Excess Amounts; and

(ii) any Purchased Accrued Interest in relation to such Defaulted Obligation has been paid, together with all proceeds received upon the sale of any Collateral Enhancement Obligation or Exchanged Equity Security;

(b) in the case of any Asset Swap Obligation, all amounts in Euro (or other currencies if applicable) payable to the Issuer by the applicable Asset Swap Counterparty in exchange for payment by the Issuer of the sale proceeds of any Collateral Debt Obligation as described in paragraph (a) above but amended to apply to such Asset Swap Obligation, under the related Asset Swap Transaction (after netting against any Asset Swap Termination Payment (determined without regard to the exclusions of unpaid amounts and Asset Swap Issuer Principal Exchange Amounts set forth in the definition thereof) payable by the Issuer in such circumstances); and

(c) in the case of any Collateral Enhancement Obligation, all proceeds and any fees received upon the sale of such Collateral Enhancement Obligation,

in each case net of any amounts expended by or payable by the Issuer or the Collateral Administrator (on behalf of the Issuer) in connection with sale, disposition or termination of such Collateral Debt Obligation.

"**Scheduled Periodic Asset Swap Counterparty Payment**" means, with respect to any Asset Swap Transaction, the periodic amounts in the nature of coupon (and not principal) scheduled to be paid to the Issuer by the applicable Asset Swap Counterparty pursuant to the terms of such Asset Swap Transaction, excluding any Asset Swap Termination Receipts, any Asset Swap Replacement Receipts and any Asset Swap Counterparty Principal Exchange Amounts.

"**Scheduled Periodic Asset Swap Issuer Payment**" means, with respect to any Asset Swap Transaction, the periodic amounts in the nature of coupon (and not principal) scheduled to be paid to the applicable Asset Swap Counterparty by the Issuer pursuant to the terms of such Asset Swap Transaction, excluding any Asset Swap Termination Payments, any Asset Swap Replacement Payments and any Asset Swap Issuer Principal Exchange Amounts.

"**Scheduled Periodic Interest Rate Hedge Counterparty Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Interest Rate Hedge Counterparty to the Issuer pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Interest Rate Hedge Termination Receipt.

"**Scheduled Periodic Interest Rate Hedge Issuer Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Issuer to the applicable Interest Rate Hedge Counterparty pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Interest Rate Hedge Termination Payment.

"**Scheduled Principal Proceeds**" means:

(a) in the case of any Collateral Debt Obligation (other than an Asset Swap Obligation which is the subject of an Asset Swap Transaction), scheduled principal repayments received by the Issuer (including scheduled amortisation, instalment or sinking fund payments);

(b) in the case of an Asset Swap Obligation which is the subject of an Asset Swap Transaction, the scheduled final and interim payments in the nature of principal payable to the Issuer by the applicable Asset Swap Counterparty under the related Asset Swap Transaction; and

(c) in the case of any Hedge Agreements, any Hedge Replacement Receipts and Hedge Termination Payments transferred from the Hedge Termination Account into the Principal Account.

"**Second Lien Loan**" means (i) an obligation (other than a Secured Senior Loan) with a junior contractual claim on tangible or intangible property (which property is subject to a prior lien (other than customary permitted liens, such as, but not limited to, any tax liens)) to secure payment of a debt or the fulfilment of a contractual obligation; or (ii) a First-Lien Last-Out Loan.

"**Secured Party**" means each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Subordinated Noteholders, the Placement Agent, the Investment Manager, the Trustee, any Appointee, any Receiver,

the Agents, each Reporting Delegate, each Hedge Counterparty and the Corporate Services Provider and "**Secured Parties**" means any two or more of them as the context so requires.

"**Secured Senior Bond**" means a Collateral Debt Obligation that is a senior secured debt security in the form of, or represented by, a bond, note, certificated debt security or other debt security (that is not a Secured Senior Loan) as determined by the Investment Manager in its reasonable business judgment, or a Participation therein, provided that:

(a) it is secured (such security being valid and perfected security):

(i) by assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices); and otherwise

(ii) by 100 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in paragraph (a) above provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares if an enforcement in respect of such loan occurs, provided such loan represents no more than 15 per cent. of the Obligor's senior debt.

"**Secured Senior Loan**" means a Collateral Debt Obligation (which may be a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation) that is a secured senior loan obligation as determined by the Investment Manager in its reasonable business judgment or a Participation therein, provided that:

(a) it is secured (such security being valid and perfected security):

(i) by assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices); and otherwise

(ii) by 100 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in paragraph (a) above provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares if an enforcement in respect of such loan occurs, provided such loan represents no more than 15 per cent. of the Obligor's senior debt.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Selling Institution**" means an institution from whom:

(a) a Participation is taken and satisfies the applicable Rating Requirement; or

(b) an Assignment is acquired.

"**Semi-Annual Obligations**" means Collateral Debt Obligations which, at the relevant date of measurement, pay interest less frequently than quarterly but which are not Annual Obligations.

"**Senior Expenses Cap**" means, in respect of each Payment Date the sum of:

(a) €300,000 *per annum* (pro-rated for the Due Period relating to such Payment Date on the basis of a 360 day year comprised of twelve 30-day months); and

(b) 0.0225 per cent. *per annum* (pro-rated for the Due Period relating to such Payment Date on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the

Aggregate Collateral Balance as at the Determination Date immediately preceding the Payment Date in respect of such Due Period,

provided however that if the amount of Trustee Fees and Expenses and Administrative Expenses paid on each of the three immediately preceding Payment Dates or, if a Frequency Switch Event has occurred, the immediately preceding Payment Date and during the related Due Period, (including the Due Period relating to the current Payment Date) is less than the stated Senior Expenses Cap, the amount of such shortfall will be applied to the Senior Expenses Cap with respect to the then current Payment Date. For the avoidance of doubt, any such shortfall may not at any time result in an increase of the Senior Expenses Cap on a *per annum* basis.

"**Senior Investment Management Fee**" means the fee payable to the Investment Manager in arrear on each Payment Date in accordance with the Priorities of Payment in respect of the immediately preceding Due Period pursuant to the Investment Management and Collateral Administration Agreement in an amount (exclusive of any applicable VAT), as determined by the Collateral Administrator, equal to 0.15 per cent. *per annum* (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the beginning of such Due Period.

"**Senior Loan**" means a collateral debt obligation that is a Secured Senior Loan, an Unsecured Senior Obligation that is a loan (and not a High Yield Bond) or a Second Lien Loan.

"**Similar Law**" means any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer or the Investment Manager (or other persons responsible for the investment and operation of the Issuer's assets) to any federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of section 406 of ERISA and/or section 4975 of the Code.

"**Solvency II**" means Directive 2009/138/EC of The European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (recast) including any implementing and/or delegated regulations, technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"**Solvency II Retention Requirements**" means Article 254 (Risk retention requirements relating to the originators, sponsors or original lenders) of Chapter VIII (Investments in Securitisation Positions) of Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) Text with EEA relevance, together with any technical standards and guidelines published in relation thereto by EIOPA as may be effective from time to time.

"**Special Redemption**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Amount**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Date**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Spot Rate**" means with respect to any conversion of any currency into Euro or, as the case may be, of Euro into any other relevant currency, the relevant spot rate of exchange quoted by the Collateral Administrator on the date of calculation.

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

"**Subordinated Investment Management Fee**" means the fee payable to the Investment Manager in arrear on each Payment Date in accordance with the Priorities of Payment in respect of the immediately preceding Due Period, pursuant to the Investment Management and Collateral Administration Agreement in an amount (exclusive of any applicable VAT), as determined by the Collateral Administrator, equal to 0.35 per cent. *per annum* (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the beginning of such Due Period.

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

"**Substitute Collateral Debt Obligation**" means a Collateral Debt Obligation purchased in substitution for a previously held Collateral Debt Obligation pursuant to the terms of the Investment Management and Collateral Administration Agreement and which satisfies both the Eligibility Criteria and the Reinvestment Criteria.

"**Swap Tax Credits**" means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Hedge Counterparty to the Issuer or a reduced payment from the Issuer to the Hedge Counterparty.

"**Swapped Non-Discount Obligation**" means any Collateral Debt Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the Sale Proceeds of a Collateral Debt Obligation that was not a Discount Obligation at the time of its purchase and will not be considered a Discount Obligation so long as such purchased Collateral Debt Obligation:

(a) is purchased or committed to be purchased within thirty calendar days of such sale;

(b) is purchased at a price (as a percentage of par) equal to or greater than the sale price of the sold Collateral Debt Obligation; and

(c) is purchased at a price not less than the lower of (i) 50 per cent. of the Principal Balance thereof and (ii) the average price of an Eligible Loan Index or Eligible Bond Index (as applicable),

provided that:

(a) to the extent the Aggregate Principal Balance of Swapped Non-Discount Obligations exceeds 5 per cent. of the Aggregate Collateral Balance, such excess will not constitute Swapped Non-Discount Obligations (and, for the avoidance of doubt, will instead constitute Discount Obligations);

(b) to the extent the Aggregate Principal Balance of Swapped Non-Discount Obligations acquired by the Issuer after the Issue Date exceeds 10 per cent. of the Target Par Amount, such excess will not constitute Swapped Non-Discount Obligations (and, for the avoidance of doubt, will instead constitute Discount Obligations); and

(c) such Collateral Debt Obligation will cease to be a Discount Obligation or a Swapped Non-Discount Obligation at such time as the Market Value (expressed as a percentage of par) for such Collateral Debt Obligation on each calendar day during any period of thirty consecutive calendar days since the acquisition of such Collateral Debt Obligation equals or exceeds:

(i) for a Floating Rate Collateral Debt Obligation, 90 per cent.; or

(ii) for all other Collateral Debt Obligations, 85 per cent.,

and **provided further that**, for the purpose of determining which Collateral Debt Obligations qualify as Swapped Non-Discount Obligations, if the Aggregate Principal Balance of Swapped Non-Discount Obligations exceeds 5 per cent. of the Aggregate Collateral Balance, the Collateral Debt Obligations (or any part thereof) constituting Swapped Non-Discount Obligations shall be in the order such assets were acquired by the Issuer (or the Investment Manager on its behalf).

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer system (or, if such system ceases to be operative, such other system (if any) determined by the Trustee to be a suitable replacement).

"**Target Par Amount**" means €350,000,000.

"**TCA**" means the Taxes Consolidation Act 1997, as amended, of Ireland.

"**Transaction Documents**" means the Trust Deed (including these Conditions), the Agency Agreement, the Placement Agency Agreement, the Investment Management and Collateral Administration

Agreement, any Hedge Agreements, the Risk Retention Letter, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement, any Reporting Delegation Agreement and any document supplemental thereto or issued in connection therewith.

"**Trustee Fees and Expenses**" means the fees and expenses and all other amounts payable to the Trustee or any Receiver or other Appointee pursuant to the Trust Deed or any other Transaction Document from time to time plus any applicable VAT thereon payable under the Trust Deed or any other Transaction Document, including indemnity payments and any fees, costs, charges and expenses (including any irrecoverable VAT) properly incurred by the Trustee in respect of any Refinancing (and in either case, to the extent such amounts relate to costs and expenses, such VAT to be limited to irrecoverable VAT).

"**UCITS Directive**" means Directive 2009/65/EC on Undertakings for Collective Investment in Transferable Securities (as amended from time to time) including any implementing and/or delegated regulations, technical standards and guidance related thereto.

"**Underlying Instrument**" means the agreements or instruments pursuant to which a Collateral Debt Obligation has been issued or created and each other agreement that governs the terms of, or secures the obligations represented by, such Collateral Debt Obligation or under which the holders or creditors under such Collateral Debt Obligation are the beneficiaries.

"**Unfunded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, the excess, if any, of:

(a) the Commitment Amount under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, as the case may be, at such time; over

(b) the Funded Amount thereof at such time.

"**Unfunded Revolver Reserve Account**" means the account of the Issuer established and maintained with the Account Bank pursuant to the Agency Agreement, amounts standing to the credit of which, subject to certain conditions, may be used to fund in full the amount of any unfunded commitments or unfunded liabilities from time to time, in relation to Delayed Drawdown Collateral Debt Obligations and Revolving Obligations.

"**Unscheduled Principal Proceeds**" means:

(a) with respect to any Collateral Debt Obligation (other than an Asset Swap Obligation), principal proceeds received by the Issuer prior to the Stated Maturity thereof as a result of optional redemptions, prepayments (including any acceleration) or Offers (excluding any premiums or make whole amounts in excess of the principal amount of such Collateral Debt Obligation); and

(b) in the case of any Asset Swap Obligation, the Asset Swap Counterparty Principal Exchange Amount payable in respect of the amounts referred to in paragraph (a) above pursuant to the related Asset Swap Transaction, together with:

  (i) any related Asset Swap Termination Receipts but less any related Asset Swap Termination Payments (to the extent any are payable and in each case determined without regard to the exclusions of unpaid amounts and Asset Swap Counterparty Principal Exchange Amounts or (as applicable) Asset Swap Issuer Principal Exchange Amounts set forth in the definitions thereof) and only to the extent not required for application towards the cost of entry into a Replacement Asset Swap Transaction; and

  (ii) any related Asset Swap Replacement Receipts but only to the extent not required for application towards any related Asset Swap Termination Payments.

"**Unsecured Senior Obligation**" means a Collateral Debt Obligation that:

(a) is an obligation senior to any unsecured, subordinated obligation of the Obligor as determined by the Investment Manager in its reasonable business judgment; and

(b) is not secured by:

(i) assets of the Obligor or guarantor thereof if and to the extent that the granting of security over assets is permissible under applicable law; or

(ii) 100 per cent. of the equity interests in the shares of an entity owning such fixed assets.

"**Unused Proceeds Account**" means an interest bearing account in the name of the Issuer with the Account Bank into which the Issuer will procure amounts are deposited in accordance with Condition 3(j)(iii) (*Unused Proceeds Account*).

"**U.S. Person**" means a U.S. person as such term is defined under Regulation S.

"**VAT**" means any tax imposed in conformity with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) and any other tax of a similar fiscal nature substituted for, or levied in addition to such tax whether in the European Union or elsewhere in any jurisdiction together with any interest and penalties thereon.

"**Volcker Rule**" means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended (12 U.S.C. §1851) and the regulations implementing the Volcker Rule issued by the Board of Governors of the Federal Reserve System.

"**Written Resolution**" means any Resolution of the Noteholders in writing, as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

2. Form and Denomination, Title, Transfer and Exchange

(a) Form and Denomination

The Notes of each Class will be issued in definitive, certificated, fully registered form, without interest coupons, talons and principal receipts attached, in the applicable Minimum Denomination and integral multiples of any Authorised Integral Amount in excess thereof. A Definitive Certificate will be issued to each Noteholder in respect of its registered holding of Notes. Each Definitive Certificate will be numbered serially with an identifying number which will be recorded in the Register which the Issuer shall procure to be kept by the Registrar.

(b) Title to the Registered Notes

Title to the Notes passes upon registration of transfers in the Register in accordance with the provisions of the Agency Agreement and the Trust Deed. Notes will be transferable only on the books of the Issuer and its agents. The registered holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

(c) Transfer

One or more Notes may be transferred in whole or in part in nominal amounts of the applicable Authorised Denomination only upon the surrender, at the specified office of the Registrar or any Transfer Agent, of the Definitive Certificate representing such Note(s) to be transferred, with the form of transfer endorsed on such Definitive Certificate duly completed and executed and together with such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Notes represented by one Definitive Certificate, a new Definitive Certificate will be issued to the transferee in respect of the part transferred and a further new Definitive Certificate in respect of the balance of the holding not transferred will be issued to the transferor. The Issuer shall procure that at all times the Register is kept and maintained outside the United Kingdom and that no copy of the Register is created, kept or maintained within the United Kingdom.

(d) Delivery of New Certificates

Each new Definitive Certificate to be issued pursuant to Condition 2(c) (*Transfer*) will be available for delivery within five Business Days of receipt of such form of transfer or of surrender of an

existing certificate upon partial redemption. Delivery of new Definitive Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar, as the case may be, to whom delivery or surrender shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer or otherwise in writing, shall be sent by pre-paid first class post, at the risk of the holder entitled to the new Definitive Certificate, to such address as may be so specified. In this Condition 2(d) (*Delivery of New Certificates*), "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified offices of the Transfer Agent and the Registrar.

(e) Transfer Free of Charge

Transfer of Notes and Definitive Certificates representing such Notes in accordance with these Conditions on registration or transfer will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(f) Closed Periods

No Noteholder may require the transfer of a Note to be registered:

(i) during the period of fifteen calendar days ending on the due date for redemption (in full) of that Note; or

(ii) during the period of seven calendar days ending on (and including) any Record Date.

(g) Regulations Concerning Transfer and Registration

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes scheduled to the Trust Deed, including without limitation, that a transfer of Notes in breach of certain of such regulations will result in such transfer being void ab initio. The regulations may be changed by the Issuer in any manner which is reasonably required by the Issuer (after consultation with the Trustee) to reflect changes in legal or regulatory requirements or in any other manner which, in the opinion of the Issuer (after consultation with the Trustee and subject to not less than sixty calendar days' notice of any such change having been given to the Noteholders in accordance with Condition 16 (*Notices*)), is not prejudicial to the interests of the holders of the relevant Class of Notes. A copy of the current regulations may be inspected at the offices of any Transfer Agent during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes and will be sent by the Registrar to any Noteholder who so requests.

(h) Forced Transfer of Rule 144A Notes

If the Issuer determines at any time that any holder of an interest in a Rule 144A Note (1) is a U.S. Person and (2) is not a QIB/QP (any such person, a "**Non-Permitted Holder**"), the Issuer shall promptly after determination that such person is a Non-Permitted Holder by the Issuer or a Transfer Agent (and notice by such Transfer Agent to the Issuer, if such Transfer Agent makes the determination), send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its Notes outside the United States to a non-U.S. Person or within the United States to a U.S. Person that is a QIB/QP within 30 calendar days of the date of such notice. If such Non-Permitted Holder fails to effect the transfer of its Rule 144A Notes within such 30 calendar day period, (a) the Issuer shall cause such Rule 144A Notes to be transferred in a sale to a person or entity that certifies to the Issuer and the Transfer Agent, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and (b) pending such transfer, no further payments will be made in respect of such beneficial interest. The Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Rule 144A Notes and selling such Rule 144A Notes to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion. Each Noteholder and each other person in the chain of title to the Non-Permitted Holder by its acceptance of an interest in the Rule 144A Notes agrees to cooperate with the Issuer to effect such transfers. The proceeds of such sale, net

of any commissions, expenses and taxes due in connection with such sale shall be remitted to the selling Noteholder. The terms and conditions of any sale hereunder shall be determined in the sole discretion of the Issuer, subject to the transfer restrictions set out herein, and none of the Issuer, the Trustee or the Registrar shall be liable to any person having an interest in the Notes sold as a result of any such sale or the exercise of such discretion. The Issuer and the Registrar reserve the right to require any holder of Notes to submit a written certification substantiating that it is a QIB/QP or a non-U.S. Person. If such holder fails to submit any such requested written certification on a timely basis, the Issuer has the right to assume that the holder of the Notes from whom such a certification is requested is not a QIB/QP or a non-U.S. Person. Furthermore, the Issuer and the Registrar reserve the right to refuse to honour a transfer of beneficial interests in a Rule 144A Note to any Person who is not either a non-U.S. Person or a U.S. Person that is a QIB/QP.

(i) Forced sale pursuant to FATCA

Each Noteholder (which, for the purposes of this Condition 2(i) (*Forced sale pursuant to FATCA*) may include a nominee or beneficial owner of a Note) will agree to provide the Issuer and its agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA and to prevent the imposition of tax under FATCA on payments to or for the benefit of the Issuer. In the event the Noteholder fails to provide such information or documentation, or to the extent that its ownership of the Notes would otherwise cause the Issuer to be subject to tax under FATCA, (A) the Issuer and its agents are authorised to withhold amounts otherwise distributable to the Noteholder as compensation for any taxes to which the Issuer is subject under FATCA as a result of such failure or the Noteholder's ownership of Notes, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or the Noteholder's ownership of Notes, the Issuer will have the right to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 10 Business Days after notice from the Issuer or any agent of the Issuer, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any costs, charges, and any taxes incurred by the Issuer in connection with such sale) to the Noteholder as payment in full for such Notes. The Issuer may assign each such Note, or procure that each such Note is assigned, a separate ISIN in the Issuer's sole discretion. For the avoidance of doubt, the Issuer shall have the right to sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA.

(j) Forced Transfer pursuant to ERISA

If any Noteholder is determined by the Issuer to be a Noteholder who has made or is deemed to have made a prohibited transaction, Benefit Plan Investor, Controlling Person, Other Plan Law or Similar Law representation that is subsequently shown to be false or misleading, or whose beneficial ownership otherwise causes a violation of the 25 per cent. limitation set out in Title I of ERISA and the related U.S. Department of Labor regulations (any such Noteholder a "**Non-Permitted ERISA Holder**"), the Non-Permitted ERISA Holder may be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser (selected by the Issuer) at a price to be agreed between the Issuer (exercising its sole discretion) and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of an interest in such Notes, agrees to cooperate with the Issuer, to the extent required to effect such transfers. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non-Permitted ERISA Holder will receive the balance, if any.

(k) Forced Transfer Mechanics and Registrar Authorisation

In order to effect the forced transfer provisions set out in Conditions 2(h) (*Forced Transfer of Rule 144A Notes*), 2(i) (*Forced sale pursuant to FATCA*) and 2(j) (*Forced Transfer pursuant to ERISA*), the Issuer may repay any affected Notes at par value and issue replacement Notes and the Issuer,

the Trustee and the Agents (each at the expense of the Issuer) shall work with the Clearing Systems to take such action as may be necessary to effect such repayment and issue of replacement Notes. The Noteholders hereby authorise the Registrar and the Clearing Systems to take such actions as are necessary in order to effect the forced transfer provisions set out in Conditions 2(h) (*Forced Transfer of Rule 144A Notes*), 2(i) (*Forced Transfer pursuant to FATCA*) and 2(j) (*Forced Transfer pursuant to ERISA*) above without the need for any further express instruction from any affected Noteholder. The Noteholders shall be bound by any actions taken by the Registrar, the Clearing Systems or any other party taken pursuant to the above-named Conditions.

(l) Contributions

At any time during or after the Reinvestment Period, any Noteholder may make a contribution of cash (a "**Contribution**" and each such Noteholder, a "**Contributor**"). The Investment Manager, on behalf of the Issuer, may accept or reject any Contribution in its reasonable discretion and will notify the Collateral Administrator of any such acceptance. If a Contribution is accepted, it will be received into the Contribution Account and applied towards a Permitted Use by the Investment Manager on behalf of the Issuer as directed by the Contributor at the time such Contribution is made (or, if no direction is given by the Contributor, at the Investment Manager's reasonable discretion) in accordance with Condition 3(j)(xi) (*Contribution Account*). No Contribution or portion thereof will be returned to the Contributor at any time. The acceptance of Contributions shall be subject to the following conditions:

(i) Contributions from Contributors may be made on a maximum of 3 Business Days and on each occasion shall be a minimum of EUR 1,000,000 in aggregate; and

(ii) the Reinvestment Overcollateralisation Test will be satisfied immediately after a Contribution has been received.

(m) Exchange of Voting/Non-Voting Notes

Each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes may be in the form of an IM Voting Note, an IM Non-Voting Exchangeable Note or an IM Non-Voting Note.

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

IM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into IM Non-Voting Exchangeable Notes or IM Non-Voting Notes. IM Non-Voting Exchangeable Notes shall be exchangeable (a) upon request by the relevant Noteholder at any time into IM Non-Voting Notes or (b) into IM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance. IM Non-Voting Notes shall not be exchangeable at any time into IM Voting Notes or IM Non-Voting Exchangeable Notes.

Any such right to exchange a Note, as described and subject to the limitations set out in the immediately prior paragraph, may be exercised by a Noteholder holding a Definitive Certificate or a beneficial interest in a Global Certificate delivering to the Registrar or a Transfer Agent a duly completed exchange request substantially in the form provided in the Trust Deed.

3. Status

(a) Status

The Notes of each Class constitute direct, general, secured, unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 4(c) (*Limited*

Recourse and Non-Petition). The Notes of each Class are secured in the manner described in Condition 4(a) (*Security*) and, within each Class, shall at all times rank *pari passu* and without any preference amongst themselves.

(b) Relationship Among the Classes

The Notes of each Class are constituted by the Trust Deed and are secured on the Collateral as further described in the Trust Deed. Payments of interest on the Class A Notes (where the Class A-1 Notes and the Class A-2 Notes will be treated as a single Class) will rank senior to payments of interest on each Payment Date in respect of each other Class; payment of interest on the Class B Notes (where the Class B-1 Notes and the Class B-2 Notes will be treated as a single Class) will be subordinated in right of payment to payments of interest in respect of the Class A Notes, but senior in right of payment to payments of interest in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class C Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes and the Class B Notes, but senior in right of payment to payments of interest on the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class D Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes and the Class C Notes, but senior in right of payment to payments of interest on the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class E Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, but senior in right of payment to payments of interest on the Class F Notes and the Subordinated Notes; payment of interest on the Class F Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and the Class E Notes, but senior in right of payment to payments of interest on the Subordinated Notes. Payment of interest on the Subordinated Notes will be subordinated in right of payment to payment of interest in respect of the Rated Notes. Interest on the Subordinated Notes shall be paid *pari passu* and without any preference amongst themselves.

No amount of principal in respect of the Class B Notes shall become due and payable until redemption and payment in full of the Class A Notes. No amount of principal in respect of the Class C Notes shall become due and payable until redemption and payment in full of the Class A Notes and the Class B Notes. No amount of principal in respect of the Class D Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes. No amount of principal in respect of the Class E Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. No amount of principal in respect of the Class F Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. Subject to the applicability of the Post-Acceleration Priority of Payments, the Subordinated Notes will be entitled to receive, out of Principal Proceeds, the amounts described under the Principal Proceeds Priority of Payments. Payments on the Subordinated Notes are subordinated to payments on the Rated Notes and other amounts described in the Priorities of Payment and no payments out of Principal Proceeds will be made on the Subordinated Notes until the Rated Notes and other payments ranking prior to the Subordinated Notes in accordance with the Priorities of Payment are paid in full.

(c) Priorities of Payment

The Collateral Administrator shall (on the basis of the Payment Date Report prepared by the Collateral Administrator in consultation with the Investment Manager pursuant to the terms of the Investment Management and Collateral Administration Agreement on each Determination Date), on behalf of the Issuer (i) on each Payment Date prior to the delivery (actual or deemed) of an Acceleration Notice in accordance with Condition 10(b) (*Acceleration*); (ii) following delivery (actual or deemed) of an Acceleration Notice which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*); and (iii) other than in connection with an optional redemption in whole under Condition 7(b) (*Optional Redemption*) or in accordance with Condition 7(g) (*Redemption following Note Tax Event*) (in which event the

Post-Acceleration Priority of Payments shall apply), cause the Account Bank to disburse Interest Proceeds and Principal Proceeds transferred to the Payment Account, in each case, in accordance with the following Priorities of Payment:

(i) Application of Interest Proceeds

Subject as further provided below, Interest Proceeds in respect of a Due Period shall be paid on the Payment Date immediately following such Due Period in the following order of priority:

(A) to the payment of:

(1) firstly, taxes owing by the Issuer accrued in respect of the related Due Period (other than Irish corporate income tax in relation to the Issuer Profit Amount), as certified by an Authorised Officer of the Issuer to the Collateral Administrator, if any, (save for any VAT payable in respect of any Investment Management Fee or any other tax payable in relation to any amount payable to any person in accordance with the following paragraphs which arise as a result of the payment of that amount to the relevant person); and

(2) secondly, the Issuer Profit Amount, for deposit into the Issuer Irish Account;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period;

(C) to the payment of Administrative Expenses in the order of priority stated in the definition thereof, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (B) above;

(D) to the Expense Reserve Account, at the Investment Manager's discretion, of an amount equal to the Ongoing Expense Reserve Amount;

(E) to the payment:

(1) *firstly*, to the Investment Manager of the Senior Investment Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority) (save for any Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts) except that the Investment Manager may, in its sole discretion, elect to (x) designate for reinvestment or (y) defer payment of some or all of the amounts that would have been payable to the Investment Manager under this paragraph (E) (any such amounts, being "**Deferred Senior Investment Management Amounts**") on any Payment Date, provided that any such amount in the case of (x) shall (a)(i) be used to purchase Substitute Collateral Debt Obligations or (ii) be deposited in the Principal Account pending reinvestment in Substitute Collateral Debt Obligations; and (b) not be treated as unpaid for the purposes of this paragraph (E) or paragraph (Z) below or in the case of (y), shall be applied to the payment of amounts in accordance with paragraphs (F) to (Y) and (AA) to (CC) below, subject to the Investment Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied; and

(2) *secondly*, to the Investment Manager of any previously due and unpaid Senior Investment Management Fees (other than Deferred Senior Investment Management Amounts) and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority);

(F) to the payment on a *pro-rata* basis of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid out of the Interest Account) or Scheduled Periodic Asset Swap Issuer Payments due and payable to any applicable Hedge Counterparty (to the extent not paid from funds available in the applicable Asset Swap

Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments (to the extent not paid out of the Hedge Termination Account));

(G) to the payment on a *pro-rata* and *pari passu* basis of the Interest Amounts due and payable on the Class A Notes (where the Class A-1 Notes and the Class A-2 Notes shall be treated as a single Class) in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on the Class A Notes;

(H) to the payment on a *pro-rata* and *pari passu* basis of the Interest Amounts due and payable on the Class B Notes (where the Class B-1 Notes and the Class B-2 Notes shall be treated as a single Class) in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on the Class B Notes;

(I) if (i) the Class A/B Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class A/B Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date following the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class A/B Coverage Test to be satisfied if recalculated following such redemption;

(J) to the payment on a *pro-rata* basis of the Interest Amounts due and payable on the Class C Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(K) if (i) the Class C Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class C Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date following the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class C Coverage Test to be satisfied if recalculated following such redemption;

(L) to the payment on a *pro-rata* basis of any Deferred Interest on the Class C Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(M) to the payment on a *pro-rata* basis of the Interest Amounts due and payable on the Class D Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(N) if (i) the Class D Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class D Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date following the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class D Coverage Test to be satisfied if recalculated following such redemption;

(O) to the payment on a *pro-rata* basis of any Deferred Interest on the Class D Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(P) to the payment on a *pro-rata* basis of the Interest Amounts due and payable on the Class E Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(Q) if (i) the Class E Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class E Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date following the Effective Date, to the redemption of the Notes

in accordance with the Note Payment Sequence to the extent necessary to cause each Class E Coverage Test to be satisfied if recalculated following such redemption;

(R) to the payment on a *pro-rata* basis of any Deferred Interest on the Class E Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(S) to the payment on a *pro-rata* basis of the Interest Amounts due and payable on the Class F Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(T) if the Class F Par Value Test is not satisfied on any Determination Date on and after the expiry of the Reinvestment Period, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause such Class F Par Value Test to be satisfied if recalculated following such redemption;

(U) to the payment on a *pro-rata* basis of any Deferred Interest on the Class F Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(V) on the Payment Date next following the Effective Date (and on each Payment Date thereafter to the extent required), in the event of the occurrence of an Effective Date Rating Event which is continuing on the Business Day prior to such Payment Date, to redeem the Notes in full in accordance with the Note Payment Sequence or, if earlier, until an Effective Date Rating Event is no longer continuing;

(W) if, on any Payment Date during the Reinvestment Period, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (V) (inclusive) above, the Reinvestment Overcollateralisation Test has not been met, to the payment to the Principal Account as Principal Proceeds, for the acquisition of additional Collateral Debt Obligations in an amount (such amount, the "**Required Diversion Amount**") equal to the lesser of:

(1) 50 per cent. of all remaining Interest Proceeds available for payment; and

(2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (V) (inclusive) above, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met;

(X) in payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap;

(Y) in payment of Administrative Expenses (if any) in the order of priority stated in the definition thereof not paid by reason of the Senior Expenses Cap.

(Z) to the payment:

(1) *firstly*, to the Investment Manager of the Subordinated Investment Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority) (save for any Deferred Subordinated Investment Management Amount) until such amount has been paid in full except that the Investment Manager may, in its sole discretion elect to defer payment of some or all of the amounts that would have been payable to the Investment Manager under this paragraph (Z) (any such amounts, being "**Deferred Subordinated Investment Management Amounts**") on any Payment Date, provided that any such amount shall either:

1. be used to purchase additional Collateral Debt Obligations; or

2. be deposited in the Principal Account pending reinvestment in Substitute Collateral Debt Obligations; or

3. shall be applied to the payment of amounts in accordance with paragraphs (AA) to (CC) (inclusive) below,

subject to the Investment Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so deferred and provided that any deferral of the Subordinated Investment Management Fee under this paragraph (Z) shall not be treated as non-payment for the purposes of making further payments pursuant to the Interest Proceeds Priority of Payments; and

(2) *secondly*, to the Investment Manager of any previously due and unpaid Subordinated Investment Management Fee (other than Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts) and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority); and

(3) *thirdly*, at the election of the Investment Manager (at its sole discretion) to the Investment Manager in payment of any previously Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority);

(AA) to the payment on a *pro-rata* and *pari passu* basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty not paid in accordance with paragraph (F) above;

(BB) during the Reinvestment Period at the direction and in the discretion of the Investment Manager, to transfer to the Collateral Enhancement Account, any Collateral Enhancement Amount; and

(CC) (1) if the Incentive Investment Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds to the payment of interest on the Subordinated Notes on a *pro-rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Incentive Investment Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to sub-paragraph (1) above, and paragraph (T) of the Principal Proceeds Priority of Payments, the Incentive Investment Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) 20 per cent. of any remaining Interest Proceeds, to the payment to the Investment Manager as the Incentive Investment Management Fee and any VAT thereon whether payable to the Investment Manager or directly to the relevant tax authority; and

(b) any remaining Interest Proceeds after the payment of the Incentive Investment Management Fee pursuant to (a) above, to the payment of interest on the Subordinated Notes on a pro-rata basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

(ii) Application of Principal Proceeds

Principal Proceeds in respect of a Due Period shall be paid on the Payment Date immediately following such Due Period in the following order of priority:

(A) to the payment, on a sequential basis, of the amounts referred to in paragraphs (A) to (H) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(B) to the payment of the amounts referred to in paragraph (I) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class A/B Coverage Tests that are applicable on such Payment Date with respect to the Class A Notes and the Class B Notes to be satisfied if recalculated following such redemption;

(C) to the payment of the amounts referred to in paragraph (K) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class C Coverage Tests that are applicable on such Payment Date with respect to the Class C Notes to be satisfied if recalculated following such redemption;

(D) to the payment of the amounts referred to in paragraph (N) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class D Coverage Tests that are applicable on such Payment Date with respect to the Class D Notes to be satisfied if recalculated following such redemption;

(E) to the payment of the amounts referred to in paragraph (Q) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class E Coverage Tests that are applicable on such Payment Date with respect to the Class E Notes to be satisfied if recalculated following such redemption;

(F) to the payment of the amounts referred to in paragraph (T) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class F Par Value Test applicable on such Payment Date with respect to the Class F Notes to be satisfied if recalculated following such redemption;

(G) to the payment of the amounts referred to in paragraph (J) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that such payment would not cause the failure of a Par Value Test on a *pro forma* basis;

(H) to the payment of the amounts referred to in paragraph (L) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that such payment would not cause the failure of a Par Value Test on a *pro forma* basis;

(I) to the payment of the amounts referred to in paragraph (M) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that such payment would not cause the failure of a Par Value Test on a *pro forma* basis;

(J) to the payment of the amounts referred to in paragraph (O) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that such payment would not cause the failure of a Par Value Test on a *pro forma* basis;

(K) to the payment of the amounts referred to in paragraph (P) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that such payment would not cause the failure of a Par Value Test on a *pro forma* basis;

(L) to the payment of the amounts referred to in paragraph (R) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder but only to the

extent that such payment would not cause the failure of a Par Value Test on a *pro forma* basis;

(M) to the payment of the amounts referred to in paragraph (S) of the Interest Proceeds Priority of Payments and only to the extent not paid in full thereunder but only to the extent that such payment would not cause the failure of a Par Value Test on a *pro forma* basis;

(N) to the payment of the amounts referred to in paragraph (U) of the Interest Proceeds Priority of Payments, and only to the extent not paid in full thereunder but only to the extent that such payment would not cause the failure of a Par Value Test on a *pro forma* basis;

(O) to the payment of the amounts referred to in paragraph (V) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(P) to the payment of an amount equal to the Special Redemption Amount (if any) applicable to such Payment Date if it is a Special Redemption Date falling during the Reinvestment Period;

(Q) (1) during the Reinvestment Period, at the discretion of the Investment Manager, either to purchase Substitute Collateral Debt Obligations or to credit the Principal Account pending reinvestment in Substitute Collateral Debt Obligations at a later date in each case in accordance with the Investment Management and Collateral Administration Agreement; and

(2) after the Reinvestment Period in the case of Principal Proceeds representing Unscheduled Principal Proceeds, Sale Proceeds from the sale of Credit Impaired Obligations and Sale Proceeds from the sale of Credit Improved Obligations at the discretion of the Investment Manager, either to purchase Substitute Collateral Debt Obligations or to credit the Principal Account pending reinvestment in Substitute Collateral Debt Obligations at a later date in each case in accordance with the Investment Management and Collateral Administration Agreement;

(R) after the Reinvestment Period, to redeem the Notes in accordance with the Note Payment Sequence;

(S) to the payment on a sequential basis of the amounts referred to in paragraphs (X) to (AA) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder; and

(T) (1) if the Incentive Investment Management Fee IRR Threshold has not been reached, any remaining Principal Proceeds to the payment on the Subordinated Notes on a *pro-rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Incentive Investment Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to paragraph (1) above and, paragraph (CC) of the Interest Proceeds Priority of Payments the Incentive Investment Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) 20 per cent. of any remaining Principal Proceeds, to the payment to the Investment Manager as the Incentive Investment Management Fee and any VAT thereon whether payable to the Investment Manager or directly to the relevant tax authority; and

(b) any remaining Principal Proceeds after the payment of the Incentive Investment Management Fee pursuant to paragraph (a) above, to the payment of principal on the Subordinated Notes on a pro-rata basis and thereafter to the payment of interest on the Subordinated Notes on a pro-rata basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

Where the payment of any amount in accordance with the Priorities of Payment set out above is subject to any deduction or withholding for or on account of any tax or any other tax is payable by or on behalf of the Issuer in respect of any such amount, payment of the amount so deducted or withheld or of the tax so due shall be made to the relevant taxing authority *pari passu* with and, so far as possible, at the same time as the payment of the amount in respect of which the relevant deduction or withholding or other liability to tax has arisen.

(d) Non-payment of Amounts

Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class A Notes or the Class B Notes pursuant to Condition 6 (*Interest*) in accordance with the Priorities of Payment by reason solely that there are insufficient funds standing to the credit of the Payment Account shall not be an Event of Default unless and until such failure continues for a period of at least five Business Days (or ten Business Days in the case of an administrative error or omission), save in each case as the result of any deduction therefrom or the imposition of withholding thereon as set forth in Condition 9 (*Taxation*). Failure on the part of the Issuer to pay Interest Amounts on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes or the Subordinated Notes as a result of the insufficiency of available Interest Proceeds or, with respect to the Subordinated Notes, Interest Proceeds or Principal Proceeds, shall not at any time constitute an Event of Default.

Subject always, in the case of Interest Amounts payable in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes to Condition 6(c) (*Deferral of Interest*) and save as otherwise provided in respect of any unpaid Investment Management Fees (and VAT payable in respect thereof), if non-payment of any amounts referred to in the Interest Proceeds Priority of Payments or the Principal Proceeds Priority of Payments occurs on any Payment Date, such amounts shall remain due and shall be payable on each subsequent Payment Date in the orders of priority provided for in this Condition 3 (*Status*). References to the amounts referred to in the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments of this Condition 3 (*Status*) shall include any amounts thereof not paid when due in accordance with this Condition 3 (*Status*) on any preceding Payment Date.

(e) Determination and Payment of Amounts

The Collateral Administrator will, in consultation with the Investment Manager, as of each Determination Date, calculate the amounts payable on the applicable Payment Date pursuant to the Priorities of Payment and will notify the Issuer and the Trustee of such amounts. The Account Bank (acting in accordance with the Payment Date Report compiled by the Collateral Administrator on behalf of the Issuer) shall, on behalf of the Issuer not later than 12.00 noon (London time) on the Business Day preceding each Payment Date, cause the amounts standing to the credit of the Principal Account, the Unused Proceeds Account and if applicable the Interest Account and the Collateral Enhancement Account (together with, to the extent applicable, amounts standing to the credit of any other Account) to the extent required to pay the amounts referred to in the Interest Proceeds Priority of Payments, the Principal Proceeds Priority of Payments and the Post-Acceleration Priority of Payments which are payable on such Payment Date, to be transferred to the Payment Account in accordance with Condition 3(j) (*Payments to and from the Accounts*).

(f) *De Minimis* Amounts

The Collateral Administrator may, in consultation with the Investment Manager, adjust the amounts required to be applied in payment of principal on the Class A Notes, the Class B Notes,

the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes from time to time pursuant to the Priorities of Payment so that the amount to be so applied in respect of each Class A-1 Note, Class A-2 Note, Class B-1 Note, Class B-2 Note, Class C Note, Class D Note, Class E Note, Class F Note and the Subordinated Notes is a whole amount, not involving any fraction of a 0.01 Euro or, at the discretion of the Collateral Administrator, part of a Euro.

(g) Publication of Amounts

The Collateral Administrator, on behalf of the Issuer, will cause details of the amounts of interest and principal to be paid, and any amounts of interest payable but not paid, on each Payment Date in respect of the Notes to be notified at the expense of the Issuer to the Issuer, the Trustee, the Principal Paying Agent, the Registrar and the Irish Stock Exchange by no later than 11.00 a.m. (London time) on the Business Day preceding the applicable Payment Date by way of the Payment Date Report.

(h) Notifications to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained or discretions exercised for the purposes of the provisions of this Condition 3 (*Status*) will (in the absence of manifest error) be binding on the Issuer, the Collateral Administrator, the Investment Manager, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence of the fraud, negligence or wilful misconduct of the Collateral Administrator) no liability to the Issuer or the Noteholders shall attach to the Collateral Administrator in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition 3 (*Status*).

(i) Accounts

The Issuer shall, on or prior to the Issue Date, establish the following accounts with the Account Bank or (as the case may be) with the Custodian:

- the Principal Account;
- the Interest Account;
- the Unused Proceeds Account;
- the Payment Account;
- the Collateral Enhancement Account;
- the Expense Reserve Account;
- the Unfunded Revolver Reserve Account;
- the Contribution Account;
- the Counterparty Downgrade Collateral Account(s);
- the Hedge Termination Account(s);
- the Asset Swap Account(s);
- the Custody Account;
- the First Period Reserve Account;
- the Interest Smoothing Account.

The Account Bank and the Custodian shall at all times be a financial institution satisfying the Rating Requirement applicable thereto pursuant to these Conditions and the Transaction Documents and which has the necessary regulatory capacity and licences to perform the services required by it. If the Account Bank at any time fails to satisfy the Rating Requirement, the Issuer shall use reasonable endeavours to procure that a replacement Account Bank acceptable to the Trustee, which satisfies the Rating Requirement is appointed in accordance with the provisions of the Agency Agreement.

Amounts standing to the credit of the Accounts (other than the Unfunded Revolver Reserve Account, the Counterparty Downgrade Collateral Account and the Payment Account) from time to time may be invested by the Investment Manager on behalf of the Issuer in Eligible Investments.

All interest accrued on any of the Accounts (other than the Counterparty Downgrade Collateral Accounts) from time to time shall be paid into the Interest Account, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All principal amounts received in respect of Eligible Investments standing to the credit of any Account from time to time shall be credited to that Account upon maturity, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All interest accrued on such Eligible Investments (including capitalised interest received upon the sale, maturity or termination of any such investment) shall be paid to the Interest Account as, and to the extent provided, above.

To the extent that any amounts required to be paid into any Account (other than the Counterparty Downgrade Collateral Account) pursuant to the provisions of this Condition 3 (*Status*) are denominated in a currency other than Euro, the Investment Manager, acting on behalf of the Issuer, may convert such amounts into the currency of the Account at the Spot Rate as determined by the Collateral Administrator at the direction of the Investment Manager.

Notwithstanding any other provisions of this Condition 3(i) (*Accounts*), all amounts standing to the credit of each of the Accounts (other than (i) the Interest Account, (ii) the Payment Account, (iii) the Expense Reserve Account, (iv) the Collateral Enhancement Account and (v) all interest accrued on the Accounts and (vi) the Counterparty Downgrade Collateral Account) shall be transferred to the Payment Account and shall constitute Principal Proceeds on the Business Day prior to any redemption of the Notes in full, and all amounts standing to the credit of each of the Interest Account, the Expense Reserve Account, the Collateral Enhancement Account, the Interest Smoothing Account and, to the extent not required to be repaid to any Hedge Counterparty, the Counterparty Downgrade Collateral Account shall be transferred to the Payment Account as Interest Proceeds on the Business Day prior to any redemption of the Notes in full.

Application of amounts in respect of Swap Tax Credits received by the Issuer shall be paid out of the Interest Account to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement, without regard to the Priorities of Payment.

(j) Payments to and from the Accounts

(i) Principal Account

The Issuer will procure that the following Principal Proceeds (save for those in respect of any Asset Swap Obligations) are paid into the Principal Account promptly, upon receipt:

(A) all principal payments received in respect of any Collateral Debt Obligation including, without limitation, save to the extent that they relate to Asset Swap Obligations:

(1) Scheduled Principal Proceeds, other than any Interest Rate Hedge Replacement Receipts or Interest Rate Hedge Termination Receipts;

(2) amounts received in respect of any maturity, scheduled amortisation, mandatory prepayment or mandatory sinking fund payment on a Collateral Debt Obligation;

(3) Unscheduled Principal Proceeds; and

(4) any other principal payments with respect to Collateral Debt Obligations or Eligible Investments (to the extent not included in the Sale Proceeds),

but excluding any such payments received in respect of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, to the extent required to be paid into the Unfunded Revolver Reserve Account;

(B) any Asset Swap Counterparty Principal Exchange Amount (other than any payments from an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction, which shall be paid into the relevant Asset Swap Account) received by the Issuer under any Asset Swap Transactions;

(C) the Balance standing to the credit of the relevant Hedge Termination Account in the circumstances described under Condition 3(j)(viii) (*Hedge Termination Account*) below;

(D) amounts received in respect of any Asset Swap Obligation which are not required to be paid to the applicable Asset Swap Counterparty pursuant to the related Asset Swap Transaction but which are required, pursuant to the Investment Management and Collateral Administration Agreement, to be paid into the Principal Account following conversion thereof into Euro at the Applicable Exchange Rate;

(E) all interest and other amounts received in respect of any Defaulted Obligation or any Mezzanine Obligation for so long as it is a Defaulted Obligation or a Defaulted Deferring Mezzanine Obligation (as applicable) (save for Defaulted Obligation Excess Amounts and Defaulted Mezzanine Excess Amounts) and amounts representing the element of deferred interest in any payments received in respect of any PIK Security;

(F) all premiums (including prepayment premiums) receivable upon redemption of any Collateral Debt Obligation at maturity or otherwise or upon exercise of any put or call option in respect thereof which is above the outstanding principal amount of any Collateral Debt Obligation;

(G) all fees and commissions received in connection with the purchase or sale of any Collateral Debt Obligations or Eligible Investments (other than any steering committee fees, which the Investment Manager shall be entitled to retain provided that any fees received in connection with the extension of the maturity of a Defaulted Obligation or a reduction in the outstanding principal balance of a Defaulted Obligation shall be deposited into the Principal Account) as determined by the Investment Manager in its reasonable discretion;

(H) all Sale Proceeds received in respect of a Collateral Debt Obligation (save for any Asset Swap Obligation);

(I) all Distributions and Sale Proceeds received in respect of Exchanged Equity Securities;

(J) all Collateral Enhancement Obligation Proceeds;

(K) all Purchased Accrued Interest;

(L) amounts transferred to the Principal Account from any other Account as required below;

(M) all proceeds received from any additional issuance of the Notes that are not invested in Collateral Debt Obligations or required to be paid into the Interest Account;

(N) any other amounts received in respect of the Collateral which are not required to be paid into another Account;

(O) all amounts transferred to the Issuer from the Counterparty Downgrade Collateral Account in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*);

(P) all amounts transferred from the Collateral Enhancement Account;

(Q) all amounts transferred from the Expense Reserve Account or Unused Proceeds Account;

(R) all amounts payable into the Principal Account pursuant to paragraph (W) of the Interest Proceeds Priority of Payments upon the failure to meet the Reinvestment Overcollateralisation Test during the Reinvestment Period;

(S) all principal and interest payments including Sale Proceeds received in respect of any Non-Eligible Issue Date Collateral Debt Obligation or any other asset which did not satisfy the Eligibility Criteria on the date it was required to do so and which have not been sold by the Investment Manager in accordance with Investment Management and Collateral Administration Agreement, other than any Purchased Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty in accordance with the Investment Management and Collateral Administration Agreement; and

(T) any other amounts which are not required to be paid into any other Account in accordance with this Condition 3(j) (*Payments to and from the Accounts*).

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Principal Account:

(1) on the Business Day prior to each Payment Date, all Principal Proceeds standing to the credit of the Principal Account to the Payment Account to the extent required for disbursement pursuant to the Principal Proceeds Priority of Payments, save for:

(a) amounts deposited after the end of the related Due Period; and

(b) any Principal Proceeds deposited prior to the end of the related Due Period to the extent such Principal Proceeds are permitted to be and have been designated for reinvestment by the Investment Manager (on behalf of the Issuer) pursuant to the Investment Management and Collateral Administration Agreement (including any payments to an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction) for a period beyond such Payment Date, provided in each case, such amounts are not required to be used to pay any amounts due and payable in accordance with the Principal Proceeds Priority of Payments or to settle any acquisitions for which the Issuer (or the Investment Manager acting on its behalf) has entered into binding commitments to purchase but which have not yet settled.

If the Coverage Tests are not satisfied, Principal Proceeds from Defaulted Obligations may not be designated for reinvestment by the Investment Manager (on behalf of the Issuer) until after the following Payment Date. No such payment to the Payment Account shall be made to the extent that such amounts are not required to be distributed pursuant to the Principal Proceeds Priority of Payments on such Payment Date;

(2) at any time at the discretion of the Investment Manager, acting on behalf of the Issuer, in accordance with the terms of, and to the extent permitted under, the Investment Management and Collateral Administration Agreement, in the acquisition of Collateral Debt Obligations including amounts equal to the Unfunded Amounts of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations which are required to be deposited in the Unfunded Revolver Reserve Account;

(3) on any Payment Date, at the discretion of the Investment Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Investment Management and Collateral Administration Agreement, in payment of the purchase price of any Notes purchased by the Issuer in accordance with Condition 7(k) (*Purchase*); and

(4) on the first Payment Date following the Effective Date and provided that as at such date the Rating Agencies have confirmed the Initial Ratings of the Rated Notes following delivery of the Effective Date Report (or in respect of Moody's, the Effective Date Moody's Condition is satisfied) and provided that such Rating Agency Confirmation shall only be required from Fitch to the extent that the Effective Date Determination Requirements have not been satisfied, at the discretion of the Investment Manager, to the Interest Account in an amount not exceeding the lesser of (i) the Net Reinvestment Gains Amount; (ii) the Unused Proceeds Account to Interest Account Headroom; and (iii) the Aggregate Principal Balance plus all amounts standing to the credit of the Principal Account on such date minus the Target Par Amount. For the purposes of this paragraph (4), "**Net Reinvestment Gains Amount**" means, for all Collateral Debt Obligations sold and the corresponding sale proceeds reinvested in additional Collateral Debt Obligations during the Initial Investment Period, the sum of the differences between the sale price for each such Collateral Debt Obligation and the purchase price for the applicable additional Collateral Debt Obligation so purchased; and "**Unused Proceeds Account to Interest Account Headroom**" means the positive difference between (x) an amount equal to 1 per cent. of the Target Par Amount; and (y) the aggregate amount transferred to the Interest Account from the Unused Proceeds Account pursuant to paragraph (4) of Condition 3(j)(iii)(B)(Unused Proceeds Account).

(ii) Interest Account

The Issuer will procure that the following Interest Proceeds are credited to the Interest Account promptly upon receipt thereof:

(A) all cash payments of interest in respect of the Collateral Debt Obligations (save for any Asset Swap Obligation) other than any Purchased Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty but excluding any interest received in respect of any Defaulted Obligations and Mezzanine Obligation for so long as it is a Defaulted Obligation or Defaulted Deferring Mezzanine Obligation (as applicable) other than Defaulted Obligation Excess Amounts and Defaulted Mezzanine Excess Amounts (as applicable);

(B) all interest accrued on the Balance standing to the credit of the Interest Account from time to time and all interest accrued in respect of the Balances standing to the credit of the other Accounts (other than the Counterparty Downgrade Collateral Account) (including interest on any Eligible Investments standing to the credit thereof);

(C) all amendment and waiver fees, all late payment fees, all commitment fees, delayed compensation and all other fees and commissions received in connection with any Collateral Debt Obligations and Eligible Investments as determined by the Investment Manager in its reasonable discretion, other than:

(1) fees and commissions received in connection with the purchase or sale of any Collateral Debt Obligations or Eligible Investments which fees and commissions shall be payable into the Principal Account and shall constitute Principal Proceeds; or

(2) fees and commissions received in connection with the restructuring of any Defaulted Obligation which fees and commissions shall be payable into the Principal Account and shall constitute Principal Proceeds;

(D) all Scheduled Periodic Asset Swap Counterparty Payments received by the Issuer under an Asset Swap Transaction and all Scheduled Periodic Interest Rate Hedge Counterparty Payments received by the Issuer under an Interest Rate Hedge Transaction;

(E) all accrued interest included in the proceeds of sale of any other Collateral Debt Obligation that are designated by the Investment Manager as Interest Proceeds pursuant to the Investment Management and Collateral Administration Agreement, provided that no such designation may be made in respect of:

(1) any Purchased Accrued Interest;

(2) (a) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; or

(b) a Defaulted Obligation save for Defaulted Obligation Excess Amounts;

(F) all proceeds received during the related Due Period from any additional issuance of Subordinated Notes that are not reinvested or retained for reinvestment in Collateral Debt Obligations;

(G) all amounts representing the element of deferred interest in any payments received in respect of any Mezzanine Obligation which is not a Defaulted Deferring Mezzanine Obligation which by its contractual terms provides for the deferral of interest;

(H) amounts transferred to the Interest Account from the Unused Proceeds Account in the circumstances described under Condition 3(j)(iii) (*Unused Proceeds Account*) below;

(I) all scheduled commitment fees received by the Issuer in respect of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations;

(J) all amounts received by the Issuer in respect of interest paid in respect of any collateral deposited by the Issuer with a third party as security for any reimbursement or indemnification obligations to any other lender under a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation in an account established pursuant to an ancillary facility;

(K) all amounts transferred from the Collateral Enhancement Account;

(L) all amounts transferred from the Expense Reserve Account;

(M) all amounts transferred from the First Period Reserve Account;

(N) any Swap Tax Credit received by the Issuer;

(O) any Interest Smoothing Amounts which are required to be transferred from the Interest Smoothing Account; and

(P) amounts transferred to the Interest Account from the Principal Account in the circumstances described under Condition 3(j)(i) (*Principal Account*) above.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Interest Account:

(1) on the Business Day prior to each Payment Date, all Interest Proceeds (except for Swap Tax Credit) standing to the credit of the Interest Account shall be transferred to the Payment Account to the extent required for disbursement pursuant to the Interest Proceeds Priority of Payments save for amounts deposited after the end of the related Due Period;

(2) at any time, funds may be transferred to the relevant Asset Swap Account up to an amount equal to any shortfall in the Balance standing to the credit of such Account with respect to any payment obligation by the Issuer pursuant to paragraph (B) of Condition 3(j)(ix) (*Asset Swap Account*) at such time;

(3) at any time, any amounts payable by the Issuer under any Interest Rate Hedge Transaction save for any Interest Rate Hedge Termination Payments that are Defaulted Hedge Termination Payments;

(4) at any time in accordance with the terms of, and to the extent permitted under, the Investment Management and Collateral Administration Agreement, in the acquisition of Collateral Debt Obligations to the extent that any such acquisition costs represent accrued interest;

(5) at any time, any Swap Tax Credit shall be paid to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement; and

(6) on the Business Day following each Determination Date save for (i) the first Determination Date following the Issue Date; (ii) a Determination Date following the occurrence of an Event of Default which is continuing; (iii) the Determination Date immediately prior to any redemption of the Notes in full; and (iv) any Determination Date on or following the occurrence of a Frequency Switch Event, the Interest Smoothing Amount, if any, applicable to the related Determination Date to the Interest Smoothing Account.

(iii) Unused Proceeds Account

The Issuer will procure that the following amounts are credited to the Unused Proceeds Account, as applicable:

(A) an amount equal to the net proceeds of issue of the Notes remaining after:

(1) the payment of certain fees and expenses due and payable by the Issuer on the Issue Date; and

(2) amounts payable into the Expense Reserve Account; and

(3) amounts payable into the First Period Reserve Account; and

(B) all proceeds received during the Initial Investment Period from any additional issuance of Notes that are not invested in Collateral Debt Obligations or paid into the Interest Account.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the applicable sub-ledger of the Unused Proceeds Account:

(1) on or about the Issue Date, such amounts equal to the aggregate of:

(a) the purchase price for certain Collateral Debt Obligations on or prior to the Issue Date, if any; and

(b) amounts required for repayment of any amounts borrowed by the Issuer (together with interest thereon) in order to finance the acquisition of certain Collateral Debt Obligations on or prior to the Issue Date;

(2) at any time up to and including the last day of the Initial Investment Period, in accordance with the terms of, and to the extent permitted under, the Investment Management and Collateral Administration Agreement, in the acquisition of Collateral Debt Obligations including any amounts payable by the Issuer to an Asset Swap Counterparty in respect of initial principal exchange amount in relation to an Asset Swap Obligation;

(3) if an Effective Date Rating Event occurs, the Balance standing to the credit of the Unused Proceeds Account, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier, until an Effective Date Rating Event is no longer continuing; and

(4) on or after the Effective Date, the Balance standing to the credit of the Unused Proceeds Account, to the Principal Account or the Interest Account, in each case, at the discretion of the Investment Manager, acting on behalf of the Issuer, **provided that** as at such date:

(a) the Issuer has acquired or entered into binding commitments to acquire Collateral Debt Obligations, the Aggregate Principal Balance of which equals or exceeds the Target Par Amount (provided that, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Debt Obligations not subsequently reinvested subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its Fitch Collateral Value);

(b) the Rating Agencies have confirmed the Initial Ratings of the Rated Notes following delivery of the Effective Date Report (or in respect of Moody's, the Effective Date Moody's Condition is satisfied) and provided that such Rating Agency Confirmation shall only be required from Fitch to the extent that the Effective Date Determination Requirements have not been satisfied; and

(c) no more than 1 per cent. of the Target Par Amount may be transferred to the Interest Account.

(iv) Payment Account

The Issuer will procure that, on the Business Day prior to each Payment Date, all amounts standing to the credit of each of the Accounts which are required to be transferred from the other accounts to the Payment Account pursuant to Condition 3(i) (*Accounts*) and Condition 3(j) (*Payments to and from the Accounts*) are so transferred, and, on such Payment Date, the Collateral Administrator shall cause the Account Bank (acting on the basis of the Payment Date Report), to disburse such amounts in accordance with the Priorities of Payment. No amounts shall be transferred to or withdrawn from the Payment Account at any other time or in any other circumstances.

(v) Counterparty Downgrade Collateral Account

The Issuer will procure that all Counterparty Downgrade Collateral transferred pursuant to a Hedge Agreement shall be deposited in a separate account in respect of each Hedge Counterparty. All Counterparty Downgrade Collateral deposited from time to time in any Counterparty Downgrade Collateral Account shall be held and released pursuant to the terms set out below.

The funds or securities credited to the Counterparty Downgrade Collateral Account and any interest or distributions thereon or liquidation proceeds thereof are held separate from and do not form part of Principal Proceeds or of the Interest Proceeds (other than in the circumstances set out below) and accordingly, are not available to fund general distributions of the Issuer. The amounts standing to the credit of the applicable Counterparty Downgrade Collateral Account shall not be commingled with any other funds from any party.

Amounts standing to the credit of each Counterparty Downgrade Collateral Account will not be available for the Issuer to make payments to the Noteholders nor any other creditor of the

Issuer. The Issuer will procure the payment of the following amounts (and shall ensure that no other payments are made, save to the extent required hereunder):

(A) prior to the occurrence or designation of an "Early Termination Date" (as defined in the Hedge Agreement) in respect of all "Transactions" entered into under the relevant Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early, solely in or towards payment or transfer of:

(1) any "Return Amounts" (as defined in the applicable Hedge Agreement);

(2) any "Interest Amounts" and "Distributions" (each as defined in the applicable Hedge Agreement);

(3) any return of collateral to the Hedge Counterparty upon a novation of its obligations under the Hedge Agreement to a replacement Hedge Counterparty, directly to the Hedge Counterparty in accordance with the terms of the "Credit Support Annex" of such Hedge Agreement;

(B) following the designation of an "Early Termination Date" in respect of all "Transactions" under a Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early where (A) an "Event of Default" (as defined in the Hedge Agreement) in respect of the Hedge Counterparty or an "Additional Termination Event" (as defined in the Hedge Agreement) in relation to which the Hedge Counterparty is the sole "Affected Party" (as defined in the Hedge Agreement) and (B) the Issuer enters into a replacement Hedge Agreement or any novation of the Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "Early Termination Date" (as defined in the Hedge Agreement), in the following order of priority:

(1) first, in or towards payment of any Hedge Replacement Payment (to the extent not funded from the Hedge Termination Account);

(2) second, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account); and

(3) third, the surplus remaining (if any) (the "**Counterparty Downgrade Collateral Account Surplus**") be transferred to the Principal Account;

(C) following the designation of an "Early Termination Date" (as defined in the Hedge Agreement) in respect of all "Transactions" (as defined in the Hedge Agreement) under a Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early (A) other than in respect of an "Event of Default" (as defined in the Hedge Agreement) in respect of the Hedge Counterparty and other than in respect of an "Additional Termination Event" (as defined in the Hedge Agreement) in relation to which the Hedge Counterparty is the sole "Affected Party" (as defined in the Hedge Agreement) and (B) the Issuer enters into a replacement Hedge Agreement or any novation of the Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "Early Termination Date" (as defined in the Hedge Agreement) of the Hedge Agreement, in the following order of priority:

(1) first, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account);

(2) second, in or towards payment of any Hedge Replacement Payment (to the extent not funded from the Hedge Termination Account); and

(3) third, the Counterparty Downgrade Collateral Account Surplus be transferred to the Principal Account; and

(D) following the designation of an "Early Termination Date" (as defined in the Hedge Agreement) in respect of all "Transactions" (as defined in the Hedge Agreement) under a Hedge Agreement pursuant to which all "Transactions" (as defined in the Hedge Agreement) under the Hedge Agreement are terminated early, if for any reason the Issuer is unable to or elects not to enter into a replacement Hedge Agreement or any novation of the Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "Early Termination Date" (as defined in the Hedge Agreement), in the following order of priority:

(1) first, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account); and

(2) second, the Counterparty Downgrade Collateral Account Surplus be transferred to the Principal Account.

(vi) Collateral Enhancement Account

The Issuer will procure that, on each Payment Date, any Collateral Enhancement Amount applied in payment into the Collateral Enhancement Account pursuant to paragraph (BB) of the Interest Proceeds Priority of Payments, is credited to the Collateral Enhancement Account.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Collateral Enhancement Account:

(A) at any time, to the Principal Account for either:

(1) during the Reinvestment Period to reinvest in Substitute Collateral Debt Obligations; or

(2) otherwise for distribution on the next following Payment Date in accordance with the Priorities of Payment;

(B) at any time, at the direction of the Issuer (or the Investment Manager acting on its behalf), to the Interest Account for distribution in accordance with the Priorities of Payment or for a Permitted Use;

(C) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Investment Management and Collateral Administration Agreement;

(D) at any time, at the direction of the Issuer (or the Investment Manager acting on its behalf), to purchase any Rated Notes in accordance with Condition 7(k) (*Purchase*);

(E) on the occurrence of an Effective Date Rating Event, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier until an Effective Date Rating Event is no longer continuing; and

(F) the Balance standing to the credit of the Collateral Enhancement Account to the Payment Account for distribution on such Payment Date in accordance with the Principal Proceeds Priority of Payments or the Post-Acceleration Priority of Payments (as applicable):

(1) at the direction of the Investment Manager at any time prior to an Event of Default; or

(2) automatically upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*).

(vii) The Unfunded Revolver Reserve Account

The Issuer shall procure the following amounts are paid into the Unfunded Revolver Reserve Account:

(A) upon the acquisition by or on behalf of the Issuer of any Revolving Obligation, Delayed Drawdown Collateral Debt Obligation, an amount equal to the amount which would cause the Balance standing to the credit of the Unfunded Revolver Reserve Account to be at least equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Debt Obligations (which Unfunded Amounts will be treated as part of the purchase price for the related Revolving Obligation or Delayed Drawdown Collateral Debt Obligation) less amounts posted thereafter as collateral (which do not constitute Funded Amounts), in each case, pursuant to paragraph (2) or (3) below, as applicable;

(B) all principal payments received by the Issuer in respect of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, if and to the extent that the amount of such principal payments may be re-borrowed under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation or otherwise by the Investment Manager, acting on behalf of the Issuer; and

(C) all repayments of collateral to the Issuer originally paid by the Issuer pursuant to (1) below.

The Issuer shall procure payment of the following amounts (and shall ensure that no other amounts are paid) out of the Unfunded Revolver Reserve Account:

(1) all amounts required to fund any drawings under any Delayed Drawdown Collateral Debt Obligation or Revolving Obligation;

(2) in respect of Delayed Drawdown Collateral Debt Obligations or Revolving Obligations, all amounts required to be deposited in the Issuer's name with any third party which satisfies the Rating Requirement applicable to an Account Bank (or if the third party does not satisfy the Rating Requirement applicable to an Account Bank, subject to receipt of Rating Agency Confirmation) as collateral for any reimbursement or indemnification obligations of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation (subject to such security documentation as may be agreed between such lender, the Investment Manager acting on behalf of the Issuer and the Trustee);

(3) (a) at any time at the direction of the Investment Manager (acting on behalf of the Issuer); or

(b) upon the sale (in whole or in part) of a Revolving Obligation or the reduction, cancellation or expiry of any commitment of the Issuer to make future advances or otherwise extend credit thereunder, any excess of (x) the amount standing to the credit of the Unfunded Revolver Reserve Account over (y) the sum of the Unfunded Amounts of all Revolving Obligations and Delayed Drawdown Collateral Debt Obligations after taking into account such sale or such reduction, cancellation or expiry of such commitment or notional amount to the Principal Account; and

(4) all interest accrued on the Balance standing to the credit of the Unfunded Revolver Reserve Account from time to time (including capitalised interest received upon the sale, maturity or termination of any Eligible Investment) to the Interest Account.

(viii) Hedge Termination Account

The Issuer will procure that all Hedge Termination Receipts and Hedge Replacement Receipts are paid into the relevant Hedge Termination Account promptly upon receipt thereof.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made save to the extent otherwise permitted) out of the relevant Hedge Termination Account in payment as provided below:

(A) at any time, in the case of any Hedge Replacement Receipts paid into the relevant Hedge Termination Account, in payment of any Hedge Termination Payment due and payable to a Hedge Counterparty under the Hedge Transaction being replaced or to the extent not required to make such payment, in payment of such amount to the Principal Account;

(B) at any time, in the case of any Hedge Termination Receipts paid into the relevant Hedge Termination Account, in payment of any Hedge Replacement Payment and any other amounts payable by the Issuer upon entry into a Replacement Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable in accordance with the Investment Management and Collateral Administration Agreement; and

(C) in the case of any Hedge Termination Receipts paid into the relevant Hedge Termination Account, if:

(1) the termination of the Hedge Transaction under which such Hedge Termination Receipts are payable occurs on a Redemption Date; or

(2) to the extent that such Hedge Termination Receipts are not required for application towards costs of entry into a Replacement Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable,

in payment of such amounts (save for accrued interest thereon) to the Principal Account.

(ix) Asset Swap Account

The Issuer will procure that all amounts due to the Issuer in respect of each Asset Swap Obligation (including, any payments from an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction) shall, on receipt, be deposited in the Asset Swap Account maintained in the currency of such Asset Swap Obligation. Additional amounts may also be transferred to the relevant Asset Swap Account from the Interest Account at any time to the extent of any shortfall in the Balance standing to the credit of the relevant Asset Swap Account in respect of any payment required to be made by the Issuer pursuant to paragraph (B) below at such time.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the relevant Asset Swap Account:

(A) at any time, to the extent of any initial principal exchange amount deposited into the relevant Asset Swap Account in accordance with the terms of and to the extent permitted under the Investment Management and Collateral Administration Agreement, in the acquisition of Asset Swap Obligations;

(B) Scheduled Periodic Asset Swap Issuer Payments due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction;

(C) Asset Swap Issuer Principal Exchange Amounts (other than any initial asset swap principal exchange amount denominated in Euro and due to an Asset Swap Counterparty pursuant to an Asset Swap Transaction, which shall be paid from the Principal Account or Unused Proceeds Account) due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction; and

(D) cash amounts (representing any excess standing to the credit of the relevant Asset Swap Account after provisioning for any amounts to be paid to any Asset Swap Counterparty pursuant to any Asset Swap Transaction) to the Principal Account after conversion thereof into Euro at the then Applicable Exchange Rate.

(x) Expense Reserve Account

The Issuer shall procure that the following amounts are paid into the Expense Reserve Account:

(A) on the Issue Date, an amount determined on the Issue Date for the payment of amounts due or accrued in connection with the issue of the Notes, in accordance with paragraph (1) below; and

(B) any Ongoing Expense Reserve Amount applied in payment into the Expense Reserve Account pursuant to paragraph (D) of the Interest Proceeds Priority of Payments.

The Issuer shall procure payment of the following amounts (and shall procure that no other amounts are paid) out of the Expense Reserve Account:

(1) amounts due or accrued with respect to actions taken on or in connection with the Issue Date with respect to the issue of the Notes and the entry into the Transaction Documents;

(2) amounts standing to the credit of the Expense Reserve Account on or after the Determination Date immediately preceding the first Payment Date may be transferred to the Principal Account and/or the Interest Account in the sole discretion of the Issuer (or the Investment Manager acting on its behalf); and

(3) at any time, the amount of any Trustee Fees and Expenses and Administrative Expenses which have accrued and become payable prior to the immediately following Payment Date, upon receipt of invoices therefor from the relevant creditor, provided that any such payments, in aggregate, shall not cause the balance of the Expense Reserve Account to fall below zero.

(xi) Contribution Account

At any time during or after the Reinvestment Period, any Contributor may make a Contribution to the Issuer. The Investment Manager, on behalf of the Issuer, may accept or reject any Contribution in its reasonable discretion and will notify the Trustee of any such acceptance. Each accepted Contribution will be credited to the Contribution Account.

The Issuer will procure payment of Contributions standing to the credit of the Contribution Account (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Contribution Account for a Permitted Use as directed by the Contributor at the time the relevant Contribution is made or, if no direction is given by the Contributor, at the Investment Manager's reasonable discretion, as follows:

(A) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Investment Management and Collateral Administration Agreement;

(B) at any time, at the direction of the Issuer (or the Investment Manager acting on its behalf), for a Permitted Use;

(C) on the occurrence of an Effective Date Rating Event, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier until an Effective Date Rating Event is no longer continuing, or to the purchase of additional Collateral Debt Obligations until an Effective Date Rating Event is no longer continuing; and

(D) the Balance standing to the credit of the Contribution Account to the Payment Account for distribution on such Payment Date in accordance with the Principal Proceeds Priority of Payments or the Post-Acceleration Priority of Payments (as applicable) (1) at the direction of the Investment Manager at any time prior to an Event of Default or (2) automatically upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*).

No Contribution or portion thereof accepted by the Investment Manager acting on behalf of the Issuer will be returned to the Contributor at any time. All interest accrued on amounts standing to the credit of the Contribution Account will be transferred to the Interest Account for application as Interest Proceeds.

(xii) First Period Reserve Account

The Issuer shall direct the Account Bank to deposit €1,750,000 to the First Period Reserve Account on the Issue Date.

At any time up to and including the last day of the Initial Investment Period, the Investment Manager, in its sole discretion (acting on behalf of the Issuer), may direct some or all amounts standing to the credit of the First Reserve Account to be used for (A) the acquisition of Collateral Debt Obligations or (B) to the Principal Account pending such acquisition, subject to and in accordance with the Investment Management and Collateral Administration Agreement. Following the Initial Investment Period, all of the funds in the First Period Reserve Account (save for amounts transferred to the Principal Account in accordance with this paragraph) including all interest accrued thereon, shall be transferred to the Interest Account for distribution pursuant to the Interest Proceeds Priority of Payments.

(xiii) Interest Smoothing Account

On the Business Day following each Determination Date save for:

(A) the first Determination Date following the Issue Date;

(B) a Determination Date following the occurrence of an Event of Default which is continuing;

(C) the Determination Date immediately prior to any redemption of the Notes in full; and

(D) any Determination Date on or following the occurrence of a Frequency Switch Event,

the applicable Interest Smoothing Amount (if any) shall be credited to the Interest Smoothing Account from the Interest Account.

The Issuer shall procure, on the Business Day falling after the Payment Date following the Determination Date on which any Interest Smoothing Amount was transferred to the Interest Smoothing Account, such Interest Smoothing Amount to be transferred to the Interest Account.

4. Security

(a) Security

Pursuant to the Trust Deed, the obligations of the Issuer under the Notes of each Class, the Trust Deed, the Agency Agreement and the Investment Management and Collateral Administration Agreement and the Placement Agency Agreement (together with the obligations owed by the Issuer to the other Secured Parties) are secured in favour of the Trustee for the benefit of the Secured Parties by:

(i) an assignment by way of security of all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Debt Obligations, Exchanged Equity Securities, Collateral Enhancement Obligations and Eligible Investments standing to the credit of each of the Accounts (other than the

Counterparty Downgrade Collateral Account) and any other investments (other than Counterparty Downgrade Collateral), in each case held by the Issuer from time to time (where such rights are contractual rights (other than contractual rights the assignment of which would require the consent of a third party or the entry by the Trustee into an intercreditor agreement or deed) and where such contractual rights arise other than under securities), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(ii) a first fixed charge and first priority security interest granted over all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Debt Obligations, Exchanged Equity Securities, Collateral Enhancement Obligations and Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Account) and any other investments (other than Counterparty Downgrade Collateral), in each case held by the Issuer (where such assets are securities or contractual rights not assigned by way of security pursuant to paragraph (i) above and which are capable of being the subject of a first fixed charge and first priority security interest), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(iii) a first fixed charge over all present and future rights of the Issuer in respect of each of the Accounts and all moneys from time to time standing to the credit of such Accounts and the debts represented thereby and including, without limitation, all interest accrued and other moneys received in respect thereof, subject to, in the case of each Counterparty Downgrade Collateral Account and any Swap Tax Credits standing to the credit of the Interest Account, the rights of a Hedge Counterparty pursuant to the terms of the applicable Hedge Agreement (or any security interest entered into by the Issuer in relation thereto);

(iv) a first fixed charge and first priority security interest (where the applicable assets are securities) over, or an assignment by way of security (where the applicable rights are contractual obligations) of, all present and future rights of the Issuer in respect of any Counterparty Downgrade Collateral standing to the credit of each Counterparty Downgrade Collateral Account; including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof and over each Counterparty Downgrade Collateral Account, and all moneys from time to time standing to the credit of each Counterparty Downgrade Collateral Account and the debts represented thereby, subject to the rights of any Hedge Counterparty to Counterparty Downgrade Collateral pursuant to the terms of the relevant Hedge Agreement and any security interest entered into by the Issuer in relation thereto;

(v) an assignment by way of security of all the Issuer's present and future rights against the Custodian under the Agency Agreement (to the extent it relates to the Custody Account) and a first fixed charge over all of the Issuer's right, title and interest in and to the Custody Account (including each cash account relating to the Custody Account) and any cash held therein and the debts represented thereby;

(vi) an assignment by way of security of all the Issuer's present and future rights under each Hedge Agreement and each Hedge Transaction entered into thereunder (including the Issuer's rights under any guarantee or credit support annex entered into pursuant to any Hedge Agreement, provided that such assignment by way of security without prejudice to and after giving effect to any contractual netting or set-off provision contained in the relevant Hedge Agreement and shall not in any way restrict the release of collateral granted thereunder in whole or in part at any time pursuant to the terms thereof);

(vii) an assignment by way of security of all the Issuer's present and future rights under the Investment Management and Collateral Administration Agreement and all sums derived therefrom;

(viii) a first fixed charge over all moneys held from time to time by the Principal Paying Agent and any other Agent for payment of principal, interest or other amounts on the Notes (if any);

(ix) an assignment by way of security of all the Issuer's present and future rights under the Risk Retention Letter and all sums derived therefrom;

(x) an assignment by way of security of all the Issuer's present and future rights under the Collateral Acquisition Agreements and all sums derived therefrom;

(xi) an assignment by way of security of all of the Issuer's present and future rights under any other Transaction Document and all sums derived therefrom; and

(xii) a floating charge over the whole of the Issuer's undertaking and assets to the extent that such undertaking and assets are not subject to any other security created pursuant to the Trust Deed,

excluding for the purposes of (i) to (xii) (inclusive) above, the Irish Excluded Assets.

The security created pursuant to paragraphs (i) to (xii) above is granted to the Trustee for itself and as trustee for the Secured Parties as continuing security for the payment of the Secured Obligations provided that the security granted by the Issuer over any collateral provided to the Issuer pursuant to a Hedge Agreement will only be available to the Secured Parties (other than with respect to the collateral provided to the relevant Hedge Counterparty pursuant to such Hedge Agreement and Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*) when such collateral or amounts, as applicable, are expressed to be available to the Issuer and (if a title transfer arrangement) to the extent that no equivalent amount is owed to the Hedge Counterparty pursuant to the relevant Hedge Agreement and/or Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*). The security will extend to the ultimate balance of all sums payable by the Issuer in respect of the above, regardless of any intermediate payment or discharge in whole or in part.

If, for any reason, the purported assignment by way of security of, and/or the grant of first fixed charge over, the property, assets, rights and/or benefits described above is found to be ineffective in respect of any such property, assets, rights and/or benefits (together, the "**Affected Collateral**"), the Issuer shall hold to the fullest extent permitted under Irish or any other mandatory law the benefit of the Affected Collateral and any sums received in respect thereof or any security interest, guarantee or indemnity or undertaking of whatever nature given to secure such Affected Collateral (together, the "**Trust Collateral**") on trust for the Trustee for the benefit of the Secured Parties and shall:

(i) account to the Trustee for or otherwise apply all sums received in respect of such Trust Collateral as the Trustee may direct (**provided that**, subject to these Conditions and the terms of the Investment Management and Collateral Administration Agreement, if no Event of Default has occurred and is continuing, the Issuer shall be entitled to apply the benefit of such Trust Collateral and such sums in respect of such Trust Collateral received by it and held on trust under this paragraph without prior direction from the Trustee);

(ii) exercise any rights it may have in respect of the Trust Collateral at the direction of the Trustee; and

(iii) at its own cost take such action and execute such documents as the Trustee may in its sole discretion require.

The Issuer may from time to time grant security:

(i) by way of a first priority security interest to a Hedge Counterparty over a Counterparty Downgrade Collateral Account and any Counterparty Downgrade Collateral deposited by

such Hedge Counterparty in the relevant Counterparty Downgrade Collateral Account as security for the Issuer's obligations to repay or redeem such Counterparty Downgrade Collateral pursuant to the terms of the applicable Hedge Agreement and these Conditions (subject to such security documentation as may be agreed between such third party, the Investment Manager acting on behalf of the Issuer and the Trustee). For the avoidance of doubt, the Issuer may grant such security interest directly to the Hedge Counterparty; and/or

(ii) by way of first priority security interest over amounts representing all or part of the Unfunded Amount of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation and deposited in its name with a third party as security for any payment obligations of the Issuer in respect of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation including but not limited to reimbursement or indemnification obligation of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, subject to the terms of Condition 3(j)(vii) (*The Unfunded Revolver Reserve Account*) (*including Rating Agency Confirmation*),

excluding for the purposes of (i) and (ii) (inclusive) above, the Irish Excluded Assets.

All deeds, documents, assignments, instruments, bonds, notes, negotiable instruments, papers and any other instruments comprising, evidencing, representing and/or transferring the Portfolio will be deposited with or held by or on behalf of the Custodian until the security over such obligations is irrevocably discharged in accordance with the provisions of the Trust Deed. If the ratings of the Custodian are downgraded to below the Rating Requirement or withdrawn, the Issuer shall use reasonable endeavours to procure that a replacement Custodian with the Rating Requirement and who is appointed in accordance with and on substantially the same terms as the Agency Agreement.

Pursuant to the terms of the Trust Deed, the Trustee is exempted from any liability in respect of any loss or theft or reduction in value of the Collateral, from any obligation to insure the Collateral and from any claim arising from the fact that the Collateral is held in a clearing system or in safe custody by the Custodian, a bank or other custodian. The Trustee has no responsibility for ensuring that the Custodian, the Account Bank, the Principal Paying Agent or any Hedge Counterparty satisfies the Rating Requirement applicable to it or, if it fails to satisfy such Rating Requirement, to procure the appointment of a replacement custodian, account bank, principal paying agent or hedge counterparty. The Trustee has no responsibility for the management of the Portfolio by the Investment Manager or to supervise the administration of the Portfolio by the Collateral Administrator or the performance of the functions of the Investment Manager or the Collateral Administrator or by any other party and is entitled to rely on the certificates or notices of any relevant party without further enquiry. The Trust Deed also provides that the Trustee shall accept without investigation, requisition or objection such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Collateral and is not bound to make any investigation into the same or into the Collateral in any respect.

(b) Application of Proceeds upon Enforcement

The Trust Deed provides that the net proceeds of realisation of, or enforcement with respect to the security over, the Collateral constituted by the Trust Deed shall be applied in accordance with the priorities of payment set out in Condition 11 (*Enforcement*).

(c) Limited Recourse and Non-Petition

The obligations of the Issuer to pay amounts due and payable in respect of the Notes and to the other Secured Parties at any time shall be limited to the proceeds available at such time to make such payments in accordance with the Priorities of Payment. Notwithstanding anything to the contrary in these Conditions or any Transaction Documents, if the net proceeds of realisation of the security constituted by the Trust Deed, upon enforcement thereof in accordance with Condition 11 (*Enforcement*) and the provisions of the Trust Deed are less than the aggregate amount payable in such circumstances by the Issuer in respect of the Notes and to the other Secured Parties (such negative amount being referred to herein as a "**shortfall**"), the obligations of the Issuer in respect of the Notes of each Class and its obligations to the other Secured Parties in such circumstances will be limited to such net proceeds, which shall be applied in accordance

with the Priorities of Payment. In such circumstances, the other assets (including the Irish Excluded Assets) of the Issuer will not be available for payment of such shortfall which shall be borne by the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders, the Subordinated Noteholders and the other Secured Parties in accordance with the Priorities of Payment (applied in reverse order). The rights of the Secured Parties (including the Noteholders) to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders of each Class or the other Secured Parties may take any further action to recover such amounts. None of the Noteholders of any Class, the Trustee or the other Secured Parties (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency, examinership, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer relating to the Notes of any Class, the Trust Deed or otherwise owed to the Secured Parties, save for lodging a claim in the liquidation of the Issuer which is initiated by another non-Affiliated party or taking proceedings to obtain a declaration as to the obligations of the Issuer and without limitation to the Trustee's right to enforce and/or realise the security constituted by the Trust Deed (including by appointing a receiver or an administrative receiver).

In addition, none of the Noteholders or any of the other Secured Parties shall have any recourse against any director, shareholder or officer of the Issuer in respect of any obligations, covenants or agreement entered into or made by the Issuer pursuant to the terms of the Conditions of the Notes or any other Transaction Document to which the Issuer is a party or any notice or documents which it is requested to deliver hereunder or thereunder.

None of the Trustee, the Directors, the Placement Agent, the Investment Manager and any Agent has any obligation to any Noteholder of any Class for payment of any amount by the Issuer in respect of the Notes of any Class.

(d) Acquisition and Sale of Portfolio

The Investment Manager is required to manage the Portfolio and to act in specific circumstances in relation to the Portfolio on behalf of the Issuer pursuant to the terms of, and subject to the parameters set out in, the Investment Management and Collateral Administration Agreement and subject to the overall supervision and control of the Issuer. The duties of the Investment Manager with respect to the Portfolio include (amongst others) the use of reasonable endeavours to:

(i) purchase Collateral Debt Obligations on or prior to the Issue Date and during the Initial Investment Period;

(ii) invest the amounts standing to the credit of the Accounts (other than the Counterparty Downgrade Collateral Account, the Unfunded Revolver Reserve Account, the relevant Hedge Termination Account, the relevant Asset Swap Account, the Payment Account and any Swap Tax Credits standing to the credit of the Interest Account) in Eligible Investments; and

(iii) sell certain of the Collateral Debt Obligations and reinvest the Principal Proceeds received in Substitute Collateral Debt Obligations in accordance with the criteria set out in the Investment Management and Collateral Administration Agreement.

The Investment Manager is required to monitor the Collateral Debt Obligations with a view to seeking to determine whether any Collateral Debt Obligation has converted into, or been exchanged for, an Exchanged Equity Security or Defaulted Obligation, provided that, if it fails to do so, it will not have any liability to the Issuer except by reason of acts constituting bad faith, wilful misconduct or gross negligence (where gross negligence shall be given its meaning under New York law) in the performance of its obligations. No Noteholder shall have any recourse against any of the Issuer, the Investment Manager, the Placement Agent, the Collateral Administrator, the Custodian, the Principal Paying Agent, the Registrar or the Trustee for any loss suffered as a result of such failure.

Under the Investment Management and Collateral Administration Agreement, the Retention Holder, the holders of the Subordinated Notes and the Controlling Class have certain rights in respect of the removal of the Investment Manager and appointment of a replacement Investment Manager.

(e) Exercise of Rights in Respect of the Portfolio

Pursuant to the Investment Management and Collateral Administration Agreement, the Issuer authorises the Investment Manager, prior to enforcement of the security over the Collateral, to exercise all rights and remedies of the Issuer in its capacity as a holder of, or person beneficially entitled to, the Portfolio. In particular, the Investment Manager is authorised, subject to any specific direction given by the Issuer, to attend and vote at any meeting of holders of, or other persons interested or participating in, or entitled to the rights or benefits (or a part thereof) under, the Portfolio and to give any consent, waiver, indulgence, time or notification, make any declaration or agree any composition, compounding or other similar arrangement with respect to any obligations forming part of the Portfolio.

(f) Information Regarding the Collateral

The Issuer shall procure that a copy of each Monthly Report and any Payment Date Report is made available upon publication, to each Noteholder of each Class, to the Trustee, the Investment Manager and each Rating Agency via the Collateral Administrator's website currently located at https://gctinvestorreporting.bnymellon.com/GCTIRServices. It is not intended that such Reports will be made available in any other format, save in limited circumstances with the Collateral Administrator's agreement. The Collateral Administrator's website does not form part of the information provided for the purposes of the Prospectus and disclaimers may be posted with respect to the information posted thereon. Registration may be required for access to such website and persons wishing to access such website may be required to certify that they are Noteholders or otherwise entitled to access such website.

5. Covenants of and Restrictions on the Issuer

(a) Covenants of the Issuer

Unless otherwise provided in the Transaction Documents, the Issuer covenants to the Trustee on behalf of the holders of the Notes that, for so long as any Note remains Outstanding, the Issuer will:

(i) take such steps as are reasonable to enforce all its rights:

(A) under the Trust Deed;

(B) in respect of the Collateral;

(C) under the Agency Agreement;

(D) under the Investment Management and Collateral Administration Agreement;

(E) under the Corporate Services Agreement;

(F) under the Collateral Acquisition Agreements;

(G) under the Risk Retention Letter; and

(H) under any Hedge Agreements.

(ii) comply with its obligations under the Notes, the Trust Deed, these Conditions, the Agency Agreement, the Investment Management and Collateral Administration Agreement and each other Transaction Document to which it is a party;

(iii) keep proper books and records at its registered office (and maintain the same separate from those of any other Person or entity);

(iv) at all times maintain its Accounts and its financial statements separate from the accounts and financial statements of any other Person or entity;

(v) at all times maintain an arm's-length relationship with its Affiliates (if any);

(vi) at all times maintain its tax residence outside the United Kingdom, the United States and France and will not establish a branch, agency (and in this regard no account shall be taken of the activities which the Investment Manager carries out on behalf of the Issuer pursuant to the Investment Management and Collateral Administration Agreement irrespective of whether such activities constitute a permanent establishment or not, and for this purpose "permanent establishment" shall be construed pursuant to the meaning of permanent establishment in Article 5 of OECD Model Tax Convention on Income and Capital 2014) or place of business or register as a company in the United Kingdom, the United States or France;

(vii) pay its debts generally as they fall due, subject to and in accordance with the Priorities of Payment;

(viii) do all such things as are necessary to maintain its corporate existence, to conduct its own business in its own name, to hold itself out as a separate entity and to correct any known misunderstanding regarding its separate identity;

(ix) use its best endeavours to obtain and maintain the listing and admission to trading on the Global Exchange Market of the Irish Stock Exchange of the outstanding Notes of each Class. If, however, it is unable to do so, having used such endeavours, or if the maintenance of such listings are agreed by the Trustee to be unduly onerous and the Trustee is satisfied that the interests of the holders of the Outstanding Notes of each Class would not thereby be materially prejudiced, the Issuer will instead use all reasonable endeavours promptly to obtain and thereafter to maintain a listing for such Notes on such other stock exchange(s) as it may (with the approval of the Trustee) decide, provided that such other stock exchange is a recognised stock exchange for the purposes of Section 64 of the TCA;

(x) supply such information to the Rating Agencies as they may reasonably request;

(xi) conduct its business and affairs in accordance with its Constitution from within Ireland such that, at all times:

(A) it shall maintain its registered office in Ireland;

(B) it shall maintain its central management and control and its place of effective management only in Ireland and in particular shall not be treated as being resident in any other jurisdiction under any double taxation treaties entered into by Ireland or otherwise;

(C) it shall ensure that all of its Directors are resident in Ireland for tax purposes, that they will exercise their control over the business of the Issuer independently and that all meetings of the Directors shall be held in Ireland and all the Directors (acting independently) shall exercise their authority only from and within Ireland by taking all major strategic decisions relating to the Issuer in Ireland pursuant to and in accordance with the Transaction Documents;

(D) it shall not open any office or branch or place of business outside of Ireland;

(E) it shall not knowingly take any action (save to the extent necessary for the Issuer to comply with its obligations under the Transaction Documents) which will cause its "centre of main interests" (within the meaning of European Council Regulation No. 1346/2000 on Insolvency Proceedings (the "**Insolvency Regulations**")) to be located in any jurisdiction other than Ireland and will not establish any offices, branches or other establishments (as defined in the Insolvency Regulations) or register as a Company in any jurisdiction other than Ireland; and

(F) its tax residence is and remains at all times solely in Ireland for Irish tax purposes;

(xii) ensure an agent is appointed to assist in creating and maintaining the Issuer's website to enable the Rating Agencies to comply with Rule 17g-5;

(xiii) have its own stationery;

(xiv) have at least one Independent Director; and

(xv) notify the Principal Paying Agent, the Collateral Administrator and the Trustee of any reduction or withdrawal of any Rating Agency's rating of any of the Rated Notes known to the Issuer.

(b) Restrictions on the Issuer

For so long as any of the Notes remain Outstanding, save as contemplated in the Transaction Documents, the Issuer covenants to the holders of such Outstanding Notes that (to the extent applicable) it will not, without the prior written consent of the Trustee:

(i) sell, factor, discount, transfer, assign, lend or otherwise dispose of any of its right, title or interest in or to the Collateral, other than in accordance with the Investment Management and Collateral Administration Agreement, nor will it create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over the Collateral except in accordance with the Trust Deed, the Conditions of the Notes or the Transaction Documents;

(ii) sell, factor, discount, transfer, assign, lend or otherwise dispose of, nor create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over, any of its other property or assets or any part thereof or interest therein other than in accordance with the Trust Deed, a Hedge Agreement, the Conditions of the Notes or the Transaction Documents;

(iii) engage in any business other than the holding or managing or both the holding and managing, in each case in Ireland, of "qualifying assets" within the meaning of Section 110 of the TCA and in connection therewith shall not engage in any business other than:

(A) acquiring and holding any property, assets or rights that are capable of being effectively secured in favour of the Trustee or that are capable of being held on trust by the Issuer in favour of the Trustee under the Trust Deed;

(B) issuing and performing its obligations under the Notes;

(C) entering into, exercising its rights and performing its obligations under or enforcing its rights under the Trust Deed, the Agency Agreement, the Investment Management and Collateral Administration Agreement and each other Transaction Document to which it is a party, as applicable; or

(D) performing any act incidental to or necessary in connection with any of the above;

(iv) amend any term or Condition of the Notes of any Class (save in accordance with these Conditions and the Trust Deed);

(v) agree to any amendment to any provision of, or grant any waiver or consent under the Trust Deed, the Agency Agreement, the Investment Management and Collateral Administration Agreement, the Corporate Services Agreement or any other Transaction Document to which it is a party;

(vi) guarantee or incur any indebtedness for borrowed money, other than in respect of:

(A) the Notes (including the issuance of additional Notes pursuant to Condition 17 (*Additional Issuances*)) or any document entered into in connection with the Notes or the sale thereof or any additional Notes or the sale thereof;

(B) any Refinancing; or

(C) as otherwise contemplated or permitted pursuant to the Trust Deed or the Investment Management and Collateral Administration Agreement;

(vii) amend the name or the Constitution of the Issuer save to the extent necessary to convert to a "Designated Activity Company", as such term is defined in the Companies Act 2014 or to the extent necessary or desirable in order to reflect any change of law as a consequence of the implementation of the Companies Act 2014;

(viii) have any subsidiaries or establish any offices, branches or other "establishment" (as that term is used in article 2(h) of Council Regulation (EC) No. 1346/2000 on Insolvency Proceedings) outside of Ireland;

(ix) have any employees (for the avoidance of doubt, the Directors do not constitute employees);

(x) enter into any reconstruction, amalgamation, merger or consolidation;

(xi) convey or transfer all or a substantial part of its properties or assets (in one or a series of transactions) to any person, otherwise than as contemplated in these Conditions;

(xii) issue any shares (other than such share in issue as at the Issue Date) nor redeem or purchase any of its issued share capital;

(xiii) enter into any material agreement or contract with any Person (other than an agreement on customary market terms which for the avoidance of doubt will include agreements to buy and sell obligations and documentation relating to restructurings (including steering committee indemnity letters), which terms do not contain the provisions below) unless such contract or agreement contains "limited recourse" and "non-petition" provisions and such Person agrees that, prior to the date that is two years and one day after all the related obligations of the Issuer have been paid in full (or, if longer, the applicable preference period under applicable insolvency law), such Person shall not take any action or institute any proceeding against the Issuer under any insolvency law applicable to the Issuer or which would reasonably be likely to cause the Issuer to be subject to or seek protection of, any such insolvency law; **provided that** such Person shall be permitted to become a party to and to participate in any proceeding or action under any such insolvency law that is initiated by any other Person other than one of its Affiliates;

(xiv) otherwise than as contemplated in the Transaction Documents, release from or terminate the appointment of the Custodian or the Account Bank under the Agency Agreement, the Investment Manager or the Collateral Administrator under the Investment Management and Collateral Administration Agreement (including, in each case, any transactions entered into thereunder) or, in each case, from any executory obligation thereunder;

(xv) enter into any lease in respect of, or own, premises;

(xvi) act as an entity that issues notes to investors and uses the proceeds to grant new loans on its own account, but rather purchases loans from another lender;

(xvii) acquire any Collateral Debt Obligations of its shareholders; or

(xviii) take any action, or permit any action to be taken, which would cause the Issuer to cease to be a "qualifying company" within the meaning of Section 110 of the TCA.

6. Interest

(a) Payment Dates

(i) Rated Notes

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes each bear interest from (and including) the Issue Date and such interest will be payable:

(A) in the case of interest accrued during the initial Accrual Period, for the period from (and including) the Issue Date to (but excluding) the Payment Date falling on 15 April 2016;

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

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

in each case in arrear on such Payment Date.

(ii) Subordinated Notes

Interest shall be payable on the Subordinated Notes to the extent funds are available in accordance with paragraph (CC) of the Interest Proceeds Priority of Payments, paragraph (T) of the Principal Proceeds Priority of Payments and paragraph (Z) of the Post-Acceleration Priority of Payments on each Payment Date and shall continue to be payable in accordance with this Condition 6 (*Interest*) notwithstanding redemption in full of any Subordinated Note at its applicable Redemption Price.

Notwithstanding any other provision of these Conditions or the Trust Deed, all references herein and therein to the Subordinated Notes being redeemed in full or at their Principal Amount Outstanding shall be deemed to be amended to the extent required to ensure that a minimum of €1 principal amount of each such Class of Notes remains Outstanding at all times and any amounts which are to be applied in redemption of each such Class of Notes pursuant hereto which are in excess of the Principal Amount Outstanding thereof minus €1, shall constitute interest payable in respect of such Notes and shall not be applied in redemption of the Principal Amount Outstanding thereof, provided always however that such €1 principal shall no longer remain Outstanding and each such Class of Notes shall be redeemed in full on the date on which all of the Collateral securing the Notes has been realised and is to be finally distributed to the Noteholders.

If the aggregate of income and gains earned by the Issuer during an accounting period exceeds the costs and expenses accrued for that period, such excess shall accrue as additional interest on the Subordinated Notes but shall only be payable on any Payment Date following payment in full of amounts payable pursuant to the Priorities of Payment on such Payment Date.

(b) Interest Accrual

(i) Rated Notes

Each Rated Note (or, as the case may be, the relevant part thereof due to be redeemed) will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 6 (*Interest*) (both before and after judgment) until whichever is the earlier of:

(A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and

(B) the day following seven calendar days after the Trustee or the Principal Paying Agent has notified the Noteholders of such Class of Notes in accordance with Condition 16 (Notices) of receipt of all sums due in respect of all the Notes of such Class up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

(ii) Subordinated Notes

Payments on the Subordinated Notes will cease to be payable in respect of each Subordinated Note upon the date that all of the Collateral has been realised and no Interest Proceeds or Principal Proceeds or, where applicable, other net proceeds of enforcement of the security over the Collateral remain available for distribution in accordance with the Priorities of Payment.

(c) Deferral of Interest

(i) Deferred Interest

The Issuer shall, and shall only be obliged to, pay any Interest Amount payable in respect of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes in full on any Payment Date, in each case to the extent that there are Interest Proceeds or Principal Proceeds available for payment thereof in accordance with the Priorities of Payment.

In the case of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, an amount of interest equal to any shortfall in payment of the Interest Amount which would, but for the first paragraph of this Condition 6(c)(i) (*Deferred Interest*) otherwise be due and payable in respect of such Class of Notes on any Payment Date (each such amount being referred to as "**Deferred Interest**") will not be payable on such Payment Date, but will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, and thereafter will accrue interest at the rate of interest applicable to that Class of Notes, and the failure to pay such Deferred Interest to the holders of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, will not be an Event of Default until the Maturity Date or any earlier date on which the Notes are to be repaid or redeemed in full. Interest will cease to accrue on each Note, or in the case of a partial repayment, on such part, from the date of repayment or the Maturity Date or early redemption date unless payment of principal is improperly withheld or unless default is otherwise made with respect to such payment of principal.

(ii) Non-payment of Interest

Non-payment of interest on the Class A Notes or the Class B Notes shall, subject to Condition 10(a)(i) (*Non-payment of interest*), constitute an Event of Default following the expiry of the five Business Days grace period (or ten Business Days due to an administrative error or omission) in accordance with Condition 10 (*Events of Default*).

(d) Payment of Deferred Interest

Deferred Interest in respect of any Class C Note, Class D Note, Class E Note or Class F Note shall only become payable by the Issuer in accordance with respectively, paragraphs (L), (O), (R) and (U) of the Interest Proceeds Priority of Payments, paragraphs (H), (J), (L) and (N) of the Principal Proceeds Priority of Payments and paragraphs (K), (N), (Q) and (T) of the Post-Acceleration Priority of Payments and under the Note Payment Sequence in each place specified in the Priorities of Payment, to the extent that Interest Proceeds or Principal Proceeds, as applicable, are available to make such payment in accordance with the Priorities of Payment (and, if applicable, the Note Payment Sequence). For the avoidance of doubt, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and/or the Class F Notes, as applicable will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes and/or Class F Notes as applicable. An amount equal to any such Deferred Interest so paid shall be subtracted from the principal amount of the Class C Notes, the Class D Notes, the Class E Notes and/or the Class F Notes as applicable.

(e) Interest on the Rated Notes

(i) Floating Rate of Interest

The rate of interest from time to time in respect of the Class A-1 Notes (the "**Class A-1 Floating Rate of Interest**"), in respect of the Class B-1 Notes (the "**Class B-1 Floating Rate of Interest**"), in respect of the Class C Notes (the "**Class C Floating Rate of Interest**"), in respect of the Class D Notes (the "**Class D Floating Rate of Interest**"), in

respect of the Class E Notes (the "**Class E Floating Rate of Interest**"), in respect of the Class F Notes (the "**Class F Floating Rate of Interest**") (and each a "**Floating Rate of Interest**") will be determined by the Calculation Agent on the following basis:

(A) On each Interest Determination Date:

(1) in the case of the initial Accrual Period, the Calculation Agent will determine a straight line interpolation of the offered rate for 6 and 9 month EURIBOR;

(2) in the case of each Interest Determination Date, other than the initial Interest Determination Date and prior to the occurrence of a Frequency Switch Event, the Calculation Agent will determine (i) the offered rate for six month EURIBOR; and (ii) the offered rate for three month EURIBOR; and

(3) (i) in the case of each Interest Determination Date following the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for six month EURIBOR, or (ii) in the case of the Accrual Period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls in July 2029, the Calculation Agent will determine the offered rate for three month EURIBOR,

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question. Such offered rate will be that which appears on the display designated on the Bloomberg Screen "BTMM EU" Page (or such other page or service as may replace it for the purpose of displaying EURIBOR rates). The Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest for such Accrual Period shall be the aggregate of the Applicable Margin (as defined below) in respect of (i) the initial Accrual Period, the rate referred to in paragraph (1) above; and (ii) each six month Accrual Period, the rate referred to in paragraph (2)(i) or paragraph (3)(i) above (as applicable); and (iii) each three month Accrual Period, the rate referred to in paragraph (2)(ii) or 3(ii) above (as applicable), in each case as determined by the Calculation Agent.

(B) If the offered rate so appearing is replaced by the corresponding rates of more than one bank then paragraph (A) shall be applied, with any necessary consequential changes, to the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of the rates (being at least two) which so appear, as determined by the Calculation Agent. If for any other reason such offered rate does not so appear, or if the relevant page is unavailable, the Calculation Agent will request each of four major banks in the Euro zone interbank market acting in each case through its principal Euro zone office (the "**Reference Banks**") to provide the Calculation Agent with its offered quotation to leading banks for Euro deposits in the Euro zone interbank market:

(a) in the case of the initial Accrual Period, a straight line interpolation of the offered rate for 6 and 9 month EURIBOR;

(b) in respect of each Interest Determination Date, other than the initial Interest Determination Date and prior to the occurrence of a Frequency Switch Event, for a period of (i) 3 months; and (ii) 6 months; and

(c) (i) in respect of each Interest Determination Date following the occurrence of a Frequency Switch Event, for a period of six months or, (ii) in the case of the Accrual Period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls in July 2029, for a period of three months,

in each case as at 11.00 a.m. (Brussels time) on the Interest Determination Date in question. The Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E

Floating Rate of Interest and the Class F Floating Rate of Interest for such Accrual Period, shall be the aggregate of the Applicable Margin (if any) and the arithmetic mean, in each case, (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of, in respect of (i) the initial Accrual Period; the quotations referred to in paragraph (a) above; and (ii) each six month Accrual Period, the quotations referred to in paragraph (b)(i) or paragraph (c)(i) above (as applicable); and (iii) each three month Accrual Period, the quotations referred to in paragraph (b)(ii) or (c)(ii) above (as applicable) (or of such quotations, being at least two, as are so provided), all as determined by the Calculation Agent.

(C) If on any Interest Determination Date one only or none of the Reference Banks provides such quotation, the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest, respectively, for the next Accrual Period shall be the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest, in each case in effect as at the immediately preceding Accrual Period; provided that in respect of any Accrual Period during which a Frequency Switch Event occurs, the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest shall be calculated using the offered rate for six month Euro deposits using the rate available as at the previous Interest Determination Date; and provided further that following the occurrence of a Frequency Switch Event in respect of the Accrual Period ending on the Maturity Date if such Accrual Period is a three month period, the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest, respectively, shall be determined by reference to the most recent offered rate for three month Euro deposits obtainable by the Calculation Agent.

(D) Where:

"**Applicable Margin**" means:

(1) in the case of the Class A-1 Notes: 1.35 per cent. *per annum*;

(2) in the case of the Class B-1 Notes: 2.15 per cent. *per annum*;

(3) in the case of the Class C Notes: 2.90 per cent. *per annum*;

(4) in the case of the Class D Notes: 3.55 per cent. *per annum*;

(5) in the case of the Class E Notes: 5.35 per cent. *per annum*; and

(6) in the case of the Class F Notes: 6.65 per cent. *per annum*.

(E) Notwithstanding paragraphs (A) and (B) above, if, in relation to any Interest Determination Date, EURIBOR in respect of any Floating Rate Notes as determined in accordance with paragraphs (A) and (B) above would yield a rate less than zero, such rate shall be deemed to be zero for the purposes of determining the Rate of Interest pursuant to this Condition 6(e)(i) (*Floating Rate of Interest*).

(ii) Determination of Floating Rate of Interest and Calculation of Interest Amount

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Brussels time) on each Interest Determination Date, (and in any event (i) for each Accrual Period following the occurrence of a Frequency Switch Event, not later than the Business Day following the relevant Interest Determination Date; and (ii) for each Accrual Period prior to the occurrence of a Frequency Switch Event and for any Accrual Period during which a Frequency Switch

Event occurs, not later than the Determination Date immediately preceding the relevant Payment Date), determine the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest and calculate the interest amount payable in respect of original principal amounts of the Class A-1 Notes, Class B-1 Notes, Class C Notes, Class D Notes, Class E Notes and the Class F Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The amount of interest (the "**Interest Amount**") payable in respect of each Authorised Integral Amount applicable to any such Notes shall be calculated by applying the Class A-1 Floating Rate of Interest in the case of the Class A-1 Notes, the Class B-1 Floating Rate of Interest in the case of the Class B-1 Notes, the Class C Floating Rate of Interest in the case of the Class C Notes, the Class D Floating Rate of Interest in the case of the Class D Notes, the Class E Floating Rate of Interest in the case of the Class E Notes and the Class F Floating Rate of Interest in the case of Class F Notes, respectively, to an amount equal to the Principal Amount Outstanding in respect of such Authorised Integral Amount, multiplying the product by the actual number of days in the Accrual Period concerned, divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

Where paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest*) applies, any test or calculation required to be made in accordance with the Trust Deed, the Investment Management and Collateral Administration Agreement or any other Transaction Document: (i) where such test or calculation requires a determination of a Floating Rate of Interest, and (ii) the date of such test or calculation falls in between two Interest Determination Dates, the applicable offered rate shall be the offered rate which was applicable as of the previous Interest Determination Date.

(iii) Reference Banks and Calculation Agent

The Issuer will procure that, so long as any Class A Note, Class B-1 Note, Class C Note, Class D Note, Class E Note or Class F Note remains Outstanding:

(A) a Calculation Agent shall be appointed and maintained for the purposes of determining the interest rate and interest amount payable in respect of the Notes; and

(B) if the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest are to be calculated by Reference Banks pursuant to paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest*), that the number of Reference Banks required pursuant to such paragraph (B) are requested by the Calculation Agent to provide a quotation.

If the Calculation Agent is unable or unwilling to continue to act as the Calculation Agent for the purpose of calculating interest hereunder or fails duly to establish any Floating Rate of Interest for any Accrual Period, or to calculate the Interest Amount on any Class of Rated Notes, the Issuer shall (with the prior approval of the Trustee) appoint some other leading bank to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

(f) Interest on the Fixed Rate Notes

The Class A-2 Notes bear interest at the rate of 1.74 per cent. *per annum* (the "**Class A-2 Fixed Rate of Interest**").The Class B-2 Notes bear interest at the rate of 2.74 per cent. *per annum* (the "**Class B-2 Fixed Rate of Interest**"). The amount of interest payable in respect of each Minimum Denomination or Authorised Integral Amount applicable to the Class A-2 Notes and the Class B-2 Notes shall be calculated by applying the Class A-2 Fixed Rate of Interest and Class B-2 Fixed Rate of Interest respectively to an amount equal to the Principal Amount Outstanding in respect of such Minimum Denomination or Authorised Integral Amount, as applicable, multiplying the product by the actual number of days in the Accrual Period concerned (the number of days to be calculated on the basis of a year of 360 days with 12 months of 30 days each) divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

(g) Proceeds in respect of Subordinated Notes

Solely in respect of Subordinated Notes, the Collateral Administrator will on each Determination Date calculate the Interest Proceeds and/or Principal Proceeds payable to the extent of available funds in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The Interest Proceeds and/or Principal Proceeds payable on each Payment Date in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto shall be calculated by multiplying the amount of Interest Proceeds and/or Principal Proceeds to be applied on the Subordinated Notes on the applicable Payment Date pursuant to the relevant Priorities of Payment by fractions equal to the amount of such Authorised Integral Amount, as applicable, divided by the aggregate original principal amount of the Subordinated Notes.

(h) Publication of Floating Rates of Interest, Interest Amounts and Deferred Interest

The Calculation Agent will cause the Class A-1 Floating Rate of Interest, the Class A-2 Fixed Rate of Interest, the Class B-1 Floating Rate of Interest, the Class B-2 Fixed Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest or the Interest Amounts payable in respect of each Class of Rated Notes, the amount of any Deferred Interest due but not paid on any Class C Notes, Class D Notes, Class E Notes or Class F Notes for each Accrual Period and Payment Date, the occurrence of a Frequency Switch Event on any Frequency Switch Measurement Date, and the Principal Amount Outstanding of each Class of Notes as of the applicable Payment Date to be notified to the Registrar, the Principal Paying Agent, the Transfer Agent, the Trustee and the Investment Manager, for so long as the Notes are listed on the Global Exchange Market of the Irish Stock Exchange, the Irish Stock Exchange as soon as possible after their determination but in no event later than the fourth Business Day thereafter, and the Principal Paying Agent shall cause each such rate, amount and date to be notified to the Noteholders of each Class in accordance with Condition 16 (Notices) as soon as possible following notification to the Principal Paying Agent but in no event later than the third Business Day after such notification. The Interest Amounts in respect of the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes or the Payment Date in respect of any Class of Notes so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice if an extension or shortening of the Accrual Period occurs. If the Notes become due and payable under Condition 10 (*Events of Default*), interest shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this Condition 6 (*Interest*) but no publication of the applicable Interest Amounts shall be made unless the Trustee so determines.

(i) Determination or Calculation by Trustee

If the Calculation Agent does not at any time for any reason so calculate (in accordance with these Conditions and the Transaction Documents) the Class A-1 Floating Rate of Interest, the Class A-2 Fixed Rate of Interest, the Class B-1 Floating Rate of Interest, the Class B-2 Fixed Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest or the Class F Floating Rate of Interest for an Accrual Period, the Trustee (or a person appointed by it for the purpose) shall do so and such determination or calculation shall be deemed to have been made by the Calculation Agent and shall be binding on the Noteholders. In doing so, the Trustee, or such person appointed by it, shall apply the foregoing provisions of this Condition 6 (*Interest*), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances and reliance on such persons as it has appointed for such purpose. The Trustee shall have no liability to any person in connection with any determination or calculation (including with regard to the timelines thereof) it is required to make pursuant to this Condition 6(i) (*Determination or Calculation by Trustee*).

(j) Notifications, etc. to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6 (Interest), whether by

the Reference Banks (or any of them), the Calculation Agent or the Trustee, will (in the absence of the negligence, wilful misconduct or fraud of the Calculation Agent or the Trustee, as applicable) be binding on the Issuer, the Reference Banks, the Calculation Agent, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence as referred to above) no liability to the Issuer or the Noteholders of any Class shall attach to the Reference Banks, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretions under this Condition 6(j) (*Notifications, etc. to be Final*).

7. Redemption and Purchase

(a) Final Redemption

Save to the extent previously redeemed in full and cancelled, the Notes of each Class will be redeemed on the Maturity Date of such Notes. In the case of a redemption pursuant to this Condition 7(a) (*Final Redemption*), the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will be redeemed at their Redemption Price in accordance with the Note Payment Sequence and the Subordinated Notes will be redeemed at the amount equal to their share of the amounts of Principal Proceeds to be applied towards such redemption pursuant to paragraph (T) of the Principal Proceeds Priority of Payments. Notes may not be redeemed other than in accordance with this Condition 7 (*Redemption and Purchase*).

(b) Optional Redemption

(i) Optional Redemption in Whole—Subordinated Noteholders or Retention Holder

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Notes effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices, from Sale Proceeds or (solely in the case of a redemption at the direction of the Subordinated Noteholders in accordance with (A)(1) or (B) below) any Refinancing Proceeds (or a combination thereof):

(A) on any Payment Date falling on or after expiry of the Non-Call Period either:

(1) at the direction of the Subordinated Noteholders acting by Ordinary Resolution; or

(2) save where a Retention Event has occurred and is continuing, at the direction in writing of the Retention Holder,

(in each case as evidenced by duly completed Redemption Notices); or

(B) upon the occurrence of a Collateral Tax Event, on any Payment Date falling after such occurrence at the direction of the Subordinated Noteholders acting by Ordinary Resolution (as evidenced by duly completed Redemption Notices).

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

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

No such Optional Redemption may occur unless any Class of Rated Notes to be redeemed represents the entire Class of such Rated Notes (or, in relation to the Class A Notes, the redemption of the entire tranche of Class A-1 Notes and/or Class A-2 Notes, or in relation to the Class B Notes, the redemption of the entire tranche of Class B-1 Notes and/or Class B-2 Notes).

No such Optional Redemption may occur unless the Investment Manager has consented to such redemption.

(iii) Optional Redemption in Whole—Investment Manager Clean-up Call

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer, at the applicable Redemption Prices, from Sale Proceeds on any Payment Date falling on or after expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period, the Aggregate Collateral Balance is less than 15 per cent. of the Target Par Amount and if directed in writing by the Investment Manager (on behalf of the Issuer).

(iv) Terms and Conditions of an Optional Redemption

In connection with any Optional Redemption:

(A) the Issuer shall procure that at least thirty calendar days' prior written notice of such Optional Redemption (which notice shall state that any Optional Redemption is subject to satisfaction of the conditions in this Condition 7(b) (*Optional Redemption*)), including the applicable Redemption Date, and the relevant Redemption Price therefor, is given to the Trustee and the Noteholders in accordance with Condition 16 (*Notices*);

(B) the Rated Notes to be redeemed shall be redeemed at their applicable Redemption Prices (subject, in the case of an Optional Redemption of the Rated Notes in whole, to the right of holders of 100 per cent. of the aggregate Principal Amount Outstanding of any Class of Rated Notes to elect to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to the holders of such Class of Rated Notes). Such right shall be exercised by delivery by each holder of the relevant Class of Rated Notes of a written direction confirming such holder's election to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to it, together with evidence of their holding to the Issuer and the Investment Manager no later than thirty days (or such shorter period of time as may be agreed the Investment Manager, acting reasonably) prior to the relevant Redemption Date;

(C) the Investment Manager shall have no right or other ability to prevent an Optional Redemption directed by the Subordinated Noteholders in accordance with this Condition 7(b) (*Optional Redemption*) other than as expressly contemplated in Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*);

(D) any such redemption must comply with the procedures set out in Condition 7(b)(x) (*Mechanics of Redemption*); and

(E) any redemption in part of the Notes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) may be effected solely from Refinancing Proceeds in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below.

(v) Optional Redemption effected in whole or in part through Refinancing

Following receipt of, or as the case may be, confirmation from the Transfer Agent or Principal Paying Agent of receipt of (i) a direction in writing from the requisite percentage of

Subordinated Noteholders; or (ii) a direction in writing from the Retention Holder, to exercise any right of optional redemption pursuant to Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders or Retention Holder*) or Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*), the Issuer may:

(A) in the case of a redemption in whole of all Classes of Rated Notes in accordance with Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders or Retention Holder*):

(1) enter into a loan (as borrower thereunder) with one or more financial institutions; or

(2) issue replacement notes; and

(B) in the case of a redemption of an entire Class or Classes of Rated Notes (or, in relation to the Class A Notes, the redemption of the entire tranche of Class A-1 Notes and/or Class A-2 Notes, or in relation to the Class B Notes, the redemption of the entire tranche of Class B-1 Notes and/or Class B-2 Notes) (but not of all Classes of Rated Notes) in accordance with Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) issue replacement notes (each, a "**Refinancing Obligation**"), whose terms in each case will be negotiated by the Investment Manager on behalf of the Issuer (any such refinancing, a "**Refinancing**"). The terms of any Refinancing and the identity of any financial institutions acting as lenders or purchasers thereunder are subject to the prior written consent of the Investment Manager (on behalf of the Issuer) and the Subordinated Noteholders (acting by Ordinary Resolution) and each Refinancing is required to satisfy the conditions described in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

Refinancing Proceeds may be applied in addition to (or in place of) Sale Proceeds in the redemption of the Rated Notes in whole pursuant to Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders or Retention Holder*). In addition, Refinancing Proceeds must be applied in the redemption of the Rated Notes in part by Class (or, in relation to the Class A Notes, the redemption of the entire tranche of Class A-1 Notes and/or Class A-2 Notes, or in relation to the Class B Notes, the redemption of the entire tranche of Class B-1 Notes and/or Class B-2 Notes) pursuant to Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*).

(vi) Refinancing in relation to a Redemption in Whole

In the case of a Refinancing in relation to the redemption of all of the Rated Notes in whole but not in part pursuant to Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders or Retention Holder*) as described above, such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to Fitch and Moody's;

(2) all Refinancing Proceeds, all Sale Proceeds, if any, from the sale of Collateral Debt Obligations and Eligible Investments and all other available funds will be at least sufficient to pay any Refinancing Costs and all amounts due and payable in respect of all Classes of Notes save for the Subordinated Notes (including without limitation Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) and all amounts payable in priority thereto pursuant to the Priorities of Payment (subject to any election to receive less than 100 per cent. of Redemption Price) on such Redemption Date when applied in accordance with the Post-Acceleration Priority of Payments;

(3) all Principal Proceeds, Refinancing Proceeds, Sale Proceeds, if any, and other available funds are used (to the extent necessary) to make such redemption;

(4) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed; and

(5) all Refinancing Proceeds and all Sale Proceeds, if any, from the sale of Collateral Debt Obligations and Eligible Investments, are received by (or on behalf of) the Issuer prior to the applicable Redemption Date,

in each case, as certified to the Issuer and the Trustee (upon which certificate the Trustee shall rely without enquiry or liability) by the Investment Manager.

(vii) Refinancing in relation to a Redemption in Part

In the case of a Refinancing in relation to a redemption of the Rated Notes in part by Class (or by tranche as described above in relation to the Class A Notes and/or the Class B Notes) pursuant to Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Rated Notes in whole by Subordinated Noteholders*), such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to Fitch and Moody's;

(2) the Refinancing Obligations are in the form of notes;

(3) any redemption of a Class of Notes is a redemption of the entire Class (or tranche, as applicable) which is subject to the redemption;

(4) the sum of (A) the Refinancing Proceeds and (B) the amount of Interest Proceeds standing to the credit of the Interest Account in excess of the aggregate amount of Interest Proceeds which would be applied in accordance with the Interest Proceeds Priority of Payments prior to paying any amount in respect of the Subordinated Notes will be at least sufficient to pay in full:

1. the aggregate Redemption Prices of the entire Class or Classes of Rated Notes (or tranche or tranches, as applicable) subject to the Optional Redemption; plus

2. all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses in connection with such Refinancing;

(5) the Refinancing Proceeds are used (to the extent necessary) to make such redemption;

(6) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed;

(7) the aggregate principal amount of the Refinancing Obligations for each Class (or tranche, as applicable) is equal to the aggregate Principal Amount Outstanding of the Class or Classes of Notes (or tranche or tranches, as applicable) being redeemed with the Refinancing Proceeds;

(8) the maturity date of each class of Refinancing Obligation is the same as the Maturity Date of the Class or Classes of Notes (or tranche or tranches, as applicable) being redeemed with the Refinancing Proceeds;

(9) the interest rate of any Refinancing Obligations will not be greater than the interest rate of the Rated Notes subject to such Optional Redemption;

(10) payments in respect of the Refinancing Obligations are subject to the Priorities of Payment and rank at the same priority pursuant to the Priorities of Payment as the relevant Class or Classes (or tranche or tranches, as applicable) of Rated Notes being redeemed;

(11) the voting rights, consent rights, redemption rights and all other rights of the Refinancing Obligations are the same as the rights of the corresponding Class of Rated Notes (or tranche, as applicable) being redeemed; provided that, for the avoidance of doubt, the proportions of Refinancing Obligations issued in the form of "non-voting notes", "non-voting exchangeable notes", and "voting notes" in each case pursuant to these Conditions and the Trust Deed, may differ from the proportions of such types of Note applicable to the corresponding Class of Rated Notes (or tranche, as applicable) being redeemed; and

(12) all Refinancing Proceeds are received by (or on behalf of) the Issuer prior to the applicable Redemption Date,

in each case, as certified to the Issuer and the Trustee (upon which certificate the Trustee shall rely without enquiry or liability) by the Investment Manager.

If, in relation to a proposed optional redemption of the Notes (whether in whole or in part, as applicable), any of the relevant conditions specified in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) are not satisfied, the Issuer shall cancel the relevant redemption of the Notes and shall give notice of such cancellation to the Trustee, the Investment Manager and the Noteholders in accordance with Condition 16 (*Notices*).

None of the Issuer, the Investment Manager, the Collateral Administrator or the Trustee shall be liable to any party, including the Subordinated Noteholders, for any failure to obtain a Refinancing.

(viii) Consequential Amendments

Following a Refinancing, the Trustee shall agree to the modification of the Trust Deed (including these Conditions) and the other Transaction Documents to the extent which the Issuer certifies (upon which certificate the Trustee shall be entitled to rely absolutely and without enquiry or liability) to the Trustee is necessary to reflect the terms of the Refinancing. No further consent for such amendments shall be required from the holders of Notes.

The Trustee will not be obliged to enter into any modification that, in the opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, powers, authorisations, indemnities and protections, of the Trustee in respect of the Transaction Documents, and the Trustee will be entitled to conclusively rely without enquiry or liability upon an officer's certificate and/or opinion of counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such opinion of counsel) provided by the Issuer or any other party to any Transaction Document to the effect that such amendment meets the requirements specified above and is permitted under the Trust Deed (including these Conditions) without the consent of the holders of the Notes (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds).

(ix) Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only

Following receipt of notice from the Issuer or, as the case may be, of confirmation from the Transfer Agent or Principal Paying Agent of:

(A) a direction in writing from the requisite percentage of Subordinated Noteholders (in the case of Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders or Retention Holder*) or Condition 7(g) (*Redemption following Note Tax Event*));

(B) a direction in writing from the requisite percentage of the Controlling Class (in the case of Condition 7(g) (*Redemption following Note Tax Event*));

(C) save in the case of a Retention Event which is continuing, a direction in writing from the Retention Holder (in the case of Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders or Retention Holder*)); or

(D) a direction in writing from the Investment Manager (in the case of a Condition 7(b)(iii) (*Optional Redemption in Whole—Investment Manager Clean-up Call*)),

as the case may be, to exercise any right of optional redemption pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) to be effected solely through the liquidation or realisation of the Collateral, the Collateral Administrator shall, as soon as practicable, and in any event not later than seventeen Business Days prior to the scheduled Redemption Date (the "**Redemption Determination Date**"), provided that the Collateral Administrator has received such notice or confirmation at least twenty Business Days prior to the scheduled Redemption Date, calculate the Redemption Threshold Amount in consultation with the Investment Manager.

The Notes shall not be optionally redeemed where such Optional Redemption is to be effected solely through the liquidation or realisation of the Portfolio unless:

(1) At least five Business Days before the scheduled Redemption Date the Investment Manager shall have certified to the Trustee (upon which certificate the Trustee shall rely without enquiry or liability) that the Investment Manager on behalf of the Issuer has entered into a binding agreement or agreements with a financial or other institution or institutions which:

(a) either:

(i) has a long-term issuer credit rating of at least "A" by Fitch and, if it has a long-term issuer credit rating of at least "A" by Fitch, a short-term issuer credit rating of at least "F1" by Fitch or, if it does not have an Fitch long-term issuer credit rating, a short-term issuer credit rating of at least "F1" by Fitch; or

(ii) in respect of which a Rating Agency Confirmation from Fitch has been obtained; and

(b) either:

(i) has a long-term issuer credit rating of at least "A1" by Moody's;

(ii) has a long-term issuer credit rating of at least "A2" and a short-term issuer credit rating of at least "P-1", in each case by Moody's; or

(iii) in respect of which Rating Agency Confirmation from Moody's has been obtained,

to purchase (directly or by participation or other arrangement) from the Issuer, not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Portfolio at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or put-able to the issuer thereof at par on or prior to the scheduled Redemption Date, to meet the Redemption Threshold Amount.

(2) (a) Prior to selling any Collateral Debt Obligations and/or Eligible Investments, the Investment Manager certifies to the Trustee that, in its judgment, the aggregate sum of:

(i) expected proceeds from the sale of Eligible Investments; and

(ii) for each Collateral Debt Obligation, the product of its Principal Balance and its Market Value, and

shall be at least sufficient to meet the Redemption Threshold Amount; and

(b) at least five Business Days before the scheduled Redemption Date, the Issuer shall have received proceeds of disposition of all or part of the Portfolio at least sufficient to meet the Redemption Threshold Amount.

(3) At least three Business Days prior to the scheduled Redemption Date, the Collateral Administrator shall give notice to the Trustee in writing of the amount of all expenses that have been or will be incurred by the Issuer up to and including the scheduled Redemption Date in effecting such liquidation.

(4) Any certification delivered by the Investment Manager pursuant to this section must include:

(a) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Debt Obligations and/or Eligible Investments; and

(b) all calculations required by this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) (as applicable).

Any Noteholder, the Investment Manager or any of the Investment Manager's Affiliates shall have the right, subject to the same terms and conditions afforded to other bidders, to bid for Collateral Debt Obligations to be sold as part of an Optional Redemption pursuant to this Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes Effected through Liquidation only*).

If either of the conditions (1) or (2) above are not satisfied, the Issuer shall cancel the redemption of the Notes and shall give notice of such cancellation to the Trustee, the Investment Manager and the Noteholders in accordance with Condition 16 (*Notices*). Such cancellation shall not constitute an Event of Default.

(x) Mechanics of Redemption

Following calculation by the Collateral Administrator of the relevant Redemption Threshold Amount, if applicable, the Collateral Administrator shall make such other calculations as it is required to make pursuant to the Investment Management and Collateral Administration Agreement and shall notify the Issuer, the Trustee, the Investment Manager and the Registrar, whereupon the Registrar shall notify the Noteholders (in accordance with Condition 16 (*Notices*)) of such amounts.

Any exercise of a right of Optional Redemption by the Subordinated Noteholders pursuant to this Condition 7(b) (*Optional Redemption*) or the Controlling Class pursuant to Condition 7(g) (*Redemption following Note Tax Event*) shall be effected by delivery to a Transfer Agent, by the requisite amount of Subordinated Noteholders or the requisite amount of Notes comprising the Controlling Class (as applicable) held thereby together with duly completed Redemption Notices not less than thirty calendar days, or such shorter period of time as the Trustee and the Investment Manager find reasonably acceptable, prior to the proposed Redemption Date prior to the applicable Redemption Date. No Redemption Notice, Subordinated Note or Notes comprising the Controlling Class so delivered or any direction given by the Investment Manager may be withdrawn without the prior consent of the Issuer. The Registrar shall copy each Redemption Notice or any direction given by the Investment Manager received to each of the Issuer, the Trustee, the Collateral Administrator, any Hedge Counterparty and, if applicable, the Investment Manager.

The Investment Manager shall notify the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and the Principal Paying Agent in writing upon satisfaction of all

of the conditions set out in this Condition 7(b) (*Optional Redemption*) and shall arrange for liquidation and/or realisation of the Portfolio in whole or in part as necessary, on behalf of the Issuer in accordance with the Investment Management and Collateral Administration Agreement. The Issuer shall deposit, or cause to be deposited, the funds required for an optional redemption of the Notes in accordance with this Condition 7(b) (*Optional Redemption*) in the Payment Account on or before the Business Day prior to the applicable Redemption Date. Principal Proceeds and Interest Proceeds received in connection with a redemption in whole of all the Rated Notes shall be payable in accordance with the Post-Acceleration Priority of Payments. Any redemption in whole of a Class (or tranche, as applicable) of Rated Notes (other than a redemption in whole of all Classes of Rated Notes) shall be paid to the holders of such Class (or tranche, as applicable) of Notes in accordance with the Priorities of Payment.

(xi) Optional Redemption of Subordinated Notes

The Subordinated Notes may be redeemed in whole or in part in aggregate at their Redemption Price on any Business Day on or after the redemption or repayment in full of the Rated Notes, at the direction of:

(A) the Subordinated Noteholders (acting by Ordinary Resolution); or

(B) the Investment Manager.

(c) Mandatory Redemption upon Breach of Coverage Tests

(i) Class A Notes and Class B Notes

If the Class A/B Par Value Test is not met on any Determination Date on or after the Effective Date or if the Class A/B Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date following the Effective Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes and the Class B Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Class A/B Coverage Test is satisfied if recalculated following such redemption.

(ii) Class C Notes

If the Class C Par Value Test is not met on any Determination Date on or after the Effective Date or if the Class C Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date following the Effective Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes and the Class C Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Class C Coverage Test is satisfied if recalculated following such redemption.

(iii) Class D Notes

If the Class D Par Value Test is not met on any Determination Date on or after the Effective Date or if the Class D Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date following the Effective Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Class D Coverage Test is satisfied if recalculated following such redemption.

(iv) Class E Notes

If the Class E Par Value Test is not met on any Determination Date on or after the Effective Date or if the Class E Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date following the Effective Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Class E Coverage Test is satisfied if recalculated following such redemption.

(v) Class F Notes

If the Class F Par Value Test is not met on any Determination Date on and after the expiry of the Reinvestment Period, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until the Class F Par Value Test is satisfied if recalculated following such redemption.

(d) Special Redemption

Principal payments on the Notes shall be made in accordance with the Principal Proceeds Priority of Payments at the sole and absolute discretion of the Investment Manager (acting on behalf of the Issuer) if, at any time during the Reinvestment Period, the Investment Manager (acting on behalf of the Issuer) certifies to (upon which certification the Trustee may rely without enquiry or liability) the Trustee that using reasonable endeavours it has been unable, for a period of twenty consecutive Business Days, to identify additional Collateral Debt Obligations or Substitute Collateral Debt Obligations that are deemed appropriate by the Investment Manager (acting on behalf of the Issuer) in its discretion which meet the Eligibility Criteria or, to the extent applicable, the Reinvestment Criteria, in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account that are to be invested in additional Collateral Debt Obligations or Substitute Collateral Debt Obligations (a "**Special Redemption**"). On the first Payment Date following the Due Period in which such certification is given (a "**Special Redemption Date**"), the funds in the Principal Account representing Principal Proceeds which, using reasonable endeavours, cannot be reinvested in additional Collateral Debt Obligations or Substitute Collateral Debt Obligations (the "**Special Redemption Amount**") will be applied in accordance with paragraph (P) of the Principal Proceeds Priority of Payments. Notice of payments pursuant to this Condition 7(d) (*Special Redemption*) shall be given by the Issuer in accordance with Condition 16 (*Notices*) not less than three Business Days prior to the applicable Special Redemption Date to each Noteholder and to each Rating Agency. For the avoidance of doubt, the exercise of a Special Redemption shall be at the sole and absolute discretion of the Investment Manager (acting on behalf of the Issuer) and the Investment Manager shall be under no obligation to, or have any responsibility to, any Noteholder or any other person for the exercise or non-exercise (as applicable) of such Special Redemption.

(e) Redemption upon Effective Date Rating Event

If as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, in each case, until redeemed in full or, if earlier, until an Effective Date Rating Event is no longer continuing.

(f) Redemption Following Expiry of the Reinvestment Period

Following expiry of the Reinvestment Period, the Issuer shall, on each Payment Date occurring thereafter, apply Principal Proceeds transferred to the Payment Account immediately prior to the related Payment Date in redemption of the Notes at their applicable Redemption Prices in accordance with the Priorities of Payment.

(g) Redemption following Note Tax Event

If a Note Tax Event occurs, the Issuer shall, subject to and in accordance with the terms of the Trust Deed, use all reasonable efforts to change the territory in which it is resident for tax purposes to another jurisdiction which, at the time of such change, would not give rise to a Note Tax Event. Upon the earlier of:

(i) the date upon which the Issuer certifies (upon which certification the Trustee may rely without enquiry or liability) to the Trustee and the Noteholders that it is not able to effect such change of residence; and

(ii) the date which is ninety calendar days from the date upon which the Issuer first becomes aware of such Note Tax Event (provided that such ninety calendar day period shall be extended by a further ninety calendar days if during the former period the Issuer has notified (or procured the notification of) the Trustee and the Noteholders (in accordance with Condition 16 (*Notices*)) that, based on advice received by it, it expects that it shall have changed its place of residence by the end of the latter ninety calendar day period),

the Controlling Class or the Subordinated Noteholders, in each case acting by way of Extraordinary Resolution, may elect that the Notes of each Class are redeemed, in whole but not in part, on any Payment Date thereafter, at their respective Redemption Prices in accordance with the Note Payment Sequence, in which case the Issuer shall so redeem the Notes on such terms, provided that such Note Tax Event would affect payment of principal or interest in respect of the Controlling Class or, as the case may be, the Subordinated Notes (in addition to any other Class of Notes) on such Payment Date; provided further that such redemption of the Notes, whether pursuant to the exercise of such option by the Controlling Class or the Subordinated Noteholders, shall take place in accordance with the procedures set out in Condition 7(b) (*Optional Redemption*).

(h) Redemption

Unless otherwise specified in this Condition 7 (*Redemption and Purchase*), all Notes in respect of which any notice of redemption is given shall be redeemed on the Redemption Date at their applicable Redemption Prices and to the extent specified in such notice and in accordance with the requirements of this Condition 7 (*Redemption and Purchase*).

(i) Cancellation and Purchase

All Notes redeemed in full by the Issuer will be cancelled and may not be reissued or resold.

No Note may be surrendered (including in connection with any abandonment, donation, gift, contribution or other event or circumstance) except for payment as provided herein for cancellation pursuant to Condition 7(k) (*Purchase*) below, for registration of transfer, exchange or redemption, or for replacement in connection with any Note mutilated, defaced or deemed lost or stolen.

(j) Notice of Redemption

The Issuer shall procure that notice of any redemption in accordance with this Condition 7 (*Redemption and Purchase*) (which notice shall be irrevocable) is given to the Trustee and Noteholders in accordance with Condition 16 (*Notices*) and promptly in writing to the Rating Agencies.

(k) Purchase

On any Payment Date, at the discretion of the Investment Manager acting on behalf of the Issuer and in accordance with and subject to the terms of the Investment Management and Collateral Administration Agreement the Issuer may, subject to the conditions below, purchase any of the Rated Notes (in whole or in part), using Principal Proceeds standing to the credit of the Principal Account or the Collateral Enhancement Account.

No purchase of Rated Notes by the Issuer may occur unless each of the following conditions is satisfied:

(i) (A) such purchase of Rated Notes shall occur in the following sequential order of priority: first, the Class A-1 Notes and the Class A-2 Notes on a *pro rata* and *pari passu* basis, until the Class A Notes are redeemed or purchased in full and cancelled; second, the Class B-1 Notes and the Class B-2 Notes on a *pro rata* and *pari passu* basis, until the Class B Notes are redeemed or purchased in full and cancelled; third, the Class C Notes, until the Class C Notes are redeemed or purchased in full and cancelled; fourth, the Class D Notes, until the Class D Notes are redeemed or purchased in full and cancelled; and fifth, the Class E Notes, until the Class E Notes are redeemed or purchased in full and cancelled; sixth, the Class F Notes, until the Class F Notes are redeemed or purchased in full or cancelled;

(B) (1) each such purchase of Rated Notes of any Class shall be made pursuant to an offer made to all holders of the Rated Notes of such Class, by notice to such holders, which notice shall specify the purchase price (as a percentage of par) at which such purchase will be effected, the maximum amount of Principal Proceeds and Collateral Enhancement Amounts that will be used to effect such purchase and the length of the period during which such offer will be open for acceptance;

(2) each such holder of a Rated Note shall have the right, but not the obligation, to accept such offer in accordance with its terms; and

(3) if the aggregate Principal Amount Outstanding of Notes of the relevant Class held by holders who accept such offer exceeds the amount of Principal Proceeds specified in such offer, a portion of the Notes of each accepting holder shall be purchased *pro-rata* based on the respective Principal Amount Outstanding held by each such holder subject to adjustment for Authorised Denominations if required and in the case of Class A-1 Notes and the Class A-2 Notes on a *pari passu* basis between the relevant holders of the Class A-1 Notes and the Class A-2 Notes; and in the case of Class B-1 Notes and the Class B-2 Notes on a *pari passu* basis between the relevant holders of the Class B-1 Notes and the Class B-2 Notes;

(C) each such purchase shall be effected only at prices discounted from par;

(D) each such purchase of Rated Notes shall occur prior to the expiry of the Reinvestment Period;

(E) each Coverage Test is satisfied immediately prior to each such purchase and will be satisfied after giving effect to such purchase or, if any Coverage Test is not satisfied it shall be at least maintained or improved after giving effect to such purchase when compared to such Coverage Test immediately prior thereto;

(F) no Event of Default shall have occurred and be continuing;

(G) any Rated Notes to be purchased shall be surrendered to the Registrar for cancellation and may not be reissued or resold; and

(H) each such purchase will otherwise be conducted in accordance with applicable law (including the laws of Ireland).

The Registrar shall cancel any such purchased Rated Notes surrendered to it for cancellation. The cancellation (and/or decrease, as applicable) of any such surrendered Rated Notes shall be taken into account for purposes of all relevant calculations.

8. Payments

(a) Method of Payment

Payments of principal upon final redemption in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of such Note at the specified office of the Principal Paying Agent or any Paying Agent by wire transfer. Payments of interest on each Note and, prior to redemption in full thereof, principal in respect of each Note, will be made by wire transfer. Upon application of the holder to the specified office of the Principal Paying Agent or any Paying Agent not less than five Business Days before the due date for any payment in respect of a Note, the payment may be made (in the case of any final payment of principal against presentation and surrender (or, in the case of part payment only of such final payment, endorsement) of such Note as provided above) by wire transfer, in immediately available funds, on the due date to a Euro account maintained by the payee with a bank in Western Europe.

(b) Payments

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives (including FATCA), but without prejudice to the provisions of Condition 9 (*Taxation*). No commission shall be charged to the Noteholders.

(c) Payments on Presentation Days

A holder shall be entitled to present a Note for payment only on a Presentation Date and shall not, except as provided in Condition 6 (*Interest*), be entitled to any further interest or other payment if a Presentation Date falls after the due date.

If a Note is presented for payment at a time when, as a result of differences in time zones it is not practicable to transfer the relevant amount to an account as referred to above for value on the relevant Presentation Date, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to the account for value on the first practicable date after the Presentation Date.

(d) Principal Paying Agent and Transfer Agents

The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of the Principal Paying Agent and any Transfer Agent and appoint additional or other Agents, provided that it will maintain:

(i) a Principal Paying Agent; and

(ii) a paying agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive,

in each case, as approved in writing by the Trustee and shall procure that it shall at all times maintain a Custodian, Account Bank, Investment Manager and Collateral Administrator. Notice of any change in any Agent or their specified offices or in the Investment Manager or Collateral Administrator will promptly be given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*).

9. Taxation

All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Ireland or any other jurisdiction, or any political sub division or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. For the avoidance of doubt, the Issuer shall not be required to gross up any payments made to Noteholders of any Class and shall withhold or deduct from any such payments any amounts on account of such tax where so required by law (including FATCA) or any such relevant tax authority. Any withholding or deduction shall not constitute an Event of Default under Condition 10(a) (*Events of Default*).

Subject as provided below, if the Issuer certifies to the Trustee (upon which certification the Trustee may rely without enquiry or liability) that it has or will on the occasion of the next payment due in respect of the Notes of any Class become obliged by the laws of Ireland to withhold or account for tax so that it would be unable to make payment of the full amount that would otherwise be due because of the imposition of such tax, the Issuer (save as provided below) shall use all reasonable endeavours to arrange for the substitution of a company incorporated in another jurisdiction approved by the Trustee as the principal obligor under the Notes of such Class, or to change its tax residence to another jurisdiction approved by the Trustee, subject to receipt of Rating Agency Confirmation in relation to such change and in accordance with the Trust Deed.

Notwithstanding the above, if any taxes referred to in this Condition 9 (*Taxation*) arise:

(a) due to any present or former connection of any Noteholder (or between a fiduciary, settlor, beneficiary, member or shareholder of such Noteholder if such Noteholder is an estate, a trust, a partnership, or a corporation) with Ireland (including without limitation, such Noteholder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having had a permanent establishment therein) otherwise than by reason only of the holding of any Note or receiving principal or interest in respect thereof;

(b) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland or other applicable tax authority;

(c) in respect of a payment made or secured for the immediate benefit of an individual or a non-corporate entity which is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive or any arrangement entered into between the EU member states and certain third countries and territories in connection with the Directive;

(d) as a result of presentation for payment by or on behalf of a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a member state of the European Union;

(e) in connection with FATCA; or

(f) any combination of the preceding clauses (a) to (e) inclusive,

the requirement to substitute the Issuer as a principal obligor and/or change its residence for taxation purposes shall not apply.

10. Events of Default

(a) Events of Default

Any of the following events shall constitute an "**Event of Default**":

(i) Non-payment of interest

the Issuer fails to pay any interest in respect of any Class A Notes or the Class B Notes, when the same becomes due and payable (save, in each case, as the result of any deduction therefrom or the imposition of withholding thereon in the circumstances described in the Conditions) and failure to pay such interest in such circumstances continues for a period of at least five consecutive Business Days provided that, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least ten consecutive Business Days;

(ii) Non-payment of principal

the Issuer fails to pay any principal when the same becomes due and payable on any Rated Note on the Maturity Date or on any Redemption Date provided that, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least ten Business Days after the Investment Manager, the Collateral Administrator or such Paying Agent, as applicable, receives written notice of, or has actual knowledge of, such administrative error or omission and provided further that, failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions of the Notes or, in the case of an Optional Redemption with respect to which a Refinancing fails will not constitute an Event of Default;

(iii) Default under Priorities of Payment

the failure on any Payment Date to disburse amounts (other than (i) or (ii) above) available in the Payment Account in excess of €10,000 and payable in accordance with the Priorities of Payment and continuation of such failure for a period of ten Business Days or, in the case of a failure to disburse due to an administrative error or omission, such failure continues for ten Business Days after the Collateral Administrator or such Paying Agent, as applicable, receives written notice of, or has actual knowledge of, such administrative error or omission;

(iv) Collateral Debt Obligations

on any Measurement Date on and after the Effective Date for so long as any of the Class A Notes are Outstanding, failure of the percentage equivalent of a fraction:

(A) the numerator of which is equal to

(1) the Aggregate Collateral Balance (excluding any Defaulted Obligations) plus

(2) the aggregate, for all Defaulted Obligations, of the lesser of the Moody's Collateral Value and the Fitch Collateral Value in respect of each Defaulted Obligation on such date; and

(B) the denominator of which is equal to the Principal Amount Outstanding of the Class A Notes

to equal or exceed 102.5 per cent;

(v) Breach of Other Obligations

except as otherwise provided in this definition of "**Event of Default**" a default in a material respect in the performance by, or breach of any material covenant of, the Issuer under the Trust Deed or these Conditions (provided that any failure to meet any Portfolio Profile Test, the Reinvestment Diversion Test, Collateral Quality Test or Coverage Test is not an Event of Default and any failure to satisfy the Effective Date Determination Requirements is not an Event of Default, except in each case to the extent provided in paragraph (iv) (*Collateral Debt Obligations*) above) or the failure of any material representation or warranty of the Issuer made in the Trust Deed or these Conditions or in any certificate or other writing delivered pursuant thereto or in connection therewith to be correct in each case in all respects when the same shall have been made, and the continuation of such default, breach or failure for a period of forty five calendar days after notice to the Issuer and the Investment Manager by hand, by registered or certified mail or courier, from the Trustee, the Issuer, or the Investment Manager, or to the Issuer, the Investment Manager and the Trustee from the Controlling Class acting pursuant to an Ordinary Resolution, specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Trust Deed; provided that if the Issuer (as notified to the Trustee by the Investment Manager in writing) has commenced curing such default, breach or failure during the forty five calendar day period specified above, such default, breach or failure shall not constitute an Event of Default under this paragraph (v) (*Breach of Other Obligations*) unless it continues for a period of sixty calendar days (rather than, and not in addition to, such forty five calendar day period specified above) after notice thereof in accordance herewith. For the

purposes of this paragraph (v) (*Breach of Other Obligations*), the materiality of such default, breach, covenant, representation or warranty shall be determined by the Trustee;

(vi) Insolvency Proceedings

proceedings are initiated against the Issuer under any applicable liquidation, insolvency, examinership, bankruptcy, composition, reorganisation or other similar laws (together, "**Insolvency Law**"), or a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, examiner, curator or other similar official (an "**Insolvency Official**") is appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer and in any of the foregoing cases, except in relation to the appointment of an Insolvency Official, is not discharged within 30 days; or the Issuer is subject to, or initiates or consents to judicial proceedings relating to itself under any applicable Insolvency Law, or seeks the appointment of an Insolvency Official, or makes a conveyance or assignment for the benefit of its creditors generally or otherwise becomes subject to any reorganisation or amalgamation (other than on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Controlling Class);

(vii) Illegality

it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes; or

(viii) Investment Company Act

the Issuer or any of the Collateral becomes required to register as an "Investment Company" under the Investment Company Act and such requirement continues for forty five calendar days.

(b) Acceleration

(i) If an Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Ordinary Resolution, (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) give notice to the Issuer and the Investment Manager that all the Notes are immediately due and repayable (such notice, an "**Acceleration Notice**").

(ii) Upon any such notice being given to the Issuer of the maturity of the Notes in accordance with Condition 10(b)(i) (*Acceleration*), all of the Notes shall immediately become due and repayable at their applicable Redemption Prices; provided that upon the occurrence of an Event of Default described in paragraph (vi) (*Insolvency Proceedings*) or (vii) (*Illegality*) of the definition thereof, an Acceleration Notice shall be deemed to have been given and all the Notes shall automatically become immediately due and repayable at their applicable Redemption Prices.

(c) Curing of Default

At any time after an Acceleration Notice (whether deemed or otherwise) has been given pursuant to Condition 10(b)(i) (*Acceleration*) following the occurrence of an Event of Default and prior to enforcement of the security pursuant to Condition 11 (*Enforcement*), the Trustee, subject to receipt of written consent from the Controlling Class, may and shall, if so requested by the Controlling Class, in each case, acting by Extraordinary Resolution, (and subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) rescind and annul such Acceleration Notice and its consequences if:

(i) the Issuer has paid or deposited with the Trustee (or to its order) a sum sufficient to pay:

(A) all overdue payments of interest and principal on the Notes, other than the Subordinated Notes;

(B) all due but unpaid taxes owing by the Issuer, as certified by an Authorised Officer of the Issuer to the Trustee;

(C) all unpaid Administrative Expenses up to the Senior Expenses Cap and Trustee Fees and Expenses; and

(D) all amounts due and payable by the Issuer under any Hedge Transaction; and

(ii) the Trustee has determined that all Events of Default, other than the non-payment of the interest in respect of, or principal of, the Notes that have become due solely as a result of the acceleration thereof under paragraph (b) above due to such Events of Default, have been cured or waived.

All amounts received in respect of this Condition 10(c) (*Curing of Default*) shall be distributed two Business Days following receipt by the Issuer of such amounts, in accordance with the Post-Acceleration Priority of Payments.

Any previous rescission and annulment of an Acceleration Notice pursuant to this Condition 10(c) (*Curing of Default*) shall not prevent the subsequent acceleration of the Notes if the Trustee, at its discretion or, as subsequently requested, accelerates the Notes in accordance with paragraph (b)(i) above.

(d) Restriction on Acceleration of Notes

No acceleration of the Notes shall be permitted pursuant to this Condition 10 (*Events of Default*) by any Class of Noteholders, other than the Controlling Class as provided in Condition 10(b) (*Acceleration*).

(e) Notification and Confirmation of No Default

The Issuer shall immediately notify the Trustee, the Investment Manager, the Noteholders in accordance with Condition 16 (*Notices*) and the Rating Agencies upon becoming aware of the occurrence of an Event of Default. The Trust Deed contains provision for the Issuer to provide written confirmation to the Trustee and the Rating Agencies on an annual basis and upon request that no Event of Default has occurred and that no condition, event or act has occurred which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition would constitute an Event of Default and that no other matter which is required (pursuant thereto) to be brought to the Trustee's attention has occurred.

11. Enforcement

(a) Security Becoming Enforceable

Subject as provided in Condition 11(b) (*Enforcement*) below, the security constituted by the Trust Deed over the Collateral shall become enforceable upon an acceleration of the maturity of the Notes pursuant to Condition 10(b) (*Acceleration*).

(b) Enforcement

At any time after the Notes become due and repayable and the security under the Trust Deed becomes enforceable, the Trustee may, at its discretion (but subject always to Condition 4(c) (*Limited Recourse and Non-Petition*)), and shall, if so directed by the Controlling Class acting by Ordinary Resolution (subject to being indemnified and/or secured and/or prefunded to its satisfaction), institute such proceedings or take any other action against the Issuer as it may think fit to enforce the terms of the Trust Deed and the Notes and pursuant and subject to the terms of the Trust Deed and the Notes, realise and/or otherwise liquidate or sell the Collateral in whole or in part and/or take such other action as may be permitted under applicable laws against any Obligor in respect of the Collateral and/or take any other action to enforce or realise the security

over the Collateral in accordance with the Trust Deed (such actions together, "**Enforcement Actions**"), in each case without any liability as to the consequence of such action and without having regard (save to the extent provided in Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*)) to the effect of such action on individual Noteholders of any Class or any other Secured Party, provided however that:

(i) no such Enforcement Action may be taken by the Trustee unless:

(A) the Trustee (or an agent or Appointee on its behalf) (in consultation with the Investment Manager) determines that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes and all due and unpaid interest in respect of each Class of Rated Notes up to the anticipated date of redemption) other than the Subordinated Notes and all amounts payable in priority to the Subordinated Notes pursuant to the Post-Acceleration Priority of Payments (such amount the "**Enforcement Threshold**" and such determination being an "**Enforcement Threshold Determination**"); or

(B) if the Enforcement Threshold will not have been met then:

(1) in the case of an Event of Default specified in paragraph (i), (ii) or (iv) of Condition 10(a) (*Events of Default*), the Controlling Class acting by way of Ordinary Resolution (and no other Class of Notes) directs the Trustee to take Enforcement Action without regard to any other Event of Default which has occurred prior to, contemporaneously or subsequent to such Event of Default; or

(2) in the case of any other Event of Default, the Holders of each Class of Rated Notes voting separately by Class by way of Ordinary Resolution direct the Trustee to take Enforcement Action;

(ii) the Trustee shall not be bound to institute any Enforcement Action or take any other action unless it is directed to do so by the Controlling Class or, in the case of Condition 11(b)(i)(B)(2) (*Enforcement*), each Class of Rated Notes as applicable, acting by Ordinary Resolution and, in each case, the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith. Following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes the Trustee shall (provided it is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) act upon the directions of the Subordinated Noteholders acting by Extraordinary Resolution;

(iii) for the purposes of determining issues relating to the execution of a sale or liquidation of the Portfolio, the anticipated proceeds to be realised from any Enforcement Action and whether the Enforcement Threshold will be met, the Investment Manager may communicate to the Trustee bid prices obtained from recognised dealers (which the Trustee shall have no obligation to consider) and the Trustee may appoint an independent investment banking firm or other appropriate advisor to advise it and may obtain and rely on an opinion and/or advice of such independent investment banking firm or other appropriate advisor (the cost of which shall be payable as Trustee Fees and Expenses); and

(iv) the Trustee shall notify the Noteholders (in accordance with Condition 16 (*Notices*)), the Issuer, the Agents, the Investment Manager, any Hedge Counterparty, and, so long as any of the Notes rated by one or more Rating Agencies remain Outstanding, each such Rating Agency if it makes an Enforcement Threshold Determination at any time and (b) the Trustee shall notify the Noteholders (in accordance with Condition 16 (*Notices*)), the Issuer, the Investment Manager, the Agents, any Hedge Counterparty, and, so long as any of the Notes rated by one or more Rating Agency remain Outstanding, each such Rating Agency if it takes

any Enforcement Action at any time. Following the delivery of an Acceleration Notice (deemed or otherwise) which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*) or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or 7(g) (*Redemption following Note Tax Event*), Interest Proceeds, Principal Proceeds and the net proceeds of enforcement of the security over the Collateral (other than (i) any Counterparty Downgrade Collateral (in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*)) and (ii) any Swap Tax Credits, which in each case are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payment) shall be credited to the Payment Account and shall be distributed in accordance with the following order of priority but in each case only to the extent that all payments of a higher priority have been made in full (the "**Post-Acceleration Priority of Payments**"):

(A) to the payment of taxes owing by the Issuer accrued in respect of the related Due Period (other than Irish corporate income tax in relation to the amounts equal to the Issuer Profit Amount), as certified by an Authorised Officer of the Issuer to the Trustee, if any, (save for any VAT payable in respect of any Investment Management Fee or any other tax payable in relation to any other amounts payable to any person in accordance with the following paragraphs which arise as a result of the payment of that amount to the relevant person); and to the payment of amounts equal to the Issuer Profit Amount, for deposit into the Issuer Irish Account;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses up to an amount equal to the Senior Expenses Cap in respect of the related Due Period provided that upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) the Senior Expenses Cap shall not apply unless and until such Acceleration Notice has been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*);

(C) to the payment of Administrative Expenses in relation to each item thereof including from any balance outstanding in the Expense Reserve Account, in the order of priority stated in the definition thereof, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (B) above provided that upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) the Senior Expenses Cap shall not apply unless and until such Acceleration Notice has been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*);

(D) to the payment on a *pro-rata* basis, of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid for out of the Interest Account), Scheduled Periodic Asset Swap Issuer Payments (to the extent not paid or provided for out of the relevant Asset Swap Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments) (to the extent not paid out of the Hedge Termination Account);

(E) to the payment:

(1) firstly, on a *pro-rata* basis to the Investment Manager of the Senior Investment Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority) save for any Deferred Senior Investment Management Amounts which shall not be paid pursuant to this paragraph; and

(2) secondly, to the Investment Manager, any previously due and unpaid Senior Investment Management Fees (other than Deferred Senior Investment Management Amounts) and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority);

(F) to the payment on a *pro-rata* basis of all Interest Amounts due and payable on the Class A Notes;

(G) to the redemption on a *pro-rata* and *pari passu* basis of the Class A-1 Notes and the Class A-2 Notes, until the Class A-1 Notes and the Class A-2 Notes have been redeemed in full;

(H) to the payment on a *pro-rata* basis of the Interest Amounts due and payable on the Class B Notes;

(I) to the redemption on a *pro-rata* and *pari passu* basis of the Class B-1 Notes and the Class B-2 Notes, until the Class B-1 Notes and the Class B-2 Notes have been redeemed in full;

(J) to the payment on a *pro-rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class C Notes;

(K) to the payment on a *pro-rata* basis of any Deferred Interest on the Class C Notes;

(L) to the redemption on a *pro-rata* basis of the Class C Notes, until the Class C Notes have been redeemed in full;

(M) to the payment on a *pro-rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class D Notes;

(N) to the payment on a *pro-rata* basis of any Deferred Interest on the Class D Notes;

(O) to the redemption on a *pro-rata* basis of the Class D Notes, until the Class D Notes have been redeemed in full;

(P) to the payment on a *pro-rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class E Notes;

(Q) to the payment on a *pro-rata* basis of any Deferred Interest on the Class E Notes;

(R) to the redemption on a *pro-rata* basis of the Class E Notes, until the Class E Notes have been redeemed in full;

(S) to the payment on a *pro-rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class F Notes;

(T) to the payment on a *pro-rata* basis of any Deferred Interest on the Class F Notes;

(U) to the redemption on a *pro-rata* basis of the Class F Notes, until the Class F Notes have been redeemed in full;

(V) to the payment of Trustee Fees and Expenses not paid by reason of the Senior Expenses Cap (if any);

(W) to the payment of Administrative Expenses not paid by reason of the Senior Expenses Cap (if any), in relation to each item thereof in the order of priority stated in the definition thereof; and

(X) to the payment of:

(1) firstly, to the Investment Manager of the Subordinated Investment Management Fee due and payable on such Payment Date and any VAT in respect thereof (if payable to the Investment Manager or directly on the relevant tax authority);

(2) secondly, to the Investment Manager of any previously due and unpaid Subordinated Investment Management Fee (other than Deferred Senior

Investment Management Amounts and Deferred Subordinated Investment Management Amounts) and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority); and

(3) thirdly, to the Investment Manager in payment of any Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority);

(Y) to the payment on a *pro-rata* basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty not paid in accordance with paragraph (D) above; and

(Z) (1) if the Incentive Investment Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds and Principal Proceeds to the payment on the Subordinated Notes on a *pro-rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Incentive Investment Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to paragraph (1) above, paragraph (CC) of the Interest Proceeds Priority of Payments and paragraph (T) of the Principal Proceeds Priority of Payments the Incentive Investment Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) 20 per cent. of any remaining Interest Proceeds and Principal Proceeds, to the payment to the Investment Manager as the Incentive Investment Management Fee and any VAT thereon whether payable to the Investment Manager or directly to the relevant tax authority; and

(b) any remaining Interest Proceeds and Principal Proceeds after the payment of the Incentive Investment Management Fee pursuant to (a) above, to the payment on the Subordinated Notes on a pro-rata basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

Where the payment of any amount in accordance with the Priorities of Payment set out above is subject to any deduction or withholding for or on account of any tax or any other tax is payable by or on behalf of the Issuer in respect of any such amount, payment of the amount so deducted or withheld or of the tax so due shall be made to the relevant taxing authority *pari passu* with and, so far as possible, at the same time as the payment of the amount in respect of which the relevant deduction or withholding or other liability to tax has arisen.

(c) Only Trustee to Act

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Noteholders or, in respect of the Collateral, of any of the other Secured Parties under the Trust Deed and the Notes and no Noteholder or other Secured Party may proceed directly against the Issuer or any of its assets unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so within a reasonable period after having received notice of such failure and such failure or neglect continues for at least thirty calendar days following receipt of such notice by the Trustee. Any proceeds received by a Noteholder or other Secured Party pursuant to any such proceedings brought by a Noteholder or other Secured Party shall be paid promptly following receipt thereof to the Trustee for application pursuant to the terms hereof. After realisation of the security which has become enforceable and distribution of the net proceeds in accordance with the Priorities of Payment, no

Noteholder or other Secured Party may take any further steps against the Issuer to recover any sum still unpaid in respect of the Notes or the Issuer's obligations to such Secured Party and all claims against the Issuer to recover any sum still unpaid in respect of the Notes or the Issuer's obligations to such Secured Party and all claims against the Issuer in respect of such sums unpaid shall be extinguished. In particular, none of the Trustee, any Noteholder or any other Secured Party shall be entitled in respect thereof to petition or take any other step for the winding up of the Issuer except to the extent permitted under the Trust Deed.

(d) Purchase of Collateral by Noteholders or Investment Manager

Upon any sale of any part of the Collateral following the security over the Collateral becoming enforceable following acceleration of the Notes under Condition 10(b) (*Acceleration*), whether made under the power of sale under the Trust Deed or by virtue of judicial proceedings, any Noteholder, the Investment Manager or any Investment Manager Related Person may (but shall not be obliged to) bid for and purchase the Collateral or any part thereof and, upon compliance with the terms of sale, may hold, retain, possess or dispose of such property in its or their own absolute right without accountability. In addition, any purchaser in any such sale which is a Noteholder may deliver Notes held by it in place of payment of the purchase price for such Collateral where the amount payable to such Noteholder in respect of such Notes pursuant to the Priorities of Payment is equal to or exceeds the purchase moneys so payable.

12. Prescription

Claims in respect of principal and interest payable on redemption in full of the relevant Notes will become void unless presentation for payment is made as required by Condition 7 (*Redemption and Purchase*) within a period of five years, in the case of interest, and ten years, in the case of principal, from the date on which payment is respect of such Notes is received by the applicable Paying Agent.

13. Replacement of Notes

If any Note is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of any Transfer Agent, subject in each case to all applicable laws and Irish Stock Exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes must be surrendered before replacements will be issued.

14. Meetings of Noteholders, Modification, Waiver and Substitution

(a) Provisions in Trust Deed

The Trust Deed contains provisions for convening meetings of the Noteholders of each Class (and for passing Written Resolutions) to consider matters affecting the interests of the Noteholders including, without limitation, modifying or waiving the provisions of these Conditions and the other Transaction Documents and the substitution of the Issuer in certain circumstances. The provisions in this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) are descriptive of the detailed provisions of the Trust Deed.

(b) Decisions and Meetings of Noteholders

(i) General

Decisions may be taken by Noteholders by way of Ordinary Resolution, Extraordinary Resolution or by Written Resolution, in each case, either acting together (subject to Condition 14(b)(viii) (*Resolutions affecting other Classes*) below) or, to the extent specified in any applicable Transaction Document (including the Trust Deed and these Conditions), as a Class of Noteholders acting independently. Ordinary Resolutions and Extraordinary Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing, in each case, in at least the minimum percentages specified in the table "Minimum Percentage Voting Requirements" in Clause 14(b)(iii) (*Minimum Voting Rights*) below. Meetings of the Noteholders may be convened by

the Issuer, the Trustee or by one or more Noteholders holding not less than 10 per cent. in principal amount of the Notes Outstanding of a particular Class, subject to certain conditions including minimum notice periods.

The Trustee may, in its discretion, determine that any proposed Ordinary Resolution or Extraordinary Resolution affects the holders of only one or more Classes of Notes, in which event the required quorum and minimum percentage voting requirements of such Ordinary Resolution or Extraordinary Resolution may be determined by reference only to the holders of that Class or Classes of Notes and not the holders of any other Notes as set forth in the tables below.

Notice of any Resolution passed by the Noteholders will be given by the Issuer to Fitch and Moody's in writing.

(ii) Quorum

The quorum required for any meeting convened to consider an Ordinary Resolution or Extraordinary Resolution, in each case, of all the Noteholders or of any Class or Classes of Noteholders, or at any adjourned meeting to consider such a Resolution, shall be as set out in the relevant column and row corresponding to the type of resolution in the table "Quorum Requirements" below.

Quorum Requirements

Type of Resolution	Any meeting other than a meeting adjourned for want of quorum	Meeting previously adjourned for want of quorum
Extraordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 66 2/3 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)
Ordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)

The Trust Deed does not contain any provision for higher quorums in any circumstances.

(iii) Minimum Voting Rights

Set out in the table Minimum Percentage Voting Requirements below are the minimum percentages required to pass the Resolutions specified in such table which:

(A) if such Resolution is being considered at a duly convened meeting of Noteholders, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes held or represented by any person or persons who vote in favour of such Resolution represents of the aggregate Principal Amount Outstanding of all applicable Notes which are represented at such meeting and are voted; or

(B) in the case of any Written Resolution, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes entitled to be voted in respect of such Resolution and which are voted in favour thereof represent of the aggregate Principal Amount Outstanding of all the Notes entitled to vote in respect of such Written Resolution.

Minimum Percentage Voting Requirements

Type of Resolution	Per cent.
Extraordinary Resolution of all Noteholders (or of a certain Class or Classes only)	At least 66 2/3 per cent.
Ordinary Resolution of all Noteholders (or of a certain Class or Classes only)	More than 50 per cent.

For the purposes of determining voting rights attributable to the Notes and the applicable quorum at any meeting of the Noteholders pursuant to this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*), (i) the Class A-1 Notes and the Class A-2 Notes together and (ii) the Class B-1 Notes and the Class B-2 Notes together, shall in each case be deemed to constitute a single class in respect of any voting rights specifically granted to them including as the Controlling Class.

(iv) Written Resolutions

Any Written Resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Noteholders and the date of such Written Resolution shall be the date on which the latest such document is signed. Any Extraordinary Resolution or Ordinary Resolution may be passed by way of a Written Resolution.

(v) All Resolutions Binding

Subject to Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*) and in accordance with the Trust Deed, any Resolution of the Noteholders (including any resolution of a specified Class or Classes of Noteholders, where the resolution of one or more other Classes is not required) duly passed shall be binding on all Noteholders (regardless of Class and regardless of whether or not a Noteholder was present at the meeting at which such Resolution was passed).

(vi) Extraordinary Resolution

Any Resolution to sanction any of the following items will be required to be passed by an Extraordinary Resolution (in each case, subject to anything else specified in the Trust Deed, the Investment Management and Collateral Administration Agreement or the relevant Transaction Document, as applicable):

(A) the exchange or substitution for the Notes of a Class, or the conversion of the Notes of a Class into, shares, bonds or other obligations or securities of the Issuer or any other entity and/or cash other than a Refinancing;

(B) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption of the Notes of a Class at maturity or otherwise (including the circumstances in which the maturity of such Notes may be accelerated) other than a Refinancing;

(C) the modification of any of the provisions of the Trust Deed or the Conditions of the Notes which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note other than a Refinancing;

(D) the adjustment of the outstanding principal amount of the Notes Outstanding of the relevant Class other than in connection with a further issue of Notes pursuant to Condition 17 (*Additional Issuances*);

(E) a change in the currency of payment of the Notes of a Class;

(F) any change in the Priorities of Payment or of any payment items in the Priorities of Payment;

(G) the modification of the provisions concerning the quorum required at any meeting of Noteholders or the minimum percentage required to pass a Resolution or any other

provision of the Trust Deed or these Conditions which requires the written consent of the holders of a requisite principal amount of the Notes of any Class Outstanding;

(H) any modification of any Transaction Document having a material adverse effect on the security over the Collateral constituted by the Trust Deed;

(I) any item requiring approval by Extraordinary Resolution pursuant to these Conditions or any Transaction Document; and

(J) any modification of this Condition 14(b) (*Decisions and Meetings of Noteholders*).

(vii) Ordinary Resolution

The Noteholders shall, in each case, subject to anything else specified in these Conditions, the Trust Deed and any other applicable Transaction Document, have power by Ordinary Resolution to approve any other matter relating to the Notes not referred to in Condition 14(b)(vi) (*Extraordinary Resolution*) above.

(viii) Resolutions affecting other Classes

If and for so long as any Notes of more than one Class are Outstanding, in relation to any Meeting of Noteholders:

(A) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects only the Notes of a Class or Classes (such Class or Classes, the "**Affected Class(es)**"), but not another Class or Classes, as the case may be, shall be duly passed if passed at a meeting or meetings of the holders of the Notes of each Affected Class and such Resolution shall be binding on all the Noteholders, including the holders of Notes which are not an Affected Class;

(B) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects the Notes of each Class shall be duly passed if passed at meetings of the Noteholders of each Class;

(C) a Resolution passed by the Controlling Class to exercise any rights granted to them pursuant to the Conditions of the Notes or any Transaction Document shall be duly passed if passed at a meeting of the Controlling Class and such resolution shall be binding on all the Noteholders; and

(D) a Resolution passed by the Subordinated Noteholders (or any of them) to exercise the rights granted to them pursuant to the Conditions of the Notes or any Transaction Document shall be duly passed if passed at a meeting of such Subordinated Noteholders and such Resolution shall be binding on all of the Noteholders,

provided, in each case, any Resolution may also be passed by way of a Written Resolution.

(c) Modification and Waiver

The Trust Deed and the Investment Management and Collateral Administration Agreement both provide that (subject as provided below), without the consent of the Noteholders, the Issuer may amend, modify, supplement and/or waive the relevant provisions of the Trust Deed and/or the Investment Management and Collateral Administration Agreement and/or any other Transaction Document (subject to the consent of the other parties thereto) (as applicable), and the Trustee shall consent to such amendment, supplement, modification or waiver subject as provided below, (other than in the case of an amendment, modification, supplement or waiver pursuant to paragraphs (xi) and (xii) below, in certain circumstances, which shall be subject to the prior written consent of the Trustee, paragraphs (xv), (xix) and (xxvii) which shall be subject to the receipt of Rating Agency Confirmation and paragraphs (xxvii) and (xxviii) below, which shall be subject to the consent of the Controlling Class, in each case in accordance with the relevant paragraph), for any of the following purposes (and for the avoidance of doubt, the Trustee, without further enquiry, shall, subject as provided herein, consent to an amendment,

supplement, modification or waiver referenced in any one of paragraphs (i) to (xxix) below, notwithstanding that the proposed amendment, supplement, modification or waiver would (or could be held to) fall within the scope of any other paragraph which has differing requirements):

(i) to add to the covenants of the Issuer for the benefit of the Noteholders or to surrender any right or power in the Trust Deed or the Investment Management and Collateral Administration Agreement (as applicable) conferred upon the Issuer for the benefit of the Noteholders;

(ii) to charge, convey, transfer, assign, mortgage or pledge any property to or with the Trustee;

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

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

(v) to make such changes as shall be necessary or advisable in order for the Notes of each Class to be (or to remain) listed on the Global Exchange Market of the Irish Stock Exchange or any other exchange;

(vi) to amend, modify, enter into, accommodate the execution or facilitate the transfer by the relevant Hedge Counterparty of any Hedge Agreement upon terms satisfactory to the Investment Manager and subject to receipt of Rating Agency Confirmation;

(vii) save as contemplated in Condition 14(d) (*Substitution*) below, to take any action advisable to prevent the Issuer from becoming subject to withholding or other taxes, fees or assessments;

(viii) to take any action advisable to prevent the Issuer from being treated as resident in the UK for UK tax purposes, as trading in the UK for UK tax purposes or as subject to UK VAT in respect of any Investment Management Fees;

(ix) to take any action advisable to prevent the Issuer from being treated as engaged in a United States trade or business or otherwise subject to United States federal, state or local income tax on a net income basis;

(x) to enter into any additional agreements not expressly prohibited by the Trust Deed or the Investment Management and Collateral Administration Agreement (as applicable), provided that any such additional agreements include customary limited recourse and non-petition provisions;

(xi) to make any other modification of any of the provisions of the Trust Deed, the Investment Management and Collateral Administration Agreement or any other Transaction Document which, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error;

(xii) to make any other modification (save as otherwise provided in the Trust Deed, the Investment Management and Collateral Administration Agreement or the relevant Transaction Document), and/or give any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any other Transaction Document which in the opinion of the Trustee is not materially prejudicial to the interests of the Noteholders of any Class;

(xiii) to amend the name or the Constitution of the Issuer to the extent necessary to amend its status to a "Designated Activity Company", as such term is defined in the Companies Act

2014 or to the extent necessary or desirable in order to reflect any change of law as a consequence of the implementation of the Companies Act 2014;

(xiv) to make any amendments to the Trust Deed or any other Transaction Document to enable the Issuer to comply with FATCA;

(xv) to modify or amend any components of:

(A) the Fitch Test Matrix; or

(B) the Moody's Test Matrix,

with respect to (A) subject to receipt of Rating Agency Confirmation from Fitch and with respect to (B) subject to receipt of Rating Agency Confirmation from Moody's;

(xvi) to make any changes necessary to permit or reflect any additional issuances of Notes in accordance with Condition 17 (*Additional Issuances*) or to issue replacement notes in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xvii) to evidence any waiver or modification by any Rating Agency in its rating methodology or as to any requirement or condition, as applicable, of such Rating Agency set forth in the Transaction Documents;

(xviii) to modify the Transaction Documents in order to comply with Rule 17g-5;

(xix) to modify the terms of the Transaction Documents in order that they may be consistent with the requirements of the Rating Agencies, including to address any change in the rating methodology employed by either Rating Agency, in a manner that an officer of the Investment Manager certifies to the Trustee would not materially adversely affect the interests of the Noteholders of the Notes of any Class, subject to receipt of Rating Agency Confirmation in respect of the Rated Notes from each Rating Agency then rating the Rated Notes (upon which certification and confirmation the Trustee shall be entitled to rely without enquiry or liability);

(xx) to modify the Transaction Documents (other than any Hedge Agreement) in order to comply with EMIR or any other applicable regulatory requirements;

(xxi) to modify the Transaction Documents in order to comply with changes in the requirements of AIFMD or which result from the implementation of the implementing technical standards relating thereto or any subsequent legislation or official guidance relating to AIFMs;

(xxii) to make such changes as shall be necessary to facilitate the Issuer to effect a Refinancing in part in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xxiii) to make any other modification of any of the provisions of the Trust Deed, the Investment Management and Collateral Administration Agreement or any other Transaction Document to comply with changes in the requirements of (i) the Retention Requirements or (ii) the UCITS Directive in relation to risk retention, in each case which result from the implementation of the implementing technical standards relating thereto or any subsequent risk retention legislation or official guidance;

(xxiv) to make any other modifications of any provisions of the Trust Deed, the Investment Management and Collateral Administration Agreement or the Transaction Documents to comply with the requirements of CRA3 as regards structured finance instruments or which result from the implementation of the technical standards relating thereto;

(xxv) to amend, modify or supplement any Hedge Agreement in order to (i) comply with EMIR and/or the Dodd-Frank Act, including any implementing regulation, technical standards and guidance related thereto, subject to the extent that it would constitute a Form Approved Asset Swap or a Form Approved Interest Rate Hedge (as applicable) following such

modification or (ii) (A) to facilitate the transfer of any Hedge Agreement to a replacement counterparty or the roles of any Agent to a replacement agent, in each case in circumstances where such Hedge Counterparty or Agent does not satisfy the applicable Rating Requirement and subject to such replacement counterparty or agent (as applicable) satisfying the applicable requirements in the Transaction Documents or (B) to the extent necessary to allow the Issuer or the relevant Hedge Counterparty to comply with any enactment, promulgation, execution or ratification of, or any change in or amendment to, any law or regulation (or in the application or official interpretation of any law or regulation) that occurs after the parties enter into the Hedge Agreement;

(xxvi) to make any change necessary to prevent the Issuer from becoming an investment company or being required to register as an investment company under the Investment Company Act;

(xxvii) subject to the consent of the Controlling Class acting by Ordinary Resolution and Rating Agency Confirmation, to make any modifications to the Collateral Quality Tests, Portfolio Profile Tests, Reinvestment Criteria or Eligibility Criteria and all related definitions (including in order to reflect changes in the methodology applied by the Rating Agencies);

(xxviii) to make any modification or amendment determined by the Issuer, as advised by the Investment Manager (in consultation with legal counsel experienced in such matters), as necessary or advisable for any Class of Rated Notes to not be considered an "ownership interest" as defined for purposes of section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder, provided that: (a) the Controlling Class acting by Ordinary Resolution consents in writing thereto; and (b) such modification or amendment would not, in the opinion of the Issuer, be materially prejudicial to the interests of the Noteholders of any Class; and

(xxix) to conform the provisions of the Trust Deed or any other Transaction Document or other document delivered in connection with the Notes to the Prospectus.

Any such modification, authorisation or waiver shall be binding on the Noteholders and shall be notified by the Issuer as soon as reasonably practicable following the execution of any trust deed supplemental to the Trust Deed or any other modification, authorisation or waiver pursuant to this Condition 14(c) (*Modification and Waiver*) to:

(i) so long as any of the Notes rated by one or more Rating Agencies remains Outstanding, each such Rating Agency; and

(ii) the Noteholders in accordance with Condition 16 (Notices).

Subject to its compliance with applicable law, the Issuer agrees that it shall notify the Hedge Counterparty of any amendment made to any Transaction Document as soon as reasonably practicable after any such amendment is made.

Notwithstanding anything to the contrary herein and in the Trust Deed, the Issuer shall not agree to amend, modify or supplement any provisions of the Transaction Documents if such change shall have a material adverse effect (as reasonably determined by the Hedge Counterparty) on the rights or obligations of a Hedge Counterparty without such Hedge Counterparty's prior written consent.

To the extent required pursuant to a Hedge Agreement, the Issuer shall notify each Hedge Counterparty of any proposed amendment to any provisions of the Transaction Documents and seek the prior consent of such Hedge Counterparty(ies) in respect thereof, in each case to the extent required in accordance with and subject to the terms of the relevant Hedge Agreement. For the avoidance of doubt, such notice shall only be given and such consent shall only be sought to the extent required above or in accordance with and subject to the terms of the relevant Hedge Agreement. If a Hedge Agreement allows a certain period for the relevant Hedge Counterparty to consider and respond to such a consent request, during such period and pending a response from the relevant Hedge Counterparty, the Issuer shall not make any such proposed amendment.

For the avoidance of doubt, the Trustee shall, without the consent or sanction of any of the Noteholders or any other Secured Party, concur with the Issuer, in making any modification, amendment, waiver or supplement pursuant to the paragraphs above (other than a modification, waiver or supplement pursuant to paragraphs (xi) and (xii) above) to the Transaction Documents, which the Issuer certifies to the Trustee is required (upon which certification the Trustee is entitled to rely without enquiry and without liability), provided that the Trustee shall not be obliged to agree to any modification which, in the opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, powers, authorisations, indemnities and protections, of the Trustee in respect of the Transaction Documents.

In the case of a modification, amendment, waiver or supplement pursuant to paragraphs (xi) and (xii) above, the Trustee shall be entitled to obtain expert advice, at the expense of the Issuer, and rely on such advice in connection with giving such consent as it sees fit.

(d) Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class), to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes of each Class, if required for taxation purposes, provided that such substitution would not, in the opinion of the Trustee, be materially prejudicial to the interests of the Noteholders of any Class. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, but subject to receipt of Rating Agency Confirmation from Moody's (subject to receipt of such information and/or opinions as the Rating Agency may require), to a change of the law governing the Notes and/or the Trust Deed, provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class. Any substitution agreed by the Trustee pursuant to this Condition 14(d) (*Substitution*) shall be binding on the Noteholders, and shall be notified by the Issuer to the Noteholders as soon as practicable in accordance with Condition 16 (*Notices*).

The Trustee may, subject to the satisfaction of certain conditions specified in the Trust Deed, including receipt of Rating Agency Confirmation, agree to a change in the place of residence of the Issuer for taxation purposes without the consent of the Noteholders of any Class, provided the Issuer does all such things as the Trustee may reasonably require in order that such change in the place of residence of the Issuer for taxation purposes is fully effective and complies with such other requirements which are in the interests of the Noteholders as it may reasonably direct.

The Issuer shall procure that, so long as the Notes are listed on the Global Exchange Market of the Irish Stock Exchange any material amendments or modifications to the Conditions, the Trust Deed or such other conditions made pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) shall be notified to the Irish Stock Exchange.

(e) Entitlement of the Trustee and Conflicts of Interest

In connection with the exercise of its trusts, powers, duties and discretions (including but not limited to those referred to in this Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*)), the Trustee shall have regard to the interests of each Class of Noteholders as a Class and shall not have regard to the consequences of such exercise for individual Noteholders of such Class and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders except to the extent already provided for in Condition 9 (*Taxation*).

The Trust Deed provides that if there is any conflict of interest between or among the holders of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes, the interests of the holders of the Controlling Class

will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of:

(i) the Class A Noteholders over the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(ii) the Class B Noteholders over the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(iii) the Class C Noteholders over the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(iv) the Class D Noteholders over the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(v) the Class E Noteholders over the Class F Noteholders and the Subordinated Noteholders; and

(vi) the Class F Noteholders over the Subordinated Noteholders.

If the Trustee receives conflicting or inconsistent requests from two or more groups of holders of a Class, given priority as described in this paragraph, each representing less than the majority by principal amount of such Class, the Trustee shall give priority to the group which holds the greater aggregate principal amount of Notes Outstanding of such Class. The Trust Deed provides further that, except as provided otherwise in any applicable Transaction Document or the Conditions of the Notes, the Trustee will act upon the directions of the holders of the Controlling Class acting by Ordinary Resolution (or other Class given priority as described in this paragraph) in such circumstances subject to being indemnified and/or secured and/or prefunded to its satisfaction, and shall not be obliged to consider the interests of and is exempted from any liability to the holders of any other Class of Notes.

In addition, the Trust Deed provides that, so long as any Note is Outstanding, the Trustee shall have no regard to the interests of any Secured Party other than the Noteholders or, at any time, to the interests of any other person.

15. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility in certain circumstances, including provisions relieving it from instituting proceedings to enforce repayment or to enforce the security constituted by or pursuant to the Trust Deed, unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer or any other party to any Transaction Document and any entity related to the Issuer or any other party to any Transaction Document without accounting for any profit. The Trustee is exempted from any liability in respect of any loss or theft of the Collateral from any obligation to insure, or to monitor the provisions of any insurance arrangements in respect of, the Collateral (for the avoidance of doubt, under the Trust Deed the Trustee is under no such obligation) and from any claim arising from the fact that the Collateral is held by the Custodian or is otherwise held in safe custody by a bank or other custodian. The Trustee shall not be responsible for the performance by the Custodian of any of its duties under the Agency Agreement or for the performance by the Investment Manager of any of its duties under the Investment Management and Collateral Administration Agreement, for the performance by the Collateral Administrator of its duties under the Investment Management and Collateral Administration Agreement or for the performance by any other person appointed by the Issuer in relation to the Notes or by any other party to any Transaction Document. The Trustee shall not have any responsibility for the administration, management or operation of the Collateral including the request by the Investment Manager to release any of the Collateral from time to time.

The Trust Deed contains provisions for the retirement of the Trustee and the removal of the Trustee by Extraordinary Resolution of the Controlling Class, but no such retirement or removal shall become effective until a successor trustee is appointed.

16. Notices

Notices to Noteholders will be valid if posted to the address of such Noteholder appearing in the Register at the time of publication of such notice by pre-paid, first class mail (or any other manner approved by the Trustee which may be by electronic transmission) and (for so long as the Notes are listed on the Global Exchange Market of the Irish Stock Exchange and the rules of the Irish Stock Exchange so require) shall be sent to the Company Announcements Office of the Irish Stock Exchange or such other process as the Irish Stock Exchange may require. Any such notice shall be deemed to have been given to the Noteholders:

(a) in the case of inland mail, three calendar days after the date of dispatch thereof;

(b) in the case of overseas mail, seven calendar days after the dispatch thereof; or

(c) in the case of electronic transmission, on the date of dispatch.

Notices will be valid and will be deemed to have been given, for so long as the Notes are admitted to trading on the Irish Stock Exchange, when such notice is filed in the Company Announcements Office of the Irish Stock Exchange or such other process as the Irish Stock Exchange may require.

The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders (or a category of them) if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Notes are then listed and provided that notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

17. Additional Issuances

(a) The Issuer may from time to time, subject to the approval of (i) the Subordinated Noteholders (acting by Ordinary Resolution); (ii) in the case of the issuance of additional Class A Notes, subject to the approval of the Class A Noteholders (acting by Ordinary Resolution); and (iii) the Retention Holder, create and issue further Notes having the same terms and conditions as existing Classes of Notes (subject as provided below) and which shall be consolidated and form a single series with the Outstanding Notes of each such Class (unless otherwise provided), and will use the proceeds of sale thereof to purchase additional Collateral Debt Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Debt Obligations, provided that the following conditions are met:

(i) such additional issuances in relation to the applicable Class of Notes may not exceed 100 per cent. in the aggregate of the original aggregate principal amount of such Class of Notes;

(ii) such additional Notes must be issued for a cash sale price and the net proceeds invested in Collateral Debt Obligations or, pending such investment, during the Initial Investment Period deposited in the Unused Proceeds Account or, thereafter, deposited in the Principal Account and, in each case, invested in Eligible Investments;

(iii) in relation to an additional issuance of the Class A Notes, such additional issuance shall be (A) an additional issuance solely of the Class A-1 Notes or (B) if such additional issuance is in relation to both the Class A-1 and Class A-2 Notes, such additional Class A-1 Notes and Class A-2 Notes must be issued in a proportionate amount among the Class A-1 Notes and Class A-2 Notes so that the relative proportions of aggregate principal amount of the Class A-1 Notes and Class A-2 Notes existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance;

(iv) in relation to an additional issuance of the Class B Notes, such additional issuance shall be (A) an additional issuance solely of the Class B-1 Notes or (B) if such additional issuance is in relation to both the Class B-1 and Class B-2 Notes, such additional Class B-1 Notes and Class B-2 Notes must be issued in a proportionate amount among the Class B-1 Notes and Class B-2 Notes so that the relative proportions of aggregate principal amount of the Class B-1 Notes and Class B-2 Notes existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance;

(v) such additional Notes must be of each Class of Notes and issued in a proportionate amount among the Classes so that the relative proportions of aggregate principal amount of the Classes of Notes existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance (save with respect to Subordinated Notes as described in paragraph (c) below);

(vi) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Notes must be identical to the terms of the previously issued Notes of the applicable Class of Notes;

(vii) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance and obtain Rating Agency Confirmation (in the case of each Rating Agency, to the extent such Rating Agency is rating any of the Notes);

(viii) the Coverage Tests are satisfied or if not satisfied the Coverage Tests will be maintained or improved after giving effect to such additional issuance of Notes;

(ix) the holders of the relevant Class of Notes in respect of which further Notes are issued shall have been notified in writing thirty calendar days prior to such issuance and shall have been afforded the opportunity to purchase additional Notes of the relevant Class in an amount not to exceed the percentage of the relevant Class of Notes each holder held immediately prior to the issuance (the "**Anti-Dilution Percentage**") of such additional Notes and on the same terms offered to investors generally;

(x) (so long as the existing Notes of the Class of Notes to be issued are listed on the Global Exchange Market of the Irish Stock Exchange) the additional Notes of such Class to be issued are in accordance with the requirements of the Irish Stock Exchange and are listed on the Global Exchange Market of the Irish Stock Exchange (for so long as the rules of the Irish Stock Exchange so require);

(xi) such additional issuances are in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer;

(xii) the Issuer and the Trustee will have received advice of tax counsel of nationally recognised standing in the United States experienced in such matters to the effect that (A) such additional issuance will not cause the opinion delivered on the Issue Date by Cadwalader, Wickersham & Taft LLP with respect to the characterisation of the Class A Notes, Class B Notes, Class C Notes, Class D Notes, and Class E Notes as indebtedness for U.S. federal income tax purposes to be incorrect, and (B) any additional Class A Notes, Class B Notes, Class C Notes, and Class D Notes will be treated, and any additional Class E Notes should be treated, as indebtedness for U.S. federal income tax purposes; provided, however, that the advice of tax counsel described in this Condition 17(a)(xii) (*Additional Issuances*) will not be required with respect to any additional Notes that bear a different International Securities Identification Number (or equivalent identifier) from the Notes of the same Class that were issued on the Issue Date and are Outstanding at the time of the additional issuance;

(xiii) any issuance of additional Notes shall be accomplished in a manner that will allow the Issuer to provide the information described in United States Treasury regulation section 1.1275-3(b)(1) to the holders of such additional Notes; and

(xiv) the Retention Holder consenting to purchase a sufficient amount of each Class of Notes which are the subject of such additional issuance such that its holding equals no less than 5 per cent. of the nominal value of such Class or Classes of Notes.

(b) Subject to the requirements in Condition 17(a) (*Additional Issuances*) above (except for the conditions in Condition 17(a)(vii), (xii) and (xiii) (*Additional Issuances*)), the Issuer may issue and sell additional Subordinated Notes (without issuing Notes of any other Class) provided that:

(i) the subordination terms of such Subordinated Notes are identical to the terms of the previously issued Subordinated Notes;

(ii) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Subordinated Notes must be identical to the terms of the previously issued Subordinated Notes;

(iii) such additional Subordinated Notes are issued for a cash subscription price, the net proceeds to be:

(A) invested in Collateral Debt Obligations or Eligible Investments or, pending such investment, deposited in, the Unused Proceeds Account prior to the expiry of the Initial Investment Period or the Principal Account after the expiry of the Initial Investment Period and in each case invested in Eligible Investments, provided that the Issuer or the Investment Manager (acting on behalf of the Issuer) shall not be obliged to enter into any binding commitments to purchase Collateral Debt Obligations with such proceeds, until such proceeds have been deposited into the Unused Proceeds Account or the Principal Account (as applicable); or

(B) used for other Permitted Uses;

(iv) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance;

(v) the holders of the Subordinated Notes shall have been notified in writing thirty calendar days prior to such issuance by the Issuer and shall have been afforded the opportunity to purchase additional Subordinated Notes in an amount not to exceed the Anti-Dilution Percentage of such additional Subordinated Notes and on the same terms offered to investors generally; and

(vi) such additional issuance is in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer.

References in these Conditions to the "Notes" include (unless the context requires otherwise) any other notes issued pursuant to this Condition 17 (*Additional Issuances*) and forming a single series with the Notes. Any further securities forming a single series with Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

18. Third Party Rights

No person shall have any right to enforce any term or condition of the Note under the Contracts (Rights of Third Parties) Act 1999.

19. Governing Law

(a) Governing Law

The Trust Deed and each Class of Notes and any dispute, controversy, proceedings or claim of whatever nature (whether contractual or non-contractual) arising out of or in any way relating to the Trust Deed or any Class of Notes are governed by and shall be construed in accordance with English law. The Corporate Services Agreement shall be governed by and is construed in accordance with Irish law.

(b) Jurisdiction

The courts of England are to have jurisdiction to settle any disputes (whether contractual or non-contractual) which may arise out of or in connection with the Notes, and accordingly any legal action or proceedings arising out of or in connection with the Notes ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Noteholders and the Trustee and shall not limit the right of any of them to take Proceedings in any other court of competent

jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Agent for Service of Process

The Issuer appoints TMF Corporate Services Limited (having an office, at the date hereof, at 5th Floor, 6 St. Andrew Street, London EC4A 3AE) as its agent in England to receive service of process in any Proceedings in England based on any of the Notes. If for any reason the Issuer ceases to have such an in England, it will promptly appoint a substitute process agent and notify the Trustee and the Noteholders of such appointment. Nothing herein shall affect the right to service of process in any other manner permitted by law.

USE OF PROCEEDS

The net proceeds of the issue of the Notes remaining after payment of (a) certain fees and expenses incurred in connection with the issue of the Notes payable on or about the Issue Date and following completion of the issue of the Notes (including, without duplication, amounts deposited into the Expense Reserve Account), (b) the acquisition costs of any Collateral Debt Obligations acquired by the Issuer on or prior to the Issue Date (if applicable) and (c) an amount equal to €1,750,000 into the First Period Reserve Account, are expected to be approximately €295,000,000. Such remaining net proceeds shall be retained in the Unused Proceeds Account.

FORM OF THE NOTES

References below to Notes and to the Global Certificates and the Definitive Certificates representing such Notes are to each respective Class of Notes, except as otherwise indicated.

Initial Issue of Notes

The Regulation S Notes of each Class will be represented on issue by a Regulation S Global Certificate deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Certificate may be held at any time only through Euroclear or Clearstream, Luxembourg. See "*Book Entry Clearance Procedures*". Beneficial interests in a Regulation S Global Certificate may not be held by a U.S. Person or U.S. Resident at any time. By acquisition of a beneficial interest in a Regulation S Global Certificate, the purchaser thereof will be deemed to represent, among other things, that it is not a U.S. Person, and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest only to a person whom the seller reasonably believes (a) to be a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (b) to be a person who takes delivery in the form of an interest in a Rule 144A Global Certificate. See "*Transfer Restrictions*".

The Rule 144A Notes of each Class will be represented on issue by a Rule 144A Global Certificate deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Rule 144A Global Certificate may only be held at any time only through Euroclear or Clearstream, Luxembourg. See "*Book Entry Clearance Procedures*". By acquisition of a beneficial interest in a Rule 144A Global Certificate, the purchaser thereof will be deemed to represent, amongst other things, that it is a QIB/QP and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest in accordance with the procedures and restrictions contained in the Trust Deed. See "*Transfer Restrictions*".

Beneficial interests in Global Certificates will be subject to certain restrictions on transfer set forth therein and in the Trust Deed and as set forth in Rule 144A and the Investment Company Act, and the Notes will bear the applicable legends regarding the restrictions set forth under "*Transfer Restrictions*". In the case of each Class of Notes, a beneficial interest in a Regulation S Global Certificate may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate only upon receipt by the Registrar or the Transfer Agent of a written certification (in the form provided in the Trust Deed) to the effect that the transferor reasonably believes that the transferee is a QIB/QP and that such transaction is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. Beneficial interests in the Rule 144A Global Certificates may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate only upon receipt by the Registrar or the Transfer Agent of a written certification (in the form provided in the Trust Deed) from the transferor to the effect that the transfer is being made to a non-U.S. Person and in accordance with Regulation S.

Any beneficial interest in a Regulation S Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate will, upon transfer, cease to be an interest in such Regulation S Global Certificate and become an interest in the Rule 144A Global Certificate, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Rule 144A Global Certificate for as long as it remains such an interest. Any beneficial interest in a Rule 144A Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate will, upon transfer, cease to be an interest in a Rule 144A Global Certificate and become an interest in the Regulation S Global Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Regulation S Global Certificate for so long as it remains such an interest. No service charge will be made for any registration of transfer or exchange of Notes, but the Registrar or the Transfer Agent may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Except in the limited circumstances described below, owners of beneficial interests in Global Certificates will not be entitled to receive physical delivery of certificated Notes.

On the Issue Date, an acquirer of a Class E Note, Class F Note or a Subordinated Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate will be deemed to represent (among other things) that it is not and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of) a Benefit Plan Investor or a Controlling Person unless such acquirer: (i) receives the written consent of the Issuer; and (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed). Other than on the Issue Date, an acquirer of a Class E Note, Class F Note or a Subordinated Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate will be deemed to represent (among other things) that it is not and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of) a Benefit Plan Investor or a Controlling Person unless such acquirer: (i) receives the written consent of the Issuer; (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed); and (iii) other than with respect to Retention Notes, holds such Class E Note, Class F Note or Subordinated Note, as applicable, in the form of a Definitive Certificate. Any Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate shall be registered in the name of the holder thereof. Each purchaser and transferee understands and agrees that no transfer of an interest in Class E Notes, Class F Notes or Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation to be exceeded with respect to the Class E Notes, Class F Notes or the Subordinated Notes (determined separately by Class).

The Subordinated Notes, the Class E Notes and the Class F Notes will be offered outside the United States to non-U.S. Persons in reliance on Regulation S and within the United States to persons who are both QIBs and QPs. The Notes are not issuable in bearer form.

Amendments to Terms and Conditions

Each Global Certificate contains provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes in definitive form (See "*Terms and Conditions of the Notes*"). The following is a summary of those provisions:

- *Payments* Payments of principal and interest in respect of Notes represented by a Global Certificate will be made to the registered holder and, if no further payment falls to be made in respect of the relevant Notes, upon surrender of such Global Certificate to or to the order of the Principal Paying Agent or such other Agent as shall have been notified to the relevant Noteholders for such purpose. On each occasion on which a payment of interest (unless the Notes represented thereby do not bear interest) or principal is made in respect of the relevant Global Certificate, the Registrar shall note the same in the Register and, in relation to payments of principal, cause the aggregate principal amount of the Notes represented by a Global Certificate to be decreased accordingly.

- *Notices* So long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to Noteholders shall be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for delivery thereof as required by the Conditions of such Notes provided that such notice is also made to the Company Announcements Office of the Irish Stock Exchange for so long as such Notes are listed on the Global Exchange Market of the Irish Stock Exchange and the rules of the Irish Stock Exchange so require. Such notice will be deemed to have been given to the Noteholders on the date of delivery of the relevant notice to the relevant clearing system.

- *Prescription* Claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by a Global Certificate will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the date on which any payment first becomes due.

- *Meetings* The holder of each Global Certificate will be treated as being one person for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and, at any such meeting, as having one vote in respect of each €1,000 of principal amount of Notes for which the relevant Global Certificate may be exchanged.

- *Trustee's Powers* In considering the interests of Noteholders while the Global Certificates are held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its account holders with entitlements to each Global Certificate and may consider such interests as if such account holders were the holders of any Global Certificate.

- *Cancellation* Cancellation of any Note required by the Terms and Conditions of the Notes to be cancelled will be effected by reduction in the principal amount of the Notes on the Register, with a corresponding notation made on the applicable Global Certificate.

- *Optional Redemption* The Subordinated Noteholders', the Retention Holder's and the Controlling Class' option in Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption following Note Tax Event*) (as applicable) may be exercised by the holder(s) of a Definitive Certificate or a Global Certificate (as applicable) representing Subordinated Notes, the Retention Notes or the Controlling Class (as applicable) giving notice to the Registrar or other Agent specified for such purpose of the principal amount of Subordinated Notes, Retention Notes or Notes representing the Controlling Class (as applicable) in respect of which the option is exercised and presenting such Definitive Certificate or Global Certificate (as applicable) for endorsement of exercise within the time limit specified in Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*).

- *Record Date* The Record Date will mean the close of business on the Clearing System Business Day before the relevant due date for payment of principal and interest in respect of such security

Exchange for Definitive Certificates

Exchange

Each Global Certificate will be exchangeable, free of charge to the holder, on or after its Definitive Exchange Date (as defined below), in whole but not in part, for Definitive Certificates if a Global Certificate is held (directly or indirectly) on behalf of Euroclear, Clearstream, Luxembourg or an alternative clearing system and any such clearing system is closed for business for a continuous period of fourteen calendar days (other than by reason of holiday, statutory or otherwise) or announces its intention to permanently cease business or does in fact do so.

Interests in Global Certificates representing Class E Notes, Class F Notes or Subordinated Notes may be exchangeable for interests in a Definitive Certificate representing the Class E Notes, Class F Notes or Subordinated Notes if a transferee is acting on behalf of a Benefit Plan Investor or is a Controlling Person provided: (i) such transferee has obtained the written consent of the Issuer in respect of such transfer; and (ii) the transferee has provided the Issuer with an ERISA certificate in or substantially in the form set out in Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed. Interests in Global Certificates representing Class E Notes, Class F Notes or Subordinated Notes may be exchangeable for interests in Definitive Certificates representing Class E Notes, Class F Notes or Subordinated Notes in accordance with the Conditions of the Notes as amended above.

The Registrar will not register the transfer of, or exchange of interests in, a Global Certificate for Definitive Certificates during the period from (but excluding) the Record Date to (and including) the date for any payment of principal or interest in respect of the Notes.

If only one of the Global Certificates (the "**Exchanged Global Certificate**") becomes exchangeable for Definitive Certificates in accordance with the above paragraphs, transfers of Notes may not take place between, on the one hand, persons holding Definitive Certificates issued in exchange for beneficial interests in the Exchanged Global Certificate and, on the other hand, persons wishing to purchase beneficial interests in the other Global Certificate.

"**Definitive Exchange Date**" means a day falling not less than thirty calendar days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar and any Transfer Agent is located.

Delivery

In the event a Global Certificate is to be exchanged, the relevant Global Certificate shall be exchanged in full for Definitive Certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Certificate must provide the Registrar with: (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Certificates; and (b) in the case of the Rule 144A Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of simultaneous sale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Certificates issued in exchange for a beneficial interest in the Rule 144A Global Certificate shall bear the legends applicable to transfers pursuant to Rule 144A, as set out under "*Transfer Restrictions*" below.

Legends

The holder of a Class E Note, Class F Note or Subordinated Note represented by a Definitive Certificate in registered definitive form, as applicable, may transfer the Notes represented thereby in whole or in part in the applicable minimum denomination by surrendering such Note(s) at the specified office of the Registrar or any Transfer Agent, together with the completed form of transfer and to the extent applicable, consent of the Issuer and a duly completed ERISA certificate in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed. Upon the transfer, exchange or replacement of a Definitive Certificate in registered definitive form, as applicable, bearing the legend referred to under "*Transfer Restrictions*" below, or upon specific request for removal of the legend on a Definitive Certificate in registered definitive form, as applicable, the Issuer will deliver only Definitive Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer and the Registrar such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act and the Investment Company Act.

Exchange of Definitive Certificates for Interests in Global Certificates

Regulation S

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

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

Rule 144A

If a holder of Class E Notes, Class F Notes or Subordinated Notes represented by a Definitive Certificate wishes at any time to transfer its interest in such Notes to a person who wishes to take delivery thereof in the form of a beneficial interest in a Rule 144A Global Certificate, such holder may effect such transfer

only upon receipt by the Registrar of: (a) notification from the common depositary for Euroclear and Clearstream, Luxembourg of the Rule 144A Global Certificate that the appropriate credit entry has been made in the accounts of the relevant participants of Euroclear and Clearstream, Luxembourg (but in no case for less than the minimum authorised denomination applicable to Notes of such Class); and (b) a certificate in the form of part F (*Form of Definitive Certificate to Rule 144A Global Certificate Transfer Certificate of Class E Notes, Class F Notes or Subordinated Notes*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Registrar as applicable) given by the proposed transferee.

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

BOOK ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from sources that the Issuer believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. The Issuer has taken reasonable care to ensure that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. In particular, such information is subject to any change in or interpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Trustee, the Placement Agent or any Agent party to the Agency Agreement (or any Affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Euroclear and Clearstream, Luxembourg

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Notes and cross-market transfers of the Notes associated with secondary market trading (See "*Settlement and Transfer of Notes*" below).

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in Global Certificates directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

Book Entry Ownership

Euroclear and Clearstream, Luxembourg

Each Regulation S Global Certificate and each Rule 144A Global Certificate will have an ISIN and a Common Code and will be registered in the name of, and deposited with, a nominee of the common depositary on behalf of, Euroclear and Clearstream, Luxembourg.

Relationship of Participants with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Certificate must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer to the holder of such Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg. The Issuer expects that, upon receipt of any payment in respect of Notes represented by a Global Certificate, the common depositary by whom such Note is held, or nominee in whose name it is registered, will immediately credit the relevant Participants' or accountholders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Global Certificate as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of

beneficial interests in any Global Certificate held through such Direct Participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Certificate in respect of each amount so paid. None of the Issuer, the Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such Note (the "**Beneficial Owner**") will in turn be recorded on the Direct Participant's and Indirect Participant's records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any Global Certificate held within a Clearing System is exchanged for Definitive Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Trading between Euroclear and/or Clearstream, Luxembourg Participants

Secondary market sales of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

RATINGS OF THE NOTES

General

It is a condition of the issue and sale of the Notes that the Rated Notes be issued with at least the following ratings: the Class A-1 Notes AAAsf from Fitch and Aaa(sf) from Moody's; the Class A-2 Notes AAAsf from Fitch and Aaa(sf) from Moody's; the Class B-1 Notes AAsf from Fitch and Aa2(sf) from Moody's; the Class B-2 Notes: AAsf from Fitch and Aa2(sf) from Moody's; the Class C Notes: Asf from Fitch and A2(sf) from Moody's; the Class D Notes: BBBsf from Fitch and Baa2(sf) from Moody's; the Class E Notes: BBsf from Fitch and Ba2(sf) from Moody's and the Class F Notes: B-sf from Fitch and B2(sf) from Moody's. The Subordinated Notes being offered hereby will not be rated.

The ratings assigned to the Class A Notes and the Class B Notes by Fitch address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class A Notes and the Class B Notes by Moody's address the ultimate payment of principal. The ratings assigned to the Class C Notes, Class D Notes, the Class E Notes and the Class F Notes address the ultimate payment of principal and interest.

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

In respect of any Notes that are subject to a Refinancing in accordance with Condition 7(b)(vi) (*Refinancing in relation to a Redemption in Whole*), the ratings assigned to the Notes will not necessarily continue to be assigned to the Refinancing Obligations issued pursuant thereto.

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

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

Fitch Ratings

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

Fitch analyses the likelihood that each Collateral Debt Obligation will default, based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as obligations with lower ratings are added to the Portfolio) and an additional default assumption to account for future fluctuations in defaults. Fitch then determines the level of credit protection necessary based on a specific percentile of the Portfolio default distribution determined by the Fitch 'Portfolio Credit Model' which takes into account the correlation between assets in the portfolio based on the level of diversification by region, issuer and industry. The results of a statistical analysis are incorporated into a cash flow model built to mimic the structure of the transaction. In this regard, the results of several default scenarios, in conjunction with various qualitative tests (e.g. analysis of the strength of the Investment Manager), are used to determine the credit enhancement required to support a particular rating.

Fitch Ratings of the Rated Notes were established under various assumptions and scenarios.

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

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

Moody's Ratings

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

Moody's analysis of the likelihood that each Collateral Debt Obligation will default is based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as securities with lower ratings are added to the portfolio) and an additional default assumption to account for future fluctuations in defaults. Moody's then determines the level of credit protection necessary to achieve the expected loss associated with the rating of the Rated Notes, taking into account the expected volatility of the default rate of the portfolio based on the level of diversification by region, issuer and industry. There can be no assurance that the actual default rates on the Collateral Debt Obligations held by the Issuer will not exceed the rates assumed by Moody's in its analysis.

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

RULE 17G-5 COMPLIANCE

THE ISSUER, IN ORDER TO PERMIT THE RATING AGENCIES TO COMPLY WITH THEIR OBLIGATIONS UNDER RULE 17G-5 PROMULGATED UNDER THE EXCHANGE ACT ("**RULE 17G-5**"), HAS AGREED TO POST (OR HAVE ITS AGENT POST) ON A PASSWORD-PROTECTED INTERNET WEBSITE (THE "**RULE 17G-5 WEBSITE**"), AT THE SAME TIME SUCH INFORMATION IS PROVIDED TO THE RATING AGENCIES, ALL INFORMATION (WHICH WILL NOT INCLUDE ANY REPORTS FROM THE ISSUER'S INDEPENDENT PUBLIC ACCOUNTANTS) THAT THE ISSUER OR OTHER PARTIES ON ITS BEHALF, INCLUDING THE INVESTMENT MANAGER, PROVIDE TO THE RATING AGENCIES FOR THE PURPOSES OF DETERMINING THE INITIAL CREDIT RATING OF THE RATED NOTES OR UNDERTAKING CREDIT RATING SURVEILLANCE OF THE RATED NOTES; PROVIDED, HOWEVER, THAT, PRIOR TO THE OCCURRENCE OF AN EVENT OF DEFAULT, WITHOUT THE PRIOR WRITTEN CONSENT OF THE INVESTMENT MANAGER NO PARTY OTHER THAN THE ISSUER OR THE BANK OF NEW YORK MELLON S.A./N.V., DUBLIN BRANCH MAY PROVIDE INFORMATION TO THE RATING AGENCIES ON THE ISSUER'S BEHALF. ON THE ISSUE DATE, THE ISSUER WILL ENGAGE THE BANK OF NEW YORK MELLON S.A./N.V. DUBLIN BRANCH, IN ACCORDANCE WITH THE INVESTMENT MANAGEMENT AND COLLATERAL ADMINISTRATION AGREEMENT, TO ASSIST THE ISSUER IN COMPLYING WITH CERTAIN OF THE POSTING REQUIREMENTS UNDER RULE 17G-5 (IN SUCH CAPACITY, THE "**INFORMATION AGENT**"). ANY NOTICES OR REQUESTS TO, OR ANY OTHER WRITTEN COMMUNICATIONS WITH OR WRITTEN INFORMATION PROVIDED TO, THE RATING AGENCIES, OR ANY OF ITS OFFICERS, DIRECTORS OR EMPLOYEES, TO BE GIVEN OR PROVIDED TO SUCH RATING AGENCIES PURSUANT TO, IN CONNECTION WITH OR RELATED, DIRECTLY OR INDIRECTLY, TO THE TRUST DEED, THE INVESTMENT MANAGEMENT AND COLLATERAL ADMINISTRATION AGREEMENT, ANY TRANSACTION DOCUMENT RELATING THERETO, THE PORTFOLIO OR THE NOTES, WILL BE IN EACH CASE FURNISHED DIRECTLY TO THE RATING AGENCIES AFTER A COPY HAS BEEN DELIVERED TO THE INFORMATION AGENT OR THE ISSUER FOR POSTING TO THE RULE 17G-5 WEBSITE.

THE ISSUER

General

The Issuer is a special purpose vehicle established for the purpose of issuing asset backed securities and was incorporated in Ireland as a private company limited by shares on 8 April 2015 under the Companies Act 1963 to 2013 (as amended) with the name Adagio IV CLO Limited and with company registration number 560032 and having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland. The telephone number of the registered office of the Issuer is +353 (0)1 614 6240 and the facsimile number is +353 (0) 1 614 6250.

The authorised share capital of the Issuer is €100 divided into 100 ordinary shares of €1.00 each. The Issuer has issued 1 ordinary share of €1.00 (the "**Share**"), which is fully paid up and is held by TMF Management (Ireland) Limited (the "**Share Trustee**") under the terms of a declaration of trust dated 26 May 2015 (the "**Declaration of Trust**") pursuant to which the Share Trustee holds the Share on trust until the Termination Date (as defined in the Declaration of Trust) and may not dispose or otherwise deal with the Share for so long as there are any Notes outstanding. The holder of the Share will have the ability to elect directors of the Issuer and may be able to take certain other actions permitted by shareholders under the Constitution of the Issuer.

TMF Administration Services Limited (the "**Corporate Services Provider**"), an Irish company, acts as the corporate administrator for the Issuer. The office of the Corporate Services Provider services as the general business office of the Issuer. Through the office and pursuant to the terms of the corporate services agreement entered into on 26 May 2015 (the "**Corporate Services Agreement**") between the Issuer and the Corporate Services Provider, the Corporate Services Provider performs various management functions on behalf of the Issuer, including the provision of certain clerical, reporting, accounting, administrative and other services until termination of the Corporate Services Agreement. In consideration for the foregoing, the Corporate Services Provider receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Corporate Services Agreement provide that either party may terminate the Corporate Services Agreement upon the occurrence of certain stated events, including any material breach by the other party of its obligations under the Corporate Services Agreement which is either incapable of remedy or which is not cured within 90 days from the date on which it was notified of such breach. In addition, either party may terminate the Corporate Services Agreement at any time by giving not less than ninety days' written notice to the other party.

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

Companies Act 2014

The Companies Act 2014 was commenced in Ireland by statutory instrument with effect on and from 1 June 2015. The Companies Act 2014 imposes a statutory duty on the directors of the Issuer to re-register the Issuer as a "Designated Activity Company" or "DAC" within the meaning of the Companies Act 2014, within a period of 18 months following the commencement date of the Companies Act 2014. The conversion of the Issuer to a DAC will result in the Issuer's name changing to include the words "designated activity company" or "DAC" rather than "Limited" and consequential amendments to the existing constitutional documents of the Issuer will be required to take account of the Companies Act 2014.

Business

The principal objects of the Issuer are set forth in Article 2 of its Constitution and include, inter alia, the power to issue securities and to raise or borrow money, to grant security over its assets for such purposes, to lend with or without security and to enter into derivative transactions. Cash flow derived from the Collateral securing the Notes will be the Issuer's only source of funds to fund payments in respect of such Notes.

So long as any of the Notes are outstanding, the Issuer will be subject to the restrictions set out in the Conditions and in the Trust Deed. In particular, the Issuer has undertaken not to carry out any business

other than the issuing of the Notes and acquiring, holding and disposing of the Portfolio in accordance with the Conditions and the Investment Management and Collateral Administration Agreement, entering into the Trust Deed, the Agency Agreement, the Placement Agency Agreement, any Hedge Agreements, the Risk Retention Letter, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement and any Reporting Delegation Agreement, and exercising the rights and performing the obligations under each such agreement and all other transactions incidental thereto. The Issuer will not have any substantial liabilities other than in connection with the Notes and any secured obligations. The Issuer will not have any subsidiaries and, save in respect of the fees and expenses generated in connection with the issue of the Notes (referred to below), any related profits and the proceeds of any deposits and investments made from such fees or from amounts representing the proceeds of the Issuer's issued share capital, the Issuer will not be able to accumulate any surpluses.

The Issuer has, and will have, no material assets other than the Portfolio held from time to time, the Balances standing to the credit of the Accounts and the benefit of the Trust Deed, the Investment Management and Collateral Administration Agreement, the Agency Agreement, the Placement Agency Agreement, any Hedge Agreements, the Risk Retention Letter, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement and any Reporting Delegation Agreement entered into by or on behalf of the Issuer from time to time, such fees (as agreed) payable to it in connection with the issue of the Notes, the sum of €1.00 representing the proceeds of its issued and paid up share capital and the remainder of the amounts standing to the credit of the Issuer Irish Account. The only assets of the Issuer available to meet claims of the holders of the Notes and the other Secured Parties are the assets comprised in the Collateral.

The Notes are obligations of the Issuer alone and are not the obligations of, or guaranteed in any way by, the Directors or the company secretary of the Issuer, the Trustee, and the Agents, the Investment Manager, the Placement Agent, the Hedge Counterparty or any obligor under any part of the Portfolio.

Directors and Company Secretary

The Issuer's Constitution provides that the board of directors of the Issuer will consist of at least two directors.

The Directors of the Issuer as at the date of this Prospectus are John Martin Hackett and Christopher McDonald. The business address of the Directors is 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland. The Directors of the Issuer may engage in other activities and have other directorships. None of the Directors of the Issuer has any actual or potential conflict between their duties to the Issuer and their private interest or other duties.

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

Business Activity

Prior to the Issue Date, the Issuer entered into the Warehouse Arrangements in order to enable the Issuer to acquire certain Collateral Debt Obligations on or before the Issue Date. Amounts owing under the Warehouse Arrangements will be fully repaid on the Issue Date using the proceeds from the issuance of the Notes.

The Issuer has not previously carried on any business or activities other than those incidental to its incorporation, the authorisation and entry into of the Warehouse Arrangements, the acquisition of the Portfolio, the authorisation and issue of the Notes and activities incidental to the exercise of its rights in compliance with its obligations under the Trust Deed, the Investment Management and Collateral Administration Agreement, the Agency Agreement, the Placement Agency Agreement, any Hedge Agreements, the Risk Retention Letter, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement and any Reporting Delegation Agreement entered into in connection with the issue of the Notes and the purchase of the Portfolio.

Indebtedness

The Issuer has no indebtedness as at the date of this Prospectus, other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein (including the funding provided pursuant to the Warehouse Arrangements, which will be repaid in full on the Issue Date).

Subsidiaries

The Issue has no subsidiaries.

Administrative Expenses of the Issuer

The Issuer is expected to incur certain Administrative Expenses (as defined in Condition 1 (*Definitions*) of the Terms and Conditions of the Notes).

Financial Statements

Since its date of incorporation, and save as disclosed herein, the Issuer has not commenced operations and no financial statements of the Issuer have been prepared as at the date of this Prospectus. The Issuer intends to publish its financial statements in respect of the period ending on 31 December 2015. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each year.

The Issuer's profit and loss account and balance sheet can be obtained free of charge from the registered office of the Issuer. The Issuer must hold its first annual general meeting within 18 months of the date of its incorporation (and no more than 9 months after the financial year end) and thereafter the gap between its annual general meetings must not exceed 15 months. One annual general meeting must be held in each calendar year.

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

THE INVESTMENT MANAGER

The information appearing in this section has been prepared by the Investment Manager and has not been independently verified by the Issuer, the Placement Agent or any other party. The Issuer has taken reasonable care to ensure that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by the Placement Agent, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Placement Agent or any other party other than the Investment Manager assumes any responsibility for the accuracy or completeness of such information.

General

Certain advisory and administrative functions with respect to the Portfolio will be performed by AXA Investment Managers, Inc. a Delaware corporation, as the Investment Manager ("**AXA IM**"). See further "*Description of the Investment Management and Collateral Administration Agreement*".

AXA IM's investment management business originated in 2001 when the high yield bond group of Cardinal Capital Management, based in Greenwich, CT, joined AXA IM. Organisationally, AXA IM is a wholly-owned subsidiary of AXA-IM Rose, Inc., a Delaware corporation, which is a wholly-owned subsidiary of AXA-IM Holding US, Inc., a Delaware corporation, which is a wholly-owned subsidiary of AXA Investment Managers, a *société anonyme* organised under the laws of France ("**AXA IMSA**"). AXA IMSA is a holding company of several investment management companies, which includes AXA IM (collectively, the "**AXA IM Group**").

AXA IM is an indirect subsidiary of AXA S.A. ("**AXA**"), a *société anonyme* organised under the laws of France. AXA's shares are traded on the Compartment A of NYSE Euronext Paris and, in the form of American depositary shares traded on the United States over-the-counter market. The financial strength rating of AXA is "Aa3" by Moody's, "AA-" by Fitch and "A+" by S&P.

The AXA IM Group is one of the AXA group's principal asset managers. It is a multi-specialist asset management division that offers fixed income, equity, structured and alternative products, real estate and multi-management investment expertise. AXA IM Group's clients include both institutional and individual investors. The AXA IM Group provides diversified asset management and related services globally to its mutual funds, which are distributed through the AXA group's distribution networks and external distributors. The AXA IM Group also provides these services to AXA's insurance subsidiaries in respect of their insurance-related invested assets and separate management account assets.

The AXA IM Group, through AXA IM and its Affiliate AXA Investment Managers Paris ("**AXA IM Paris**"), provides portfolio management services under a number of investment strategies including, without limitation, (i) United States and European high yield products, (ii) United States, European and Global corporate investment grade products, (iii) United States and European leveraged loan products and (iv) United States and European structured and/or asset backed products.

As of March 31, 2015, AXA IM had total assets under management of approximately USD 69.28 billion and, as of March 31, 2015, AXA IM Group's total assets under management amounted to USD 740 billion.

AXA IM's address is 100 West Putnam Avenue, 4th Floor, Greenwich, Connecticut 06830.

Credit Risk Mitigation

Together with its obligations under the Investment Management and Collateral Administration Agreement and subject to the standard of care required thereunder, the Investment Manager has in place and operates internal policies and procedures to administer and manage the Portfolio and similar portfolios. Such policies and procedures include, in the case of the Portfolio, systems for identifying Credit Impaired Obligations and Defaulted Obligations.

Under the Investment Management and Collateral Administration Agreement, subject to the standard of care required thereunder, the Investment Manager is obliged to:

(a) diversify the Collateral Debt Obligations comprising the Portfolio in accordance with and to the extent permitted by the terms of the Investment Management and Collateral Administration Agreement and, in particular, the Portfolio Profile Tests;

(b) measure and monitor the credit risk of the Portfolio as per the methodologies set out in the Investment Management and Collateral Administration Agreement and in accordance with the terms of the Investment Management and Collateral Administration Agreement; and

(c) consult with the Collateral Administrator for the purposes of compiling each Monthly Report and Payment Date Report which will provide information intended to facilitate investors in their conducting of stress tests on the cash flows and collateral values supporting the Notes.

Personnel

Set forth below is certain biographical information for those employees of the AXA IM Group, who will have primary responsibility for the selection and management of Collateral Debt Obligations and Eligible Investments. Employees of the AXA IM Group will only perform delegated collateral manager services directly for the Issuer to the extent that they have the regulatory capacity to do so. Such employees are either employees of AXA IM or employees of AXA IM Paris, an Affiliate of AXA IM, the resources of which are used by AXA IM in relation to the selection and management of Collateral Debt Obligations and Eligible Investments and other related services under a participating affiliate arrangement entered into for US securities laws purposes between AXA IM and AXA IM Paris.

In addition to these employees, a number of other employees of the Investment Manager and its Affiliates may be involved to a lesser extent in the selection, management and administration of Collateral Debt Obligations and Eligible Investments. There can be no assurance that any such persons will continue to be employed by the Investment Manager and its Affiliates during the entire term of the Investment Management and Collateral Administration Agreement or, if so employed, will continue to be responsible for the Investment Manager's performance of its obligations under the Investment Management and Collateral Administration Agreement. See the "*Risk Factors—Relating to certain Conflicts of Interest—Investment Manager*" section of this Prospectus.

Jean-Philippe Levilain, Global Head of AXA IM Leveraged Loan Team (Greenwich, CT). Previously, Jean-Philippe worked at AXA IM Paris, where he was a Senior Portfolio Manager and then head of the European High Yield Loan team. Prior to joining the AXA IM Group, Jean-Philippe spent seven years with BNP Paribas, and held several positions as a loan trader and credit analyst. Jean-Philippe graduated from the Institut d'Etudes Politiques de Paris and obtained a postgraduate degree in Finance from the University of Paris I, Pantheon-Sorbonne.

Yannick Le Serviget, Senior Portfolio Manager at AXA IM (Paris). Yannick joined the AXA IM Group in 2003. Previously he worked at Société Générale for two years as an associate in the secondary loans sales and trading team, in charge of distributing loans and exotic credit derivatives to European investors and of developing trading and arbitrage opportunities. Prior to joining Société Générale, he spent one year as a financial auditor in a French consulting firm. Yannick started his career in 1998 and spent two years (part-time) as an assistant portfolio manager at AGF Asset Management. He graduated from French business school ESSEC.

Alexandre Thierry, Portfolio Manager at AXA IM (Paris). Alexandre joined the AXA IM Group in 2006. He started his career in 2005 as an assistant portfolio manager at the Société Générale's hedge fund department. Alexandre graduated from the University of Paris IX - Dauphine and obtained a postgraduate degree in Finance from the University of Paris IX- Dauphine.

Cyril Macé, Senior Corporate Credit Analyst at AXA IM (Paris). Cyril began his career at the AXA IM Group in 1998. Cyril joined the leveraged finance team in 2001 and spent the first four years as a portfolio manager. Prior to joining the leveraged finance team, he was a portfolio manager covering credit and high yield funds. Cyril holds a postgraduate degree in Finance and a Master's degree in Banking and Finance from the University Panthéon-Assas.

Xavier Boucher, Senior Corporate Credit Analyst at AXA IM (Paris). Xavier joined the AXA IM Group in 2012 as a Senior Research Analyst after having spent over seven years with BNP Paribas. Xavier commenced his career in 2005 as an M&A analyst with BNP Paribas in New York. In 2007, he joined the

leverage finance origination group as analyst and was promoted to associate in 2008. In 2009, Xavier joined the restructuring group in Paris where he worked on over 15 restructuring processes in EMEA. Xavier graduated from ESCP Europe where he majored in finance and graduated cum laude from the Institut d'Etudes Politiques de Paris where he majored in strategy.

Isa Schulz, Senior Corporate Credit Analyst at AXA IM (Paris). Isa joined the AXA IM Group in 2012. Previously, Isa worked for 5 years as an investment manager in the direct private equity team of Allianz Capital Partners in London. Her responsibilities covered the entire investment cycle including originating ideas, executing transactions, negotiating financing contracts and supervising portfolio companies (board observer). She started her career in 2001 as an investment banker at Dresdner Kleinwort Wasserstein in London, most notably in the Financial Sponsors Team. Isa holds a PhD in finance from Albert-Ludwigs-Universität Freiburg im Breisgau, the degree "Diplom-Kauffrau" from Universität Regensburg and a maîtrise in economics from Université Paris Dauphine. Isa also attended the International Executive Programme at INSEAD (Fontainebleau / Abu Dhabi / Singapore).

Hortense de Lamaze, Senior Corporate Credit Analyst at AXA IM (Paris). Hortense joined the AXA IM Group in 2008. Previously she was analyst at Mizuho Corporate Bank on the Leverage Finance team and at BNP Paribas on the Project finance Team. Hortense graduated at the university of Technologie de Compiegne and she holds a Master's degree in project Management from the French Business school HEC Paris.

Mounia Maliki, Junior Corporate Credit Analyst at AXA IM (Paris). Mounia joined the AXA IM Group in 2008. Previously, she was corporate analyst at De Lage Landen International (Subsidiary of Rabobank). Mounia graduated from the ESC Grenoble and has received the CFA designation.

Nicolas Noel, Junior Corporate Credit Analyst at AXA IM (Paris). Nicolas joined the AXA IM Group in 2013. He started his career in a start up in the renewable energies where he was working on financing projects and financial advisor. Nicoals graduated from the University of Paris IX - Dauphine and obtained a postgraduate degree in Finance from the University of Paris IX- Dauphine.

Joel Serebransky, Senior Portfolio Manager/Analyst at AXA IM (Greenwich, CT). Joel joined AXA IM in August 2012 to help start the US Loan platform. Previously, he was a portfolio manager at Lord Abbett & Co, where he managed over $4 billion of loans via a loan mutual fund and a collateralised loan obligation. In 1996, Joel co-founded the loan investment business at Alliance Bernstein and, in 2005, left to start a loan investment boutique, Navigare Partners. Prior to joining Alliance Bernstein, Joel spent 6 years structuring and distributing various debt products at JP Morgan. Joel holds a B.A. degree from Rutgers College and an M.B.A. from The Wharton School of the University of Pennsylvania.

Vera Fernholz, Senior Credit Analyst at AXA IM (Greenwich, CT). Previously Vera worked in the Syndicated Loan and Risk Management/Workout groups at CIT Group for 5 years. Vera spent 8 years as an originator, credit analyst and portfolio manager in Private Placement and Leveraged Loans at Prudential Capital Group. She started her banking career as an assistant treasurer at Bankers Trust. Vera holds a B.A. Degree from Smith College and an M.B.A. from the Darden Business School of the University of Virginia.

Michael J Sorna, Junior Credit Analyst at AXA IM (Greenwich, CT). Michael is currently a junior credit analyst with AXA IM. Prior to joining AXA IM in 2015, Michael was an analyst at Standard & Poor's in the Financial Institutions Group covering companies in the specialty finance industry. Prior to his time with Standard & Poor's, he spent two years at SAC Capital as a portfolio analyst. Michael holds a B.B.A. from Hofstra University.

THE CALCULATION AGENT, PRINCIPAL PAYING AGENT, ACCOUNT BANK AND CUSTODIAN

The information appearing in this section has been prepared by the Collateral Administrator, Calculation Agent, Principal Paying Agent, Account Bank and Custodian and has not been independently verified by the Issuer, the Placement Agent or any other party. The Issuer has taken reasonable care to ensure that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by the Collateral Administrator, Calculation Agent, Principal Paying Agent, Account Bank and Custodian, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Placement Agent or any other party other than the Collateral Administrator, Calculation Agent, Principal Paying Agent, Account Bank and Custodian assumes any responsibility for the accuracy or completeness of such information.

The Bank of New York Mellon (formerly The Bank of New York)

The Bank of New York Mellon, a wholly owned subsidiary of The Bank of New York Mellon Corporation, is incorporated, with limited liability by Charter, under the Laws of the State of New York by special act of the New York State Legislature, Chapter 616 of the Laws of 1871, with its Head Office situated at One Wall Street, New York, NY 10286, USA and having a branch registered in England & Wales with FC No 005522 and BR No 000818 with its principal office in the United Kingdom situated at One Canada Square, London E14 5AL.

The Bank of New York Mellon's corporate trust business services $12 trillion in outstanding debt from 55 locations around the world. It services all major debt categories, including corporate and municipal debt, mortgage-backed and asset-backed securities, collateralised debt obligations, derivative securities and international debt offerings. The Bank of New York Mellon's corporate trust and agency services are delivered through The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A.

The Bank of New York Mellon Corporation is a global financial services company focused on helping clients manage and service their financial assets, operating in 35 countries and serving more than 100 markets. The company is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. It has more than $26 trillion in assets under custody and administration and more than $1.4 trillion in assets under management. Additional information is available at bnymellon.com.

THE COLLATERAL ADMINISTRATOR AND THE INFORMATION AGENT

The information appearing in this section has been prepared by the Collateral Administrator and the Information Agent and has not been independently verified by the Issuer, the Placement Agent or any other party. The Issuer has taken reasonable care to ensure that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by the Collateral Administrator and the Information Agent, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Placement Agent or any other party other than the Collateral Administrator and the Information Agent assume any responsibility for the accuracy or completeness of such information.

The Bank of New York Mellon S.A./N.V. is a Belgian limited liability company established September 30, 2008 under the form of a Société Anonyme/Naamloze Vennootschap. It was granted its banking license by the CBFA (former Belgian supervisor prior to the implementation of the "twin peaks" model) on March 10 2009. It has its headquarters and main establishment at 46 rue Montoyerstraat, 1000 Bruxelles/Brussels. The Bank of New York Mellon S.A./N.V. is a subsidiary of BNY Mellon (BNYM), the main banking subsidiary of The BNY Mellon Corporation. It is under the prudential supervision of the National Bank of Belgium and regulated by the Belgian Financial Services and Markets Authority in respect of Conduct of Business. The Bank of New York Mellon S.A./N.V. engages in asset servicing, global collateral management, global markets, corporate trust and depositary receipts. The Bank of New York Mellon S.A./N.V. operates from locations in Belgium, the Netherlands, Germany, London, Luxembourg, Paris and Dublin.

THE RETENTION HOLDER AND RETENTION REQUIREMENTS

Description of the Retention Holder

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

The Retention

Background

On the Issue Date, the Investment Manager in its capacity as Retention Holder, acting for its own account, will sign the Risk Retention Letter addressed to the Issuer, the Trustee, the Collateral Administrator and the Placement Agent.

The Investment Manager intends to hold the requisite risk retention in its capacity as "originator" pursuant to the Retention Requirements.

By way of background, the CRR definition of an "originator" refers to any entity which either:

(a) itself or through related entities, directly or indirectly, was involved in the original agreement which created the obligations being securitised; or

(b) purchases third party exposures "for its own account" and then securitises them.

Article 3(4)(a) of the regulatory standards adopted by the EU Commission on 12 March 2014 provides that, where the securitised exposures are created by multiple originators (as is the case in a managed CLO, where assets are acquired from numerous sellers in the market), the CRR Retention Requirements may be fulfilled by a single originator where the relevant originator has established and is managing the scheme.

The Investment Manager reasonably believes that it has established, and the Investment Manager will manage, the CLO transaction described in this Prospectus. The Investment Manager will also represent and warrant in the Investment Management and Collateral Administration Agreement, that the Originator Requirement (as defined below) has been satisfied on the Issue Date.

"**Originator Requirement**" means the requirement which will be satisfied if, on the Issue Date:

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

(b) the Target Par Amount,

is greater than or equal to 5 per cent.

On the basis of the paragraphs above, and the undertakings, representations, warranties and acknowledgements to be given by the Investment Manager set out below, the Investment Manager reasonably believes that it is an "originator" for the purposes of the Retention Requirements and is an eligible retainer for the purposes of the Retention Requirements.

Undertakings

Under the Risk Retention Letter, the Investment Manager will, for so long as any Class of Notes remains Outstanding, and subject as provided below:

(a) covenant and undertake:

(i) to subscribe for, hold and retain, on an ongoing basis, for so long as any Class of Notes remains Outstanding, not less than 5 per cent. of the outstanding nominal value of each Class of Notes, provided that (A) the Class A-1 Notes and the Class A-2 Notes together and (B) the Class B-1 Notes and the Class B-2 Notes together, shall in each case be deemed to constitute a single class for these purposes (the "**Retention Notes**");

(ii) that neither it nor its Affiliates will transfer the Retention Notes or sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except (i) with respect to such hedging or mitigation of credit risk, to the extent permitted by the Retention Requirements, and (ii) with respect to such transfer or sale, as provided below;

(iii) subject to any overriding regulatory requirements, to take such further reasonable action and enter into such other agreements, in each case as may reasonably be required by the Issuer to satisfy the Retention Requirements at the cost and expense of the party requesting such further action;

(iv) to provide to the Issuer, on a confidential basis, information in the possession of the Investment Manager, at the cost and expense of the party seeking such information, to the extent the same is not subject to a duty of confidentiality;

(v) to confirm its continued compliance with the covenants set out at paragraphs (a)(i) and (a)(ii) above:

(A) promptly upon reasonable request made in writing by any of the Issuer, the Trustee, the Collateral Administrator and the Placement Agent; and

(B) in any event on a monthly basis, on the Business Day prior to the date on which the Collateral Administrator compiles the Monthly Report, to the Issuer, the Trustee, the Collateral Administrator and the Placement Agent,

in each case in writing (which may be by way of e-mail and which confirmations the Investment Manager acknowledges may be included by the Collateral Administrator in any Monthly Report); and

(vi) that it shall immediately notify the Issuer, the Investment Manager, the Trustee, the Collateral Administrator and the Placement Agent in writing if for any reason:

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

(B) it fails to comply with the covenants set out in paragraphs (a)(i), (a)(ii) or (a)(iii) in any way; or

(C) any of the representations and warranties contained in the Risk Retention Letter fail to be true on any date;

(b) acknowledge and confirm that the Investment Manager reasonably believes that it has established the transaction contemplated by the Transaction Documents; and

(c) represent and warrant on the Issue Date that, in relation to each Collateral Debt Obligation sold by it to the Issuer on or before such date, it either:

(i) purchased such obligation for its own account prior to selling such asset to the Issuer; or

(ii) either itself or through related entities, directly or indirectly, was involved in the original agreement which created such asset.

Notwithstanding the above, the Investment Manager may transfer the Retention Notes only:

(a) if and to the extent such transfer would not cause the transaction described in this Prospectus to cease to be compliant with the Retention Requirements; and

(b) if such transfer is to a Person which will commit to retain the Retention Notes subject to and in accordance with the Retention Requirements and such Person enters into an agreement on terms substantially identical (*mutatis mutandis*) to those outlined above.

Without limitation to the above, upon a resignation or removal of the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement:

(a) subject to satisfaction of the requirements in paragraphs (a) and (b) immediately above, the Retention Notes may be transferred to the replacement investment manager on the basis that such replacement investment manager shall be the Retention Holder; or

(b) otherwise, the Investment Manager shall remain the Retention Holder and be bound by the retention undertakings described above, notwithstanding that it will no longer act as investment manager with respect to the transaction described in this Prospectus.

The Issuer, the Trustee, the Collateral Administrator (in the case of the Collateral Administrator, solely in connection with the Retention Holder's covenants referred to in sub-paragraphs (a)(v) and (vi) above), and the Placement Agent are each parties to the Risk Retention Letter solely for the purposes of obtaining the benefit of the representations, warranties, covenants and undertakings contained therein and under no circumstances shall any of them be deemed to have undertaken any obligations thereunder or by virtue of their entry into the Risk Retention Letter.

Origination Procedures

The Investment Manager is not an "investment firm" subject to regulation by any authority in the European Economic Area. Prior to the Issue Date, the Investment Manager will enter into trades to acquire assets meeting the criteria for Collateral Debt Obligations selected by it with an Aggregate Principal Balance equal to at least 5% of the Target Par Amount ("**Originated Assets**"). Each Originated Asset will be required to be acquired by the Investment Manager not later than 15 Business Days prior to the Issue Date. The Investment Manager will enter into forward purchase agreements and/or trade tickets with the Issuer under which the Issuer will agree to acquire the Originated Assets from the Investment Manager, in each case with settlement on or following the Issue Date at the same price at which the Investment Manager acquired the relevant Originated Asset. It will be a condition of the Issuer's purchase of each Originated Asset from the Investment Manager that such Originated Asset meets all applicable criteria for Collateral Debt Obligations on the Issue Date. Hence, if at any point prior to the Issue Date, any Originated Asset becomes a Defaulted Obligation or otherwise becomes ineligible for the CLO transaction contemplated by this Prospectus, the Investment Manager will either retain such Originated Asset or sell it at its then-current market price. The Issuer may only acquire Originated Assets if the Issue Date occurs and is not expected to have any form of financing available to it to purchase Originated Assets other than the proceeds of the Notes.

Each prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction (including the Reports) are sufficient to comply with the Retention Requirements or any other applicable legal, regulatory or other requirements. None of the Issuer, the Investment Manager, the Placement Agent, the Collateral Administrator, the Trustee, the Retention Holder, their respective Affiliates, corporate officers or professional advisors or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy the Retention Requirements or any other applicable legal, regulatory or other requirements other than, in the case of the Investment Manager, where such failure results from a breach of the Risk Retention Letter by the Investment Manager or any of its Affiliates. Each prospective investor in the Notes should consult with its own legal, accounting, regulatory and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain. See "*Risk Factors – European Risk Retention*" above.

THE PORTFOLIO

Terms used and not otherwise defined herein or in this Prospectus as specifically referenced herein shall have the meaning given to them in Condition 1 (*Definitions*) of the Terms and Conditions of the Notes.

Introduction

Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager is required or, as the case may be, authorised, to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described below. In addition, the Collateral Administrator is required to perform certain calculations in relation to the Portfolio on behalf of the Issuer, in each case to the extent and in accordance with the information provided to it by the Investment Manager.

Acquisition of Collateral Debt Obligations

The Investment Manager will determine and will use reasonable endeavours to cause to be acquired by the Issuer a portfolio of Secured Senior Loans, Secured Senior Bonds, Corporate Rescue Loans, Unsecured Senior Obligations, Mezzanine Obligations, Second Lien Loans and High Yield Bonds during the Initial Investment Period, the Reinvestment Period and thereafter. The Issuer anticipates that, by or on the Issue Date, the Investment Manager on its behalf will have purchased or committed to purchase Collateral Debt Obligations, the Aggregate Principal Balance of which is approximately €245,000,000, representing approximately 70 per cent. of the Target Par Amount (as defined in the Conditions of the Notes). A portion of the Collateral Debt Obligations will be sourced from one or more funds managed by the Investment Manager. The net proceeds of the issue of the Notes remaining after payment of (a) certain fees and expenses incurred in connection with the issue of the Notes payable on or about the Issue Date and following completion of the issue of the Notes (including, without duplication, amounts deposited into the Expense Reserve Account and the First Period Reserve Account) and (b) the acquisition costs of any Collateral Debt Obligations acquired by the Issuer on or prior to the Issue Date (if applicable), are expected to be approximately €295,000,000. Such remaining net proceeds shall be retained in the Unused Proceeds Account. During the Initial Investment Period, the Investment Manager acting on behalf of the Issuer, shall use all commercially reasonable efforts to purchase Collateral Debt Obligations with an Aggregate Principal Balance (provided that, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Debt Obligations not subsequently reinvested subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its Fitch Collateral Value) (together with any Collateral Debt Obligations previously acquired) equal to at least the Target Par Amount out of the Balance standing to the credit of the Unused Proceeds Account and any Principal Proceeds in the Principal Account (without duplication including Eligible Investments).

The Issuer does not expect and is not required to satisfy the Collateral Quality Tests, Portfolio Profile Tests, the Coverage Tests or the Reinvestment Overcollateralisation Test prior to the Effective Date. The Investment Manager may declare that the Initial Investment Period has ended and the Effective Date has occurred prior to the Payment Date on 15 April 2016, subject to the Effective Date Determination Requirements being satisfied.

On or after the Effective Date, the Balance standing to the credit of the Unused Proceeds Account will be transferred to the Principal Account and/or the Interest Account, in each case, at the discretion of the Investment Manager (acting on behalf of the Issuer), provided that as at such date: (i) the Issuer has acquired or entered into binding commitments to acquire Collateral Debt Obligations, the Aggregate Principal Balance of which equals or exceeds the Target Par Amount (provided that, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Debt Obligations subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its Fitch Collateral Value); and (ii) not more than 1 per cent. of the Target Par Amount may be transferred to the Interest Account.

Within ten Business Days following the Effective Date or, otherwise, as soon as reasonably practicable (which may be longer), the Collateral Administrator shall issue an Effective Date Report containing the

information required in a Monthly Report, confirming whether the Issuer has acquired or entered into a binding commitment to acquire Collateral Debt Obligations having an Aggregate Principal Balance which equals or exceeds the Target Par Amount (provided that, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Debt Obligations subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its Fitch Collateral Value), copies of which shall be forwarded to the Issuer, the Trustee, the Investment Manager, any Hedge Counterparty and the Rating Agencies. Promptly following receipt thereof, the Issuer will provide, or cause the Investment Manager to provide, to the Trustee and the Collateral Administrator (with a copy to the Investment Manager, if applicable), an accountants' certificate confirming the Aggregate Principal Balance of all Collateral Debt Obligations purchased or committed to be purchased as at such date, the computations and results of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests by reference to such Collateral Debt Obligations.

The Investment Manager (acting on behalf of the Issuer) shall promptly, following receipt of the Effective Date Report, request that each of the Rating Agencies (to the extent not previously received) confirm its Initial Ratings of the Rated Notes, provided that if the Effective Date Moody's Condition is satisfied then such rating confirmation shall be deemed to have been received from Moody's. If the Effective Date Moody's Condition is not satisfied within twenty Business Days following the Effective Date, the Investment Manager shall promptly notify Moody's. If (a) the Effective Date Determination Requirements are not satisfied and Rating Agency Confirmation has not been received in respect of such failure and either: (i) the Investment Manager (acting on behalf of the Issuer) does not present a Rating Confirmation Plan to the Rating Agencies; or (ii) the Investment Manager (acting on behalf of the Issuer) does present a Rating Confirmation Plan to the Rating Agencies but a Rating Agency Confirmation is not received in respect of such Rating Confirmation Plan; or (b) the Effective Date Moody's Condition is not satisfied and following a request therefor from the Investment Manager after the Effective Date, Rating Agency Confirmation from Moody's not having been received, an Effective Date Rating Event shall have occurred, provided that any downgrade or withdrawal of any of the Initial Ratings of the Rated Notes which is not directly related to a request for confirmation thereof or which occurs after confirmation thereof by the Rating Agencies shall not constitute an Effective Date Rating Event. If an Effective Date Rating Event has occurred and is continuing on the Business Day prior to the Payment Date next following the Effective Date, the Rated Notes shall be redeemed, pursuant to Condition 7(e) (*Redemption upon Effective Date Rating Event*) on such Payment Date and thereafter on each Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, until the earlier of: (x) the date on which the Effective Date Rating Event is no longer continuing; and (y) the date on which the Rated Notes have been redeemed in full. The Investment Manager shall notify the Rating Agencies upon the discontinuance of an Effective Date Rating Event.

During such time as an Effective Date Rating Event shall have occurred and be continuing the Investment Manager (acting on behalf of the Issuer) may prepare and present to the Rating Agencies a Rating Confirmation Plan setting forth the timing and manner of acquisition of additional Collateral Debt Obligations and/or any other intended action which is intended to cause confirmation or reinstatement of the Initial Ratings. The Investment Manager (acting on behalf of the Issuer) is under no obligation whatsoever to present a Rating Confirmation Plan to the Rating Agencies.

"**Effective Date Moody's Condition**" means a condition satisfied if: (a) the Issuer is provided with an accountants' certificate indicating that the Effective Date Determination Requirements are satisfied; and (b) Moody's is provided with the Effective Date Report.

Eligibility Criteria

Each Collateral Debt Obligation must, at the time of entering into a binding commitment to acquire such obligation by, or on behalf of, the Issuer, satisfy the following criteria (the "**Eligibility Criteria**") as determined by the Investment Manager in its reasonable discretion:

(a) it is a Secured Senior Loan, a Secured Senior Bond, a Corporate Rescue Loan, an Unsecured Senior Obligation, a Mezzanine Obligation, a Second Lien Loan or a High Yield Bond;

(b) it is (i) either: (x) denominated in Euro; or (y) denominated in a Qualifying Currency other than Euro and no later than the settlement date of the acquisition thereof the Issuer (or the

Investment Manager on its behalf) enters into an Asset Swap Transaction with a notional amount in the relevant currency equal to the aggregate principal amount of such obligation and otherwise complies with the requirements set out in respect of such obligation in the Investment Management and Collateral Administration Agreement and, (ii) in all cases not convertible into or payable in any other currency;

(c) if such obligation were a Collateral Debt Obligation other than a Corporate Rescue Loan, it would not constitute a Defaulted Obligation or a Credit Impaired Obligation;

(d) it is not a lease (including, for the avoidance of doubt, a finance lease);

(e) it is not a Structured Finance Security, a pre-funded letter of credit or a Synthetic Security;

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

(g) it is not a Zero Coupon Security;

(h) it is not convertible into equity and it does not constitute Margin Stock;

(i) it is an obligation in respect of which, following acquisition thereof by the Issuer by the selected method of transfer, payments will not be subject to withholding tax imposed by any jurisdiction (other than U.S. withholding tax on commitment fees, amendment fees, waiver fees, consent fees, letter of credit fees, extension fees, or similar fees) unless either: (i) such withholding tax can be eliminated by application being made under an applicable double tax treaty or otherwise; or (ii) the Obligor is required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding on an after-tax basis;

(j) it is not a debt obligation whose repayment is subject to substantial non-credit related risk;

(k) it will not result in the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer other than those: (i) which may arise at its option; (ii) which are fully collateralised; (iii) which are subject to limited recourse provisions similar to those set out in the Trust Deed; (iv) which are owed to the agent bank in relation to the performance of its duties under a Collateral Debt Obligation; or (v) which may arise as a result of an undertaking to participate in a financial restructuring of a Collateral Debt Obligation where such undertaking is contingent upon the redemption in full of such Collateral Debt Obligation on or before the time by which the Issuer is obliged to enter into the Restructured Obligation and where the Restructured Obligation satisfies the Eligibility Criteria and for the avoidance of doubt, the Issuer is not liable to pay any amounts in respect of a Restructured Obligation, provided that, in respect of (v) only, the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer following such restructuring shall not exceed the redemption amounts from such restructured Secured Senior Loan, Second Lien Loan or similar obligation;

(l) it will not require the Issuer or the Collateral to be registered as an investment company under the Investment Company Act;

(m) it is not subject to a tender offer, voluntary redemption, exchange offer, conversion or other similar action for a price less than its par amount plus all accrued and unpaid interest;

(n) the Stated Maturity thereof falls prior to the Maturity Date of the Notes;

(o) its acquisition by the Issuer will not result in the imposition of stamp duty, stamp duty reserve tax or any other transfer duty or tax payable by or otherwise receivable from the Issuer, unless such stamp duty or stamp duty reserve tax has been included in the purchase price of such Collateral Debt Obligation;

(p) upon acquisition, both (i) the Collateral Debt Obligation is capable of being, and will be, the subject of a first fixed charge, a first priority security interest or other arrangement having a similar commercial effect in favour of the Trustee for the benefit of the Secured Parties and (ii) (subject to (i) above) the Issuer (or the Investment Manager on behalf of the Issuer) has notified

the Trustee if any Collateral Debt Obligation that is a bond is held through the Custodian but not held through Euroclear or does not satisfy the requirements relating to Euroclear collateral specified in the Trust Deed and has taken such action as the Trustee may require to effect such security interest;

(q) it is a "qualifying asset" for the purposes of Section 110 of the Taxes Consolidation Act 1997 of Ireland;

(r) it is an obligation of an Obligor or Obligors Domiciled in a Non-Emerging Market Country (as determined by the Investment Manager acting on behalf of the Issuer);

(s) it is capable of being sold, novated, assigned or participated to the Issuer, together with any associated security, in accordance with the provisions of the relevant Collateral Debt Obligation without any breach of applicable selling or transfer restrictions or of any legal or contractual provisions or regulatory requirements and the Issuer does not require any authorisations, consents (other than those which it reasonably believes will be obtained or effected) as a result of or in connection with any such sale, assignment, novation or participation under any applicable law and the relevant Obligor cannot transfer its rights and/or obligations without the consent of the Issuer;

(t) it has not been called for, and is not subject to a pending redemption;

(u) it is not an obligation in respect of which interest payments are scheduled to decrease (although, other than with respect to Step-Down Securities, interest payments may decrease due to unscheduled events such as a decrease of the index relating to a Floating Rate Collateral Debt Obligation, the change from a default rate of interest to a non-default rate or an improvement in the Obligor's financial condition);

(v) it is not an obligation whose acquisition by the Issuer will cause the Issuer to be deemed to have participated in a primary loan origination in the United States;

(w) it must require the consent of at least 50 per cent. of the lenders to the Obligor thereunder for any change in the principal repayment profile or interest applicable on such obligation (for the avoidance of doubt, excluding any changes originally envisaged in the loan documentation), provided that in the case of a Collateral Debt Obligation that is a bond, such percentage requirement shall refer to the percentage of holders required to approve a resolution on any such matter, either as a percentage of those attending a quorate bondholder meeting or as a percentage of all bondholders acting by way of a written resolution;

(x) it is not a Project Finance Loan;

(y) it is in registered form for U.S. federal income tax purposes, unless it is not a "registration-required obligation" as defined in section 163(f) of the Code;

(z) it is not a Deferring Security;

(aa) it is not a Current Pay Obligation and is not a PIK Security (except if such PIK Security is a Restructured Obligation);

(bb) it is not the obligation of an Obligor which is a Restricted Corporation;

(cc) it is not an obligation issued by an Obligor which has a total current indebtedness of less than €100,000,000 (or its equivalent in another currency);

(dd) it is not an Annual Obligation; and

(ee) it has a Fitch Rating and a Moody's Rating.

Other than (a) Issue Date Collateral Debt Obligations (which must satisfy the Eligibility Criteria on the Issue Date) and (b) Collateral Debt Obligations which are the subject of a restructuring (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an amendment of its maturity date) or by way of substitution of new obligations and/or change of Obligor)

which must satisfy the Restructured Obligation Criteria on the applicable Restructuring Date, the subsequent failure of any Collateral Debt Obligation to satisfy any of the Eligibility Criteria shall not prevent any obligation which would otherwise be a Collateral Debt Obligation from being a Collateral Debt Obligation so long as such obligation satisfied the Eligibility Criteria, when the Issuer or the Investment Manager on behalf of the Issuer entered into a binding agreement to purchase such obligation.

"**Project Finance Loan**" means a loan obligation under which the obligor is obliged to make payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of payments) on revenues arising from infrastructure assets, including, without limitation:

(a) the sale of products, such as electricity, water, gas or oil, generated by one or more infrastructure assets in the utility industry by a special purpose entity; and

(b) fees charged in respect of one or more highways, bridges, tunnels, pipelines or other infrastructure assets by a special purpose entity,

in each case, where the sole activity of such special purpose entity is the ownership and/or management of such asset or assets and the acquisition and/or development of such asset by the special purpose entity was effected primarily with the proceeds of debt financing made available to it on a limited recourse basis.

"**Restricted Corporation**" means a corporation that either:

(a) is involved in the development, production, use, maintenance, offering for sale, distribution, financing, import or export, assistance, research and technology, storage or transportation of Restricted Weapons or their key components (solely designated for Restricted Weapons); or

(b) is more than 50 per cent. owned by a corporation that satisfies paragraph (a) above. Regarding the issuers of bonds, the parent of the issuer is not automatically excluded unless it is a shareholder of at least 50 per cent. of the excluded company or it is itself involved in Restricted Weapons directly.

The Investment Manager updates its exclusion list including such Restricted Corporations on an annual basis and from time to time, at its discretion.

"**Restricted Weapon**" means any of the following:

(a) a weapon that is the subject of the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction, the Chemical Weapons Convention, the Mine-Ban Convention, or the Convention on Cluster Munitions;

(b) a munition that contains depleted uranium; or

(c) a nuclear weapon used by a country that is not recognised as a "nuclear-weapon state" by the Treaty on the Non-Proliferation of Nuclear Weapons.

More information on the investments restrictions policy of the Investment Manager is available on the website of the AXA IM Group.

"**Synthetic Security**" means a security or swap transaction (other than a letter of credit or a Participation) that has payments of interest or principal on a reference obligation or the credit performance of a reference obligation.

"**Step-Down Coupon Security**" means a security: (a) which does not pay interest over a specified period of time ending on its maturity, but which does provide for the payment of interest before such specified period; or (b) the interest rate of which decreases over a specified period of time other than due to the decrease of the floating rate index applicable to such security.

"**Step-Up Coupon Security**" means a security: (a) which does not pay interest over a specified period of time ending prior to its maturity, but which does provide for the payment of interest after the expiration

of such specified period; or (b) the interest rate of which increases over a specified period of time other than due to the increase of the floating rate index applicable to such security.

"**Structured Finance Security**" means any debt security which is secured directly, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar asset-backed security.

"**Zero Coupon Security**" means a security (other than a Step-Up Coupon Security) that, at the time of determination, does not provide for periodic payments of interest.

Restructured Obligations

If a Collateral Debt Obligation becomes the subject of a restructuring whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an amendment of its maturity date) or by way of substitution of new obligations and/or change of Obligor and, for the avoidance of doubt, such restructuring is in connection with an insolvency, bankruptcy, reorganisation, debt restructuring or workout of the Obligor thereof, such obligation shall only constitute a Restructured Obligation if such obligation has a Fitch Rating and a Moody's Rating and satisfies each of the criteria comprising the Eligibility Criteria other than the criteria set out at paragraphs (c), (i) and (n) on the related Restructuring Date (such applicable criteria, the "**Restructured Obligation Criteria**"). With regard to (m), to the extent that the Restructured Obligation is tendered at an amount which is less than its outstanding principal amount, it shall be carried at that tendered value in the Collateral Quality Tests, the Coverage Tests, the Reinvestment Overcollateralisation Test and the Portfolio Profile Tests, so long as the tender option is still available. For the avoidance of doubt, a Cashless Loan shall be treated as the acquisition by the Issuer of a new Collateral Debt Obligation and not as the acquisition of a Restructured Obligation. Whilst PIK Securities are not eligible to be Collateral Debt Obligations under the Eligibility Criteria, up to 5 per cent. of the Aggregate Collateral Balance may consist of PIK Securities provided that such PIK Securities are Restructured Obligations only.

"**Cashless Loan**" means a loan obligation which is the reconstitution of a Collateral Debt Obligation that does not involve the receipt by the Issuer of a principal repayment in exchange for the new loan obligation. For the avoidance of doubt a Collateral Debt Obligation, or Participation thereof that is the subject of a Maturity Amendment (as defined below) shall not by virtue of the Maturity Amendment alone, constitute a Cashless Loan.

Notwithstanding the foregoing, and notwithstanding any other provision of the Investment Management and Collateral Administration Agreement which imposes any restrictions or conditions on the sale or disposal of Collateral Debt Obligations, the Investment Manager, acting on behalf of the Issuer, shall use commercially reasonable endeavours to sell each Collateral Debt Obligation in the event that it determines in its sole discretion, at any time after the date of acquisition thereof, that such Collateral Debt Obligation (contrary to the opinion of the Investment Manager at such time) did not in fact satisfy one or more of the Eligibility Criteria at the time of acquisition thereof, provided that this shall not in any way lessen the obligation of the Investment Manager to ensure that each Collateral Debt Obligation satisfies each of the Eligibility Criteria upon entering into a binding commitment thereof in accordance with the standard of care specified in the Investment Management and Collateral Administration Agreement.

Management of the Portfolio

Overview

The Investment Manager (acting on behalf of the Issuer) is permitted, in certain circumstances and subject to certain requirements set out in the Investment Management and Collateral Administration Agreement, to sell Collateral Debt Obligations and Exchanged Equity Securities and to reinvest the Sale Proceeds (other than accrued interest on such Collateral Debt Obligations included in Interest Proceeds by the Investment Manager) thereof in Substitute Collateral Debt Obligations.

Prior to the proposed sale of Collateral Debt Obligations and/or Exchanged Equity Securities, or reinvestment in Substitute Collateral Debt Obligations, the Investment Manager shall notify the Collateral Administrator of all necessary details (to the extent available to the Investment Manager) of the Collateral Debt Obligation or Exchanged Equity Security proposed to be sold (as applicable) and the proposed Substitute Collateral Debt Obligation to be purchased and the Collateral Administrator (on behalf of the Issuer) shall determine and shall provide confirmation of whether the Portfolio Profile Tests and Reinvestment Criteria which are required to be satisfied, maintained or improved (as applicable) in connection with any such sale or reinvestment are satisfied, maintained or improved (as applicable) or, if any such criteria are not satisfied, maintained or improved (as applicable), shall notify the Issuer and the Investment Manager of the reasons and the extent to which such criteria are not so satisfied, maintained or improved (as applicable).

The Investment Manager will determine and use reasonable endeavours to cause to be purchased by the Issuer, Collateral Debt Obligations (including all Substitute Collateral Debt Obligations) taking into account the Eligibility Criteria and, where applicable, the Reinvestment Criteria and will monitor the performance of the Collateral Debt Obligations on an ongoing basis to the extent practicable using sources of information reasonably available to it and provided that the Investment Manager shall not be responsible for determining whether or not the terms of any individual Collateral Debt Obligation have been observed.

The activities referred to below that the Investment Manager may undertake on behalf of the Issuer are subject to the Issuer's monitoring of the performance of the Investment Manager under the Investment Management and Collateral Administration Agreement.

Sale of Collateral Debt Obligations

Sale of Non-Eligible Issue Date Collateral Debt Obligations

The Investment Manager, acting on behalf of the Issuer, shall sell any Issue Date Collateral Debt Obligations which do not comply with the Eligibility Criteria on the Issue Date (each a "**Non-Eligible Issue Date Collateral Debt Obligation**"). Any Sale Proceeds received in connection therewith may be reinvested in Substitute Collateral Debt Obligations or credited to the Principal Account pending such reinvestment.

Terms and Conditions applicable to the Sale of Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations

Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations may be sold at any time by the Investment Manager (acting on behalf of the Issuer) subject to:

(a) the Investment Manager's knowledge, without the need for inquiry or investigation, that no Event of Default has occurred which is continuing; and

(b) the Investment Manager certifying to the Trustee and the Collateral Administrator (upon which certificate the Trustee and the Collateral Administrator may rely absolutely and without enquiry or liability) that it believes, in its reasonable business judgment, that such security constitutes a Credit Impaired Obligation, a Credit Improved Obligation or a Defaulted Obligation as the case may be.

Terms and Conditions applicable to the Sale of Exchanged Equity Securities

Any Exchanged Equity Security may be sold at any time by the Investment Manager in its discretion (acting on behalf of the Issuer) and the Sale Proceeds (other than accrued interest on such Collateral Debt Obligations included in Interest Proceeds by the Investment Manager) reinvested in Substitute Collateral Debt Obligations, subject to the Investment Manager's knowledge, having made all reasonable enquiries to ensure the same is true, no Event of Default having occurred which is continuing.

In addition to any discretionary sale of Exchanged Equity Securities as provided above, the Investment Manager shall be required by the Issuer to use its commercially reasonable efforts to sell (on behalf of the Issuer) any Exchanged Equity Security which constitutes Margin Stock, as soon as practicable upon its receipt or upon its becoming Margin Stock (as applicable).

Discretionary Sales

The Issuer or the Investment Manager (acting on behalf of the Issuer) may dispose of any Collateral Debt Obligation (other than a Credit Improved Obligation, a Credit Impaired Obligation, a Defaulted Obligation or an Exchanged Equity Security, each of which may only be sold in the circumstances provided above) at any time (other than during a Restricted Trading Period) provided that:

(a) no Event of Default has occurred which is continuing;

(b) on and following the Effective Date, after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Debt Obligations sold as described in this paragraph during the preceding 12 calendar months (or, for the first twelve calendar months after the Effective Date, during the period commencing on the Effective Date and ending on the date of determination) is not greater than 30 per cent. of the Aggregate Collateral Balance as of the first day of such twelve calendar month period (or as of the Effective Date, as the case may be); and

(c) either:

(i) during the Reinvestment Period, the Investment Manager reasonably believes prior to such sale that it will be able to enter one or more binding commitments to reinvest all or a portion of the proceeds of such sale in one or more additional Collateral Debt Obligations within 60 days after the settlement of such sale in accordance with the Reinvestment Criteria (to the extent applicable); or

(ii) any time, either: (A) the Sale Proceeds from such sale are at least equal to the Principal Balance of such Collateral Debt Obligation; or (B) after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Debt Obligations (excluding the Collateral Debt Obligation being sold but including, without duplication, the Sale Proceeds of such sale) plus, without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (including Eligible Investments therein) will be greater than (or equal to) the Reinvestment Target Par Balance (as defined below); and

(d) during the Reinvestment Period, the Investment Manager uses all reasonable efforts to reinvest such Sale Proceeds within 90 Business Days of the settlement of such sale and in any case, prior to the expiry of the Reinvestment Period. In the event such Sale Proceeds are not reinvested before the Payment Date falling immediately after the end of such 90 Business Day period, such amounts shall only remain credited to the Principal Account, as applicable, for the purpose of reinvestment to the extent no payments are required to be made on such Payment Date in respect of a failure to satisfy any Coverage Test.

Sale of Collateral Prior to Maturity Date

If: (i) any redemption of the Rated Notes in whole is scheduled to occur prior to the Maturity Date; (ii) notification is received from the Trustee of enforcement of the security over the Collateral; or (iii) the Maturity Date occurs or is shortly to occur, the Investment Manager (acting on behalf of the Issuer) shall (or in the case of (ii) if requested by the Trustee following the enforcement of such security), as far as practicable, arrange for liquidation of the Collateral in order to procure that the proceeds thereof are in immediately available funds by the Business Day prior to the applicable Redemption Date or Maturity Date as applicable and sell all or part of the Portfolio, as applicable, in accordance with Condition 7 (*Redemption and Purchase*) and the Investment Management and Collateral Administration Agreement but without regard to the limitations set out in "*Sale of Collateral Debt Obligations*" above or the Reinvestment Criteria (which will include any limitations or restrictions set out in the Conditions of the Notes and the Trust Deed).

Reinvestment of Collateral Debt Obligations

"**Reinvestment Criteria**" means, during the Reinvestment Period, the criteria set out under "*During the Reinvestment Period*" below and following the expiry of the Reinvestment Period, the criteria set out below under "*Following the Expiry of the Reinvestment Period*". The Reinvestment Criteria shall not apply prior to the Effective Date or in the case of a Collateral Debt Obligation which has been restructured on

and following the point at which such restructuring has become binding on the holders thereof (whether or not such obligation would constitute a "**Restructured Obligation**"), provided that, for the avoidance of doubt, if a restructured obligation (whether or not constituting a "**Restructured Obligation**") is subsequently sold by the Investment Manager or Unscheduled Principal Proceeds or Scheduled Principal Proceeds are received in connection with such restructured obligation, any reinvestment of the Sale Proceeds, Unscheduled Principal Proceeds or Scheduled Principal Proceeds (as applicable) shall be subject to the Reinvestment Criteria.

During the Reinvestment Period

During the Reinvestment Period, the Investment Manager (acting on behalf of the Issuer) may, at its discretion, reinvest any Principal Proceeds in the purchase of Substitute Collateral Debt Obligations provided that immediately after entering into a binding commitment to acquire such Collateral Debt Obligation and taking into account existing commitments, the criteria set out below, must be satisfied:

(a) to the Investment Manager's knowledge, no Event of Default has occurred that is continuing at the time of such purchase;

(b) following the Effective Date (or in the case of the Interest Coverage Tests, the Determination Date preceding the second Payment Date following the Effective Date) if the Coverage Tests (save for the Class F Par Value Test) are satisfied or if (other than with respect to the reinvestment of any proceeds received upon the sale of, or as a recovery on, any Defaulted Obligation) as calculated immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation the Principal Proceeds of which are being reinvested, any Coverage Test was not satisfied, the coverage ratio relating to such test will be maintained or improved after giving effect to such reinvestment than it was immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation;

(c) in the case of a Substitute Collateral Debt Obligation purchased with Sale Proceeds of a Credit Impaired Obligation or a Defaulted Obligation either:

  (i) the Aggregate Principal Balance of all Substitute Collateral Debt Obligations purchased with such Sale Proceeds shall at least equal such Sale Proceeds; or

  (ii) the sum of: (A) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments representing Principal Proceeds (save for interest accrued on Eligible Investments)) is greater than the Reinvestment Target Par Balance;

(d) in the case of a Substitute Collateral Debt Obligation purchased with Sale Proceeds of a Credit Improved Obligation either:

  (i) the Aggregate Principal Balance shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance immediately prior to the sale of the relevant Credit Improved Obligation; or

  (ii) the sum of: (A) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments representing Principal Proceeds (save for interest accrued on Eligible Investments)) is greater than the Reinvestment Target Par Balance;

(e) either: (i) each of the Portfolio Profile Tests and the Collateral Quality Tests will be satisfied; or (ii) if any of the Portfolio Profile Tests or Collateral Quality Tests are not satisfied, such test will be

maintained or improved after giving effect to such reinvestment when compared with the position immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation;

(f) the date on which the Issuer (or the Investment Manager acting on behalf of the Issuer) enters into a binding commitment to purchase such Collateral Debt Obligation occurs during the Reinvestment Period; and

(g) with respect to the reinvestment of Sale Proceeds (other than Sale Proceeds from Credit Improved Obligations, Credit Impaired Obligations, Defaulted Obligations and Exchanged Equity Securities) either:

(i) the Aggregate Principal Balance of all Collateral Debt Obligations shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance immediately prior to the sale that generates such Sale Proceeds; or

(ii) after giving effect to such sale, the sum of: (A) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Substitute Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligations); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments representing Principal Proceeds (save for interest accrued on Eligible Investments)) is greater than the Reinvestment Target Par Balance;

provided that, for the avoidance of doubt, with respect to any Collateral Debt Obligations for which the trade date has occurred during the Reinvestment Period but which settle after such date, the purchase of such Collateral Debt Obligations shall be treated as a purchase made during the Reinvestment Period.

"**Reinvestment Target Par Balance**" means, as of any date of determination, the Target Par Amount minus: (i) the amount of any reduction in the Principal Amount Outstanding of the Notes and plus (ii) the Principal Amount Outstanding of any additional Notes issued pursuant to Condition 17 (*Additional Issuances*), or, if greater, the aggregate amount of Principal Proceeds that result from the issuance of such additional Notes.

Following the Expiry of the Reinvestment Period

Following the expiry of the Reinvestment Period, Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Improved Obligations and Credit Impaired Obligations, only, may be reinvested by the Investment Manager (acting on behalf of the Issuer) in one or more Substitute Collateral Debt Obligations, in each case provided that:

(a) the Aggregate Principal Balance of Substitute Collateral Debt Obligations equals or exceeds (i) in the case of Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Improved Obligations, the Aggregate Principal Balance of the related Collateral Debt Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds, as the case may be and (ii) in the case of Sale Proceeds from the sale of Credit Improved Obligations or Credit Impaired Obligations, such Sale Proceeds;

(b) the Maximum Weighted Average Life Test and Moody's Weighted Average Rating Factor Test are satisfied immediately after giving effect to such reinvestment;

(c) each Coverage Test is satisfied both before and after giving effect to such reinvestment;

(d) either: (i) the Portfolio Profile Tests and the Collateral Quality Tests (other than the Portfolio Profile Tests listed in paragraphs (i) and (j) below and the Collateral Quality Tests listed in paragraph (b) above) are satisfied after giving effect to such reinvestment; or (ii) if any such test was not satisfied immediately prior to such reinvestment, such test will be satisfied after giving effect to such reinvestment or will be maintained or improved after giving effect to such reinvestment;

(e) to the Investment Manager's knowledge, no Event of Default has occurred that is continuing at the time of such reinvestment;

(f) the Stated Maturity of each Substitute Collateral Debt Obligation is the same as or earlier than the Stated Maturity of the Collateral Debt Obligation that produced such Unscheduled Principal Proceeds or Sale Proceeds;

(g) the Maximum Weighted Average Life Test was satisfied on the last Business Day of the Reinvestment Period;

(h) a Restricted Trading Period is not currently in effect;

(i) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fitch CCC Obligations; and

(j) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Moody's Caa Obligations.

Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds, any Sale Proceeds from the sale of Credit Impaired Obligations and any Sale Proceeds from the sale of Credit Improved Obligations that have not been reinvested as provided above prior to the end of the Due Period in which such proceeds were received shall be paid into the Principal Account and disbursed in accordance with the Principal Proceeds Priority of Payment on the following Payment Date (subject as provided in the proviso at the end of this paragraph), save that the Investment Manager (acting on behalf of the Issuer) may in its discretion procure that Unscheduled Principal Proceeds, Sale Proceeds from the sale of any Credit Impaired Obligations and Sale Proceeds from the sale of any Credit Improved Obligations are paid into the Principal Account and designated for reinvestment in Substitute Collateral Debt Obligations, in which case such Principal Proceeds shall not be so disbursed in accordance with the Principal Proceeds Priority of Payments for so long as they remain so designated for reinvestment but for no longer than the end of the following Due Period; provided that, in each case where any of the applicable Reinvestment Criteria are not satisfied as of the Payment Date next following receipt of such Sale Proceeds or Unscheduled Principal Proceeds, all such funds shall be paid into the Principal Account and disbursed in accordance with the Principal Proceeds Priority of Payments set out in Condition 3(c)(ii) (*Application of Principal Proceeds*) and such funds shall be applied only in redemption of the Notes in accordance with the Priorities of Payments.

Amendments to Stated Maturities of Collateral Debt Obligations

The Issuer (or the Investment Manager on the Issuer's behalf) may vote in favour of a Maturity Amendment only if, after giving effect to such Maturity Amendment:

(a) the Stated Maturity after such amendment of the Collateral Debt Obligation that is the subject of such Maturity Amendment is not later than 18 months prior to the Maturity Date of the Rated Notes; and

(b)

(i) the Maximum Weighted Average Life Test is satisfied; or

(ii)

(A) such Maturity Amendment relates to an exchange or restructuring of a Defaulted Obligation (including, in the commercially reasonable judgment of the Investment Manager, to prevent a Collateral Debt Obligation from becoming a Defaulted Obligation within three months); and

(B) the extended maturity date of the obligation to be held by the Issuer following such exchange or restructuring will not be later than the Maturity Date of the Rated Notes; or

(iii)

(A) in its commercially reasonable judgment, the Investment Manager believes that the market value of the relevant Collateral Debt Obligation following such Maturity Amendment will be greater than the market value of the Collateral Debt Obligation immediately prior to such Maturity Amendment;

(B) the extended maturity date of the amended Collateral Debt Obligation will not be later than the Maturity Date of the Rated Notes; and

(C) either (x) the Investment Manager will use commercially reasonable efforts to sell the amended Collateral Debt Obligation within 30 Business Days of the date of amendment (or, if the Investment Manager is unable to sell such amended Collateral Debt Obligation within such period, such longer period as may be necessary in the reasonable commercial judgement of the Investment Manager) or (y) the Controlling Class (acting by way of Ordinary Resolution) has consented to the Investment Manager retaining (rather than selling) such amended Collateral Debt Obligation.

If the Issuer or the Investment Manager has not voted in favour of a Maturity Amendment which would contravene the requirements of this section but the Stated Maturity has been extended, by way of scheme or arrangement or otherwise, the Issuer or the Investment Manager (acting on behalf of the Issuer) may (but shall not be required to) sell such Collateral Debt Obligation provided that in any event the Investment Manager shall dispose of such Collateral Debt Obligation prior to the Maturity Date. Such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria.

"**Maturity Amendment**" means with respect to any Collateral Debt Obligation, any waiver, modification, amendment or variance (including in relation to an exchange or restructuring of a Defaulted Obligation) that would extend the Stated Maturity of such Collateral Debt Obligation. For the avoidance of doubt, a waiver, modification, amendment or variance that would extend the Stated Maturity of the credit facility of which a Collateral Debt Obligation is part, but would not extend the Stated Maturity of the Collateral Debt Obligation held by the Issuer, does not constitute a Maturity Amendment.

Expiry of the Reinvestment Criteria Certification

Immediately preceding the end of the Reinvestment Period, the Investment Manager will deliver to the Trustee and the Collateral Administrator a schedule of Collateral Debt Obligations purchased by the Issuer with respect to which purchases the trade date has occurred but the settlement date has not yet occurred and will certify to the Trustee that sufficient Principal Proceeds are available (including for this purpose, cash on deposit in the Principal Account, any scheduled distributions of Principal Proceeds, as well as any Principal Proceeds that will be received by the Issuer from the sale of Collateral Debt Obligations for which the trade date has already occurred but the settlement date has not yet occurred) to effect the settlement of such Collateral Debt Obligations.

Reinvestment Overcollateralisation Test

If the Class F Par Value Ratio is less than 104.13 per cent., on the relevant Determination Date, Interest Proceeds shall be paid to the Principal Account during the Reinvestment Period, for the acquisition of additional Collateral Debt Obligations in an amount (such amount, the "**Required Diversion Amount**") equal to the lesser of: (a) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (W) of the Interest Proceeds Priority of Payments; and (b) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (V) (inclusive) of the Interest Proceeds Priority of Payments, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met as of the relevant Determination Date after giving effect to any payments made pursuant to paragraph (W) of the Interest Proceeds Priority of Payments, such amounts to be applied during the Reinvestment Period to purchase additional Collateral Debt Obligations.

Designation for Reinvestment

After the expiry of the Reinvestment Period, the Investment Manager shall, one Business Day following each Determination Date, notify the Issuer and the Collateral Administrator in writing of all Principal Proceeds (the amount of all Principal Proceeds having been determined by the Collateral Administrator on each Determination Date and notified to the Investment Manager) which the Investment Manager determines in its discretion (acting on behalf of the Issuer, and subject to the terms of Investment Management and Collateral Administration Agreement as described above) shall remain designated for reinvestment in accordance with the Reinvestment Criteria, on or after the following Payment Date in which event such Principal Proceeds shall not constitute Principal Proceeds which are to be paid into the Payment Account and disbursed on such Payment Date in accordance with the Priorities of Payment.

The Investment Manager (acting on behalf of the Issuer) may direct that the proceeds of sale of any Collateral Debt Obligation which represents accrued interest be designated as Interest Proceeds and paid into the Interest Account save for: (a) Purchased Accrued Interest; (b) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; and (c) any interest received in respect of a Defaulted Obligation for so long as it is a Defaulted Obligation other than Defaulted Obligation Excess Amounts.

Accrued Interest

Amounts included in the purchase price of any Collateral Debt Obligation comprising accrued interest thereon may be paid from the Interest Account, the Principal Account or the Unused Proceeds Account at the discretion of the Investment Manager (acting on behalf of the Issuer) but subject to the terms of the Investment Management and Collateral Administration Agreement and Condition 3(j) (*Payments to and from the Accounts*). Notwithstanding the foregoing, in any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Debt Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Debt Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of acquisition thereof with Principal Proceeds and/or principal amounts from the Unused Proceeds Account shall constitute Purchased Accrued Interest and shall be deposited into the Principal Account as Principal Proceeds.

Block Trades

The requirements described herein with respect to the Portfolio shall be deemed to be satisfied upon any sale and/or purchase of Collateral Debt Obligations on any day if such Collateral Debt Obligations satisfy such requirements in aggregate rather than on an individual basis.

For the purpose of calculating compliance with the Reinvestment Criteria, at the election of the Investment Manager in its sole discretion, any proposed investment (whether a single Collateral Debt Obligation or a group of Collateral Debt Obligations) identified by the Investment Manager as such at the time (the "**Initial Trading Plan Calculation Date**") when compliance with the Reinvestment Criteria is required to be calculated (a "**Trading Plan**") may be evaluated after giving effect to all sales and reinvestments proposed to be entered into within the twenty Business Days following the date of determination of such compliance (such period, the "**Trading Plan Period**"); provided that: (a) no Trading Plan may result in the purchase of Collateral Debt Obligations having an Aggregate Principal Balance that exceeds 5 per cent. of the Aggregate Collateral Balance as of the first day of the Trading Plan Period (for which purposes, the Principal Balance of each Defaulted Obligation shall be its Fitch Collateral Value); (b) no Trading Plan Period may include a Determination Date; (c) no more than one Trading Plan may be in effect at any time during a Trading Plan Period; (d) for any Trading Plan, the difference between the Collateral Debt Obligation included in such Trading Plan that has the longest Average Life and the Collateral Debt Obligation included in such Trading Plan that has the shortest Average Life, shall not exceed 3 years; (e) no Substitute Collateral Debt Obligation with a maturity date falling less than 6 months after the commencement of a Trading Plan Period may be included in the applicable Trading Plan; and (f) if the Reinvestment Criteria are satisfied prospectively after giving effect to a Trading Plan, but are not satisfied upon the completion of the related Trading Plan, Rating Agency Confirmation is obtained with respect to the effectiveness of additional Trading Plans (it being understood that Rating Agency Confirmation shall only be required once following any failure of a

Trading Plan); provided further that no Trading Plan may result in the averaging of the purchase price of a Collateral Debt Obligation or Collateral Debt Obligations purchased at separate times for purposes of determining whether any particular Collateral Debt Obligation is a Discount Obligation. For the avoidance of doubt, compliance with the Reinvestment Criteria upon completion of a Trading Plan pursuant to paragraph (d) above, shall be calculated with respect to those Collateral Debt Obligations that were actually sold and/or purchased as part of the relevant Trading Plan on the basis of data used as at the Initial Trading Plan Calculation Date.

Eligible Investments

The Issuer or the Investment Manager (acting on behalf of the Issuer) may from time to time purchase Eligible Investments out of the Balances standing to the credit of the Accounts (other than the Counterparty Downgrade Collateral Account(s), Unfunded Revolver Reserve Account or the Payment Account). For the avoidance of doubt, Eligible Investments may be sold by the Issuer or the Investment Manager (acting on behalf of the Issuer) at any time.

Collateral Enhancement Obligations

The Investment Manager, acting on behalf of the Issuer, may from time to time, purchase Collateral Enhancement Obligations independently or as part of a unit with the Collateral Debt Obligations being so purchased.

All funds required in respect of the purchase price of any Collateral Enhancement Obligations, and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of Contributions and the balance standing to the credit of the Collateral Enhancement Account at the relevant time. Pursuant to Condition 3(j)(vi) (*Collateral Enhancement Account*), such Balance shall be comprised of all sums deposited therein from time to time which will comprise interest and/or principal payable in respect of the Subordinated Notes which the Investment Manager acting on behalf of the Issuer, determines shall be paid into the Collateral Enhancement Account pursuant to the Priorities of Payment rather than being paid to the Subordinated Noteholders.

Collateral Enhancement Obligations may be sold at any time and all Collateral Enhancement Obligation Proceeds received by the Issuer shall be deposited into the Principal Account for allocation in accordance with the Principal Proceeds Priority of Payments.

Collateral Enhancement Obligations and any income or return generated thereby are not taken into account for the purposes of determining satisfaction of, or at any time required to satisfy, any of the Coverage Tests, Portfolio Profile Tests, Reinvestment Overcollateralisation Test or Collateral Quality Tests.

Exercise of Warrants and Options

The Investment Manager, acting on behalf of the Issuer, may at any time, exercise a warrant or option attached to a Collateral Debt Obligation or comprised in a Collateral Enhancement Obligation and shall, on behalf of the Issuer, instruct the Account Bank to make any necessary payment pursuant to a duly completed form of instruction.

Margin Stock

The Investment Management and Collateral Administration Agreement requires that the Investment Manager, on behalf of the Issuer, shall use reasonable endeavours to sell any Collateral Debt Obligation, Exchanged Equity Security or Collateral Enhancement Obligation which is or at any time becomes Margin Stock as soon as practicable following such event.

"**Margin Stock**" means margin stock as defined under Regulation U issued by the Federal Reserve Board, including any debt security which is by its terms convertible into Margin Stock.

Non-Euro Obligations

Subject to the satisfaction of certain conditions in the Investment Management and Collateral Administration Agreement, the Investment Manager shall from time to time be authorised to purchase, on behalf of the Issuer, Non-Euro Obligations provided that any such Non-Euro Obligation shall only

constitute a Collateral Debt Obligation that satisfies paragraph (b) of the Eligibility Criteria if the Investment Manager, on behalf of the Issuer, enters, as soon as practicable following entry into a binding commitment to purchase such Collateral Debt Obligation and no later than the settlement date of the acquisition of the relevant Collateral Debt Obligation, into an Asset Swap Transaction (which shall relate to the purchased Collateral Debt Obligation) pursuant to which the currency risk arising from receipt of cash flows from such Non-Euro Obligations, including interest and principal payments, is hedged through the swapping of such cash flows for Euro payments to be made by an Asset Swap Counterparty. Subject to the satisfaction of the Hedging Condition, the Investment Manager (on behalf of the Issuer) shall be authorised to enter into spot exchange transactions, as necessary, but solely to fund the Issuer's payment obligations under any Asset Swap Transaction. Rating Agency Confirmation shall be required in relation to entry into each Asset Swap Transaction unless such Asset Swap Transaction is a Form-Approved Asset Swap. See the "*Hedging Arrangements*" section of this Prospectus.

Revolving Obligations and Delayed Drawdown Collateral Debt Obligations

The Investment Manager, acting on behalf of the Issuer, may from time to time acquire Collateral Debt Obligations which are Revolving Obligations or Delayed Drawdown Collateral Debt Obligations.

Such Revolving Obligations and Delayed Drawdown Collateral Debt Obligations may only be acquired if they are capable of being drawn in a single currency only (being Euros) and are not payable in or convertible into another currency.

Each Revolving Obligation and Delayed Drawdown Collateral Debt Obligation will, pursuant to its terms, require the Issuer to make one or more future advances or other extensions of credit (including extensions of credit made on an unfunded basis pursuant to which the Issuer may be required to reimburse the provider of a guarantee or other ancillary facilities made available to the obligor thereof if any default by the obligor thereof in respect of its reimbursement obligations in connection therewith occurs). Such Revolving Obligations and Delayed Drawdown Collateral Debt Obligations may or may not provide that they may be repaid and reborrowed from time to time by the Obligor thereunder. Upon acquisition of any Revolving Obligations and Delayed Drawdown Collateral Debt Obligations, the Issuer shall deposit into the applicable Unfunded Revolver Reserve Account amounts equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Debt Obligations. To the extent required, the Issuer, or the Investment Manager acting on its behalf, may direct that amounts standing to the credit of the Unfunded Revolver Reserve Account be deposited with a third party from time to time as collateral for any payment obligations of the Issuer in relation to a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation, as applicable, including but not limited to reimbursement or indemnification obligations owed by the Issuer to any other lender in connection with a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation, as applicable and upon receipt of an Issuer Order (as defined in the Investment Management and Collateral Administration Agreement) the Trustee shall be deemed to have released such amounts from the security granted thereover pursuant to the Trust Deed.

Participations

The Investment Manager acting on behalf of the Issuer, may from time to time acquire Collateral Debt Obligations from Selling Institutions by way of Participation provided that at the time such Participation is taken:

(a) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with a single Selling Institution will not exceed the individual and aggregate percentages set forth in the Bivariate Risk Table determined by reference to the credit rating of such third party or any guarantor thereof; and

(b) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with Selling Institutions or any guarantor thereof, each having the same credit rating (taking the lowest rating assigned thereto by any Rating Agency), will not exceed the aggregate third party credit exposure limit set forth in the Bivariate Risk Table for such credit rating,

and for the purpose of determining the foregoing, account shall be taken of each sub participation from which the Issuer, directly or indirectly derives its interest in the relevant Collateral Debt Obligation.

Each Participation entered into pursuant to a participation agreement shall be substantially in the form of:

(a) the LSTA Model Participation Agreement for par/near par trades (as published by the Loan Syndications and Trading Association Inc. from time to time);

(b) the LMA Funded Participation (Par) (as published by the Loan Market Association from time to time); or

(c) such other documentation provided such agreement contains limited recourse and non-petition language substantially the same as that set out in the Trust Deed.

Assignments

The Investment Manager acting on behalf of the Issuer, may from time to time acquire Collateral Debt Obligations from Selling Institutions by way of Assignment provided that at the time such Collateral Debt Obligation is acquired by way of Assignment the Investment Manager, acting on behalf of the Issuer, shall have complied, to the extent within their control, with any requirements relating to such Assignment set out in the relevant loan documentation for such Collateral Debt Obligation (including, without limitation, with respect to the form of such Assignment and obtaining the consent of any person specified in the relevant loan documentation).

Bivariate Risk Table

The following is the bivariate risk table (the "**Bivariate Risk Table**") and as referred to in "*Portfolio Profile Tests*" below and "*Participations*" above. For the purposes of the limits specified in the Bivariate Risk Table, the individual third party credit exposure limit shall be determined by reference to the Aggregate Principal Balance of all Participations (excluding any Defaulted Obligations) entered into by the Issuer with the same counterparty (such amount in respect of such entity, the "**Third Party Exposure**") and the applicable percentage limits shall be determined by reference to the lower of the Moody's or Fitch ratings applicable to such counterparty and the aggregate third party credit exposure limit shall be determined by reference to the aggregate of Third Party Exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

Bivariate Risk Table

Long-Term Issuer Credit Rating of Selling Institution	**Individual Third Party Credit Exposure Limit***	**Aggregate Third Party Credit Exposure Limit***
Fitch		
AAA	20%	20%
AA+	10%	20%
AA	10%	20%
AA-	10%	15%
A+	5%	10%
A	5%	5%
A- or below	0%	0%

Long-Term/Short Term Senior Unsecured Debt Rating of Selling Institution	**Individual Third Party Credit Exposure Limit***	**Aggregate Third Party Credit Exposure Limit***
Moody's		
Aaa	20%	20%
Aa1	10%	20%
Aa2	10%	20%
Aa3	10%	15%
A1	5%	10%
A2 and P-1	5%	5%
A2 (without a Moody's short-term rating of at least P-1) or below	0%	0%

* As a percentage of the Aggregate Collateral Balance (excluding any Defaulted Obligations) the aggregate third party credit exposure limit shall be determined by reference to the aggregate of the third party credit exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

Portfolio Profile Tests and Collateral Quality Tests

Measurement of Tests

The Portfolio Profile Tests and the Collateral Quality Tests will be used as criteria for purchasing Collateral Debt Obligations. The Collateral Administrator will measure the Portfolio Profile Tests and the Collateral Quality Tests on each Measurement Date (save as otherwise provided herein).

Substitute Collateral Debt Obligations in respect of which a binding commitment has been made to purchase such Substitute Collateral Debt Obligations but such purchase has not been settled shall nonetheless be deemed to have been purchased for the purposes of the Portfolio Profile Tests and the Collateral Quality Tests at any time as if such purchase had been completed. Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but which have not yet settled shall be excluded as Collateral Debt Obligations in the calculation of the Collateral Quality Tests and Portfolio Profile Tests at any time as if such sale had been completed. See "*Reinvestment of Collateral Debt Obligations*" above.

Notwithstanding the foregoing, the failure of the Portfolio to meet the requirements of the Portfolio Profile Tests at any time shall not prevent any obligation which would otherwise be a Collateral Debt Obligation from being a Collateral Debt Obligation.

Portfolio Profile Tests

The Portfolio Profile Tests will consist of each of the following:

(a) not less than 90 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Secured Senior Loans or Secured Senior Bonds (which term, for the purposes of this paragraph (a), shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and Secured Senior Bonds and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date);

(b) not less than 75 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Secured Senior Loans (which term, for the purposes of this paragraph (b), shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date);

(c) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds;

(d) with respect to any Collateral Debt Obligations, not more than 2.5% of the Aggregate Collateral Balance shall be the obligations of any single Obligor (in aggregate);

(e) with respect to Secured Senior Loans and Secured Senior Bonds, not more than 2.5 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor;

(f) with respect to Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds not more than 1.5 per cent. of the Aggregate Principal Balance shall be the obligation of any single Obligor, provided that the Aggregate Principal Balance of up to three Obligors may each represent up to 2 per cent. of the Aggregate Collateral Balance;

(g) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of Participations;

(h) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fitch CCC Obligations;

(i) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Moody's Caa Obligations;

(j) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fixed Rate Collateral Debt Obligations;

(k) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Current Pay Obligations;

(l) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Unfunded Amounts or Funded Amounts under Revolving Obligations or Delayed Drawdown Collateral Debt Obligations;

(m) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans and not more than 2 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans issued by a single Obligor;

(n) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are PIK Securities, provided that such PIK Securities are Restructured Obligations;

(o) not more than 30 per cent. of the Aggregate Collateral Balance shall consist of Cov-Lite Loans;

(p) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are Domiciled in countries or jurisdictions rated below "A-" by Fitch;

(q) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are Domiciled in countries with a Moody's local currency country risk ceiling rated below "Aa3" by Moody's, provided that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in countries or jurisdictions with a local currency country risk ceiling rated below "A3" by Moody's shall not be greater than 5 per cent. of the Aggregate Collateral Balance, and provided further that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in countries or jurisdictions with a local currency country risk ceiling rated below "Baa3" by Moody's shall not be greater than 0 per cent. of the Aggregate Collateral Balance;

(r) not more than 17.5 per cent. of the Aggregate Collateral Balance shall be obligations comprising any one Fitch industry classification provided that any three Fitch industry classifications may comprise up to 40 per cent. of the Aggregate Collateral Balance;

(s) not more than 17.5 per cent. of the Aggregate Collateral Balance shall be obligations comprising any one Moody's Industry classification provided that any three Moody's Industry classifications may comprise up to 40 per cent. of the Aggregate Collateral Balance;

(t) the limits set forth in the Bivariate Risk Table determined by reference to the ratings of Selling Institutions shall be satisfied;

(u) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of obligations whose Moody's Rating is derived from an S&P Rating;

(v) not more than 30 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Non-Euro Obligations;

(w) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Bridge Loans; and

(x) not more than 12.5 per cent. of the Aggregate Collateral Balance shall consist of obligations issued by Obligors each of which has a total current indebtedness of less that €200,000,000 (or its equivalent in another currency).

The percentage requirements applicable to different types of Collateral Debt Obligations specified in the Portfolio Profile Tests shall be determined by reference to the Aggregate Principal Balance of such type of Collateral Debt Obligations, excluding Defaulted Obligations. Obligations for which the Issuer (or the

Investment Manager acting on behalf of the Issuer) has entered into binding commitments to purchase but have not yet settled shall be included for the purposes of calculating the Portfolio Profile Tests at any time as if such purchase had been completed. Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but which have not yet settled shall be excluded as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests at any time as if such sale had been completed.

"**Bridge Loan**" shall mean any Collateral Debt Obligation that: (a) is incurred in connection with a merger, acquisition, consolidation, sale of all or substantially all of the assets of a person, restructuring or similar transaction; (b) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings (provided, however, that any additional borrowing or refinancing having a term of more than one year may be included as a Bridge Loan if one or more financial institutions shall have provided the obligor with a binding written commitment to provide the same); and (c) prior to its purchase by the Issuer, has a Fitch Rating and a Moody's Rating.

Collateral Quality Tests

The Collateral Quality Tests will consist of each of the following:

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

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

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

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

  (i) the Moody's Minimum Diversity Test;

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

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

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

  (i) the Minimum Weighted Average Spread Test;

  (ii) Minimum Weighted Average Fixed Coupon Test; and

  (iii) the Maximum Weighted Average Life Test,

each as defined in the Investment Management and Collateral Administration Agreement.

Obligations which are to constitute Collateral Debt Obligations for which the Issuer (or the Investment Manager acting on behalf of the Issuer) has entered into binding commitments to purchase but have not yet settled shall be included for the purposes of calculating the Collateral Quality Tests at any time as if such purchase had been completed. Collateral Debt Obligations in respect of which the Issuer (or the Investment Manager acting on behalf of the Issuer) has entered into a binding commitment to sell but which have not yet settled shall be excluded as Collateral Debt Obligations in the calculation of the Collateral Quality Tests at any time as if such sale had been completed.

Fitch Test Matrix

Subject to the provisions provided below, on or after the Effective Date, the Investment Manager will have the option to elect which of the cases set forth in the matrix to be set out in the Investment Management and Collateral Administration Agreement (substantially in the form set out below) (the "**Fitch Test Matrix**") shall be applicable for purposes of the Fitch Maximum Weighted Average Rating Factor Test, the Fitch Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Spread Test. For any given case:

1. the applicable column for performing the Fitch Maximum Weighted Average Rating Factor Test will be the column in the Fitch Test Matrix selected by the Investment Manager (or linear interpolation between two adjacent columns, as applicable);

2. the applicable row for performing the Minimum Weighted Average Spread Test will be the row in the Fitch Test Matrix selected by the Investment Manager (or linear interpolation between two adjacent rows, as applicable); and

3. the applicable column and row for performing the Fitch Minimum Weighted Average Recovery Rate Test will be the column and row in the Fitch Test Matrix selected by the Investment Manager in relation to (1) and (2) above (or linear interpolation between two adjacent rows and/or two adjacent columns (as applicable)).

On the Effective Date, the Investment Manager will be required to elect which case shall apply initially. Thereafter, on two Business Days' notice to the Issuer, the Collateral Administrator and Fitch, the Investment Manager may elect to have a different case apply, provided that the Fitch Maximum Weighted Average Rating Factor Test, the Fitch Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Spread Test applicable to the case to which the Investment Manager desires to change are satisfied or, in the case of any tests that are not satisfied, are closer to being satisfied. The Fitch Test Matrix may be amended and/or supplemented and/or replaced by the Investment Manager subject to Rating Agency Confirmation from Fitch.

Fitch Test Matrix

Minimum Weighted Average Spread	Fitch Maximum Weighted Average Rating Factor												
	26.0	**27.0**	**28.0**	**29.0**	**30.0**	**31.0**	**32.0**	**33.0**	**33.5**	**34.0**	**35.0**	**36.0**	**37**
3.00%	75.4%	77.3%	78.5%	79.4%	80.7%	82.0%	82.9%	83.5%	83.9%	84.4%	84.9%	86.2%	86.
3.10%	74.0%	76.0%	77.3%	78.2%	79.8%	80.8%	82.0%	83.0%	83.7%	84.2%	84.7%	85.4%	86.
3.20%	72.4%	74.6%	75.8%	77.0%	78.4%	79.8%	81.0%	82.0%	82.7%	83.6%	84.2%	84.7%	85.
3.30%	71.0%	73.3%	74.5%	75.8%	77.6%	79.0%	79.8%	80.8%	81.2%	81.7%	82.5%	83.8%	84.
3.40%	69.6%	72.0%	73.2%	74.0%	75.9%	77.1%	78.3%	79.3%	79.8%	80.2%	81.1%	82.6%	84.
3.50%	68.5%	70.8%	72.0%	72.9%	74.3%	75.8%	77.0%	77.6%	78.2%	78.9%	80.0%	82.0%	83.
3.60%	67.2%	68.9%	70.1%	70.7%	72.0%	73.3%	74.7%	75.1%	76.0%	76.5%	78.8%	80.8%	82.
3.70%	65.6%	67.2%	68.3%	69.2%	70.9%	71.6%	72.4%	74.0%	74.8%	75.3%	77.6%	79.7%	81.
3.80%	63.5%	65.2%	66.2%	67.1%	69.1%	70.0%	70.9%	72.0%	72.5%	74.0%	76.4%	78.6%	80.
3.90%	62.2%	64.0%	65.0%	66.1%	67.1%	68.3%	69.1%	69.6%	70.2%	72.9%	75.3%	77.4%	79.
4.00%	59.8%	61.5%	62.5%	63.9%	65.3%	66.7%	67.3%	67.6%	68.0%	71.7%	74.0%	76.3%	78.
4.10%	58.3%	60.3%	61.1%	62.5%	63.9%	65.2%	65.5%	66.8%	67.6%	70.6%	72.9%	75.2%	77.
4.20%	56.6%	58.0%	58.9%	60.2%	62.3%	62.5%	64.3%	66.1%	67.3%	69.4%	71.8%	74.0%	76.
4.30%	54.0%	56.3%	57.7%	58.8%	59.5%	61.2%	63.3%	65.3%	66.4%	68.3%	70.6%	72.9%	75.
4.40%	52.0%	53.9%	55.5%	57.5%	59.0%	60.8%	62.8%	63.9%	65.3%	67.1%	69.5%	71.8%	74.
4.50%	50.9%	52.8%	54.6%	56.3%	58.1%	60.1%	61.8%	63.0%	64.1%	66.3%	68.7%	71.0%	73.
4.60%	50.4%	52.3%	54.1%	55.8%	57.6%	59.6%	61.3%	62.3%	63.6%	65.9%	68.3%	70.7%	73.
4.70%	50.1%	52.0%	53.8%	55.5%	57.3%	59.4%	61.1%	61.8%	63.4%	65.7%	68.1%	70.5%	72.

The Fitch Maximum Weighted Average Rating Factor Test

"**Fitch Maximum Weighted Average Rating Factor Test**" means that test that will be satisfied, on any Measurement Date from (and including) the Effective Date, if the Fitch Weighted Average Rating Factor as at such date is less than or equal to the applicable level in the Fitch Test Matrix.

"**Fitch Weighted Average Rating Factor**" is the number determined by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation by its Fitch Rating Factor, dividing such sum by the Aggregate Principal Balance of all such Collateral Debt Obligations and rounding the result down to the nearest two decimal places.

"**Fitch Rating Factor**" means, in respect of any Collateral Debt Obligation, the number set forth in the table below opposite the Fitch Rating in respect of such Collateral Debt Obligation. The following table provides certain probabilities of default relating to Fitch Rating Factors. The information is subject to change and any probabilities of default in respect of Fitch Rating Factors may not at any time necessarily reflect the below table.

Fitch Rating	Fitch Rating Factor
AAA	0.19
AA+	0.35
AA	0.64
AA-	0.86
A+	1.17
A	1.58
A-	2.25
BBB+	3.19
BBB	4.54
BBB-	7.13
BB+	12.19
BB	17.43
BB-	22.80
B+	27.80
B	32.18
B-	40.60
CCC+	62.80
CCC	62.80
CCC-	62.80
CC	100.00
C	100.00
D	100.00

The Fitch Minimum Weighted Average Recovery Rate Test

"**Fitch Minimum Weighted Average Recovery Rate Test**" means the test that will be satisfied in respect of the Notes on any Measurement Date from (and including) the Effective Date, if the Fitch Weighted Average Recovery Rate is greater than or equal to the applicable level in the Fitch Test Matrix.

"**Fitch Weighted Average Recovery Rate**" means, as of any Measurement Date, the rate (expressed as a percentage) determined by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation by the Fitch Recovery Rate in relation thereto and dividing such sum by the Aggregate Principal Balance of all Collateral Debt Obligations and rounding up to the nearest 0.1 per cent.

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

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

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

(b) if such Collateral Debt Obligation is a Corporate Rescue Loan and has neither a public Fitch recovery rating, nor a recovery rating assigned to it by Fitch in the context of provision by Fitch of a credit opinion, the Issuer or the Investment Manager on behalf of the Issuer shall apply to Fitch for a Fitch recovery rating, provided that the Fitch recovery rating in respect of such Corporate Rescue Loan shall be considered to be "RR3" pending provision by Fitch of such Fitch recovery rating, and the recovery rate applicable to such Corporate Rescue Loan shall be the recovery rate corresponding to such Fitch recovery rating in the table above;

(c) if such Collateral Debt Obligation has no public Fitch recovery rating, no recovery rating is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Investment Manager and has a public S&P recovery rating, the recovery rate corresponding to such recovery rating in the table below:

S&P recovery rating	Fitch recovery rate (%)
1+	95
1	95
2	80
3	60
4	40
5	20
6	5

and

(a) if such Collateral Debt Obligation has no public Fitch recovery rating, no recovery rating is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Investment Manager and has no public S&P recovery rating, (x) if such Collateral Debt Obligation is a Secured Senior Bond, the recovery rate applicable to such Secured Senior Bond shall be the recovery rate corresponding to the Fitch recovery rating of "RR3" in the table above and (y) otherwise, the recovery rate determined in accordance with the table below, where the Collateral Debt Obligation shall be categorised as "Strong Recovery" if it is a Secured Senior Obligation, "Moderate Recovery" if it is an Unsecured Senior Obligation and otherwise "Weak Recovery", and shall fall into the country group corresponding to the country in which the Obligor thereof is Domiciled:

	US	Group A	Group B	Group C	Group D
Strong Recovery	80	75	55	45	35
Moderate Recovery	45	45	40	30	25
Weak Recovery	20	20	5	5	5

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

Group A: Australia, Austria, Bahamas, Bermuda, Canada, Cayman Islands, Denmark, Finland, Germany, Gibraltar, Hong Kong, Iceland, Ireland, Japan, Jersey, Liechtenstein, Netherlands, New Zealand, Norway, Singapore, South Korea, Sweden, Switzerland, Taiwan, the UK and the United States.

Group B: Belgium, France, Italy, Luxembourg, Portugal, Spain.

Group C: Bulgaria, Costa Rica, Chile, Croatia, Czech Republic, Estonia, Hungary, Israel, Latvia, Lithuania, Malaysia, Malta, Mauritius, Mexico, Poland, Slovakia, Slovenia, South Africa, Thailand, Tunisia, Uruguay.

Group D: Albania, Argentina, Asia Others, Barbados, Bosnia and Herzegovina, Brazil, China, Colombia, Cyprus, Dominican Republic, Eastern Europe Others, Ecuador, Egypt, El Salvador, Greece, Guatemala,

India, Indonesia, Iran, Jamaica, Kazakhstan, Liberia, Macedonia, Marshall Islands, Middle East and North Africa Others, Moldova, Montenegro, Morocco, Other Central America, Other South America, Other Sub-Saharan Africa, Pakistan, Panama, Peru, Philippines, Puerto Rico, Qatar, Romania, Russia, Saudi Arabia, Serbia, Turkey, Ukraine, Venezuela, Vietnam.

Moody's Test Matrix

Subject to the provisions provided below, on or after the Effective Date, the Investment Manager will have the option to elect which of the cases set forth in the matrix to be set out in the Investment Management and Collateral Administration Agreement (the "**Moody's Test Matrix**") shall be applicable for purposes of the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Diversity Test and the Minimum Weighted Average Spread Test. For any given case:

1. the applicable column for performing the Moody's Minimum Diversity Test will be the column (or linear interpolation between two adjacent columns, as applicable) in which the elected case is set out;

2. the applicable row and column for performing the Moody's Maximum Weighted Average Rating Factor Test will be the row and column (or linear interpolation between two adjacent rows and/or two adjacent columns (as applicable) in which the elected case is set out; and

3. the applicable row for performing the Minimum Weighted Average Spread Test will be the row (or linear interpolation between two adjacent rows, as applicable) in which the elected test is set out.

On the Effective Date, the Investment Manager will be required to elect which case shall apply initially. Thereafter, with notice to the Issuer, the Collateral Administrator and Moody's, the Investment Manager may elect to have a different case apply, provided that the Moody's Minimum Diversity Test, the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Spread Test applicable to the case to which the Investment Manager desires to change are satisfied or, in the case of any tests that are not satisfied, are closer to being satisfied. In no event will the Investment Manager be obliged to elect to have a different case apply. The Moody's Test Matrix may be amended and/or supplemented and/or replaced by the Investment Manager subject to Rating Agency Confirmation from Moody's.

Moody's Test Matrix

Minimum Weighted Average Spread	Minimum Diversity Score												
	28	**30**	**32**	**34**	**36**	**38**	**40**	**42**	**44**	**46**	**48**	**50**	**52**
3.00%	1945	1980	2000	2025	2040	2055	2070	2080	2095	2110	2120	2125	2130
3.10%	2045	2080	2100	2125	2140	2155	2170	2180	2195	2210	2220	2225	2230
3.20%	2145	2180	2200	2225	2240	2255	2270	2280	2295	2310	2320	2325	2330
3.30%	2245	2280	2300	2325	2340	2355	2370	2380	2395	2410	2420	2425	2430
3.40%	2345	2380	2400	2425	2440	2455	2470	2480	2495	2510	2520	2525	2530
3.50%	2430	2470	2495	2520	2535	2550	2570	2585	2595	2605	2615	2625	2635
3.60%	2465	2510	2540	2570	2590	2625	2645	2670	2690	2695	2705	2715	2720
3.70%	2500	2550	2575	2610	2645	2665	2685	2710	2735	2750	2770	2785	2790
3.80%	2535	2585	2625	2660	2685	2710	2735	2755	2775	2790	2810	2825	2840
3.90%	2545	2605	2660	2695	2730	2745	2770	2795	2820	2835	2850	2875	2880
4.00%	2580	2635	2685	2740	2750	2790	2815	2835	2860	2880	2900	2910	2915
4.10%	2605	2665	2720	2760	2800	2835	2860	2880	2905	2925	2940	2960	2965
4.20%	2640	2700	2755	2785	2835	2865	2895	2915	2940	2960	2980	3000	3005
4.30%	2675	2730	2780	2815	2870	2900	2925	2945	2970	2990	3010	3040	3055
4.40%	2710	2765	2810	2855	2895	2930	2960	2980	3005	3025	3045	3075	3090
4.50%	2715	2795	2840	2890	2925	2955	2995	3020	3055	3075	3095	3120	3130
4.60%	2730	2810	2855	2910	2945	2975	3015	3040	3080	3100	3120	3145	3155
4.70%	2750	2835	2880	2940	2975	3005	3045	3070	3115	3135	3155	3180	3190

The Moody's Minimum Diversity Test

The "**Moody's Minimum Diversity Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Diversity Score equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the Moody's Test Matrix based upon the applicable "row/column" combination chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)).

The "**Diversity Score**" is a single number that indicates collateral concentration and correlation in terms of both issuer and industry concentration and correlation. It is similar to a score that Moody's uses to measure concentration and correlation for the purposes of its ratings. A higher Diversity Score reflects a more diverse portfolio in terms of the issuer and industry concentration. The Diversity Score for the Collateral Debt Obligations is calculated by summing each of the Industry Diversity Scores which are calculated as follows (provided that no Defaulted Obligations shall be included in the calculation of the Diversity Score or any component thereof):

(a) an "**Average Principal Balance**" is calculated by summing the Obligor Principal Balances and dividing by the sum of the aggregate number of issuers and/or borrowers represented;

(b) an "**Obligor Principal Balance**" is calculated for each Obligor represented in the Collateral Debt Obligations by summing the Principal Balances of all Collateral Debt Obligations (excluding Defaulted Obligations) issued by such Obligor, provided that if a Collateral Debt Obligation has been sold or is the subject of an optional redemption or Offer, and the Sale Proceeds or Unscheduled Principal Proceeds from such event have not yet been reinvested in Substitute Collateral Debt Obligations or distributed to the Noteholders or the other creditors of the Issuer in accordance with the Priorities of Payments, the Obligor Principal Balance shall be calculated as if such Collateral Debt Obligation had not been sold or was not subject to such an optional redemption or Offer;

(c) an "**Equivalent Unit Score**" is calculated for each Obligor by taking the lesser of (i) one and (ii) the Obligor Principal Balance for such Obligor divided by the Average Principal Balance;

(d) an "**Aggregate Geographically Based Industry Equivalent Unit Score**" is then calculated for each Geographically Based Industry Group by summing the Equivalent Unit Scores for each Obligor in the same Geographically Based Industry Group (or such other Equivalent Unit Scores as are published by Moody's from time to time);

(e) "**Geographically Based Industry Group**" means:

(i) in respect of local industries, those obligors which are classified under the same Moody's industry group in the Moody's industrial classification and which are incorporated or domiciled in the same region, or

(ii) in respect of global industries, those obligors which are classified under the same Moody's industry group in the Moody's industrial classification,

provided that, in respect of industry groups, global, local and regional classifications, such classifications as published by Moody's from time to time are used; and

(f) an "**Industry Diversity Score**" is then established by reference to the Diversity Score Table shown below (or such other Diversity Score Table as is published by Moody's from time to time) (the "**Diversity Score Table**") for the related Aggregate Geographically Based Industry Equivalent Unit Score. If the Aggregate Geographically Based Industry Equivalent Unit Score falls between any two such scores shown in the Diversity Score Table, then the Industry Diversity Score is the lower of the two Diversity Scores in the Diversity Score Table.

For purposes of calculating the Diversity Scores any Obligors Affiliated with one another will be considered to be one Obligor.

Diversity Score Table

Aggregate Geographically Based Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Geographically Based Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Geographically Based Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Geographically Based Industry Equivalent Unit Score	Industry Diversity Score
0.0000	0.0000	5.0500	2.7000	10.1500	4.0200	15.2500	4.5300
0.0500	0.1000	5.1500	2.7333	10.2500	4.0300	15.3500	4.5400
0.1500	0.2000	5.2500	2.7667	10.3500	4.0400	15.4500	4.5500
0.2500	0.3000	5.3500	2.8000	10.4500	4.0500	15.5500	4.5600
0.3500	0.4000	5.4500	2.8333	10.5500	4.0600	15.6500	4.5700
0.4500	0.5000	5.5500	2.8667	10.6500	4.0700	15.7500	4.5800
0.5500	0.6000	5.6500	2.9000	10.7500	4.0800	15.8500	4.5900
0.6500	0.7000	5.7500	2.9333	10.8500	4.0900	15.9500	4.6000
0.7500	0.8000	5.8500	2.9667	10.9500	4.1000	16.0500	4.6100
0.8500	0.9000	5.9500	3.0000	11.0500	4.1100	16.1500	4.6200
0.9500	1.0000	6.0500	3.0250	11.1500	4.1200	16.2500	4.6300
1.0500	1.0500	6.1500	3.0500	11.2500	4.1300	16.3500	4.6400
1.1500	1.1000	6.2500	3.0750	11.3500	4.1400	16.4500	4.6500
1.2500	1.1500	6.3500	3.1000	11.4500	4.1500	16.5500	4.6600
1.3500	1.2000	6.4500	3.1250	11.5500	4.1600	16.6500	4.6700
1.4500	1.2500	6.5500	3.1500	11.6500	4.1700	16.7500	4.6800
1.5500	1.3000	6.6500	3.1750	11.7500	4.1800	16.8500	4.6900
1.6500	1.3500	6.7500	3.2000	11.8500	4.1900	16.9500	4.7000
1.7500	1.4000	6.8500	3.2250	11.9500	4.2000	17.0500	4.7100
1.8500	1.4500	6.9500	3.2500	12.0500	4.2100	17.1500	4.7200
1.9500	1.5000	7.0500	3.2750	12.1500	4.2200	17.2500	4.7300
2.0500	1.5500	7.1500	3.3000	12.2500	4.2300	17.3500	4.7400
2.1500	1.6000	7.2500	3.3250	12.3500	4.2400	17.4500	4.7500
2.2500	1.6500	7.3500	3.3500	12.4500	4.2500	17.5500	4.7600
2.3500	1.7000	7.4500	3.3750	12.5500	4.2600	17.6500	4.7700
2.4500	1.7500	7.5500	3.4000	12.6500	4.2700	17.7500	4.7800
2.5500	1.8000	7.6500	3.4250	12.7500	4.2800	17.8500	4.7900
2.6500	1.8500	7.7500	3.4500	12.8500	4.2900	17.9500	4.8000
2.7500	1.9000	7.8500	3.4750	12.9500	4.3000	18.0500	4.8100
2.8500	1.9500	7.9500	3.5000	13.0500	4.3100	18.1500	4.8200
2.9500	2.0000	8.0500	3.5250	13.1500	4.3200	18.2500	4.8300
3.0500	2.0333	8.1500	3.5500	13.2500	4.3300	18.3500	4.8400
3.1500	2.0667	8.2500	3.5750	13.3500	4.3400	18.4500	4.8500
3.2500	2.1000	8.3500	3.6000	13.4500	4.3500	18.5500	4.8600
3.3500	2.1333	8.4500	3.6250	13.5500	4.3600	18.6500	4.8700
3.4500	2.1667	8.5500	3.6500	13.6500	4.3700	18.7500	4.8800
3.5500	2.2000	8.6500	3.6750	13.7500	4.3800	18.8500	4.8900
3.6500	2.2333	8.7500	3.7000	13.8500	4.3900	18.9500	4.9000
3.7500	2.2667	8.8500	3.7250	13.9500	4.4000	19.0500	4.9100
3.8500	2.3000	8.9500	3.7500	14.0500	4.4100	19.1500	4.9200
3.9500	2.3333	9.0500	3.7750	14.1500	4.4200	19.2500	4.9300
4.0500	2.3667	9.1500	3.8000	14.2500	4.4300	19.3500	4.9400
4.1500	2.4000	9.2500	3.8250	14.3500	4.4400	19.4500	4.9500
4.2500	2.4333	9.3500	3.8500	14.4500	4.4500	19.5500	4.9600
4.3500	2.4667	9.4500	3.8750	14.5500	4.4600	19.6500	4.9700
4.4500	2.5000	9.5500	3.9000	14.6500	4.4700	19.7500	4.9800
4.5500	2.5333	9.6500	3.9250	14.7500	4.4800	19.8500	4.9900
4.6500	2.5667	9.7500	3.9500	14.8500	4.4900	19.9500	5.0000
4.7500	2.6000	9.8500	3.9750	14.9500	4.5000		
4.8500	2.6333	9.9500	4.0000	15.0500	4.5100		
4.9500	2.6667	10.0500	4.0100	15.1500	4.5200		

The Moody's Maximum Weighted Average Rating Factor Test

The "**Moody's Maximum Weighted Average Rating Factor Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Adjusted Weighted Average Moody's Rating Factor of the Collateral Debt Obligations as at such Measurement Date is equal to or less than the sum of (i) the number set forth in the Moody's Test Matrix at the intersection of the applicable "row/column" combination chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) (acting on behalf of the Issuer) as at such Measurement Date plus (ii) the Moody's Weighted Average Recovery Adjustment, provided, however, that the sum of (i) and (ii) may not exceed 3,800.

The "**Moody's Weighted Average Rating Factor**" is determined by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation, excluding Defaulted Obligations, by its Moody's Rating Factor, dividing such sum by the Aggregate Principal Balances of all such Collateral Debt Obligations, excluding Defaulted Obligations, and rounding the result up to the nearest whole number.

The "**Moody's Rating Factor**" relating to any Collateral Debt Obligation is the number set forth in the table below opposite the Moody's Default Probability Rating of such Collateral Debt Obligation.

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
Aaa	1	Ba1	940
Aa1	10	Ba2	1,350
Aa2	20	Ba3	1,766
Aa3	40	B1	2,220
A1	70	B2	2,720
A2	120	B3	3,490
A3	180	Caa1	4,770
Baa1	260	Caa2	6,500
Baa2	360	Caa3	8,070
Baa3	610	Ca or lower	10,000

The "**Moody's Weighted Average Recovery Adjustment**" means, as of any Measurement Date, the greater of:

(a) zero; and

(b) the product of:

(i) (A) the Weighted Average Moody's Recovery Rate as of such Measurement Date multiplied by 100 minus (B) 42; and

(ii) (A) with respect to the adjustment of the Moody's Maximum Weighted Average Rating Factor Test,

(1) if the Weighted Average Spread is less than 3.30%, 55;

(2) if the Weighted Average Spread is greater than or equal to 3.30% and less than 4.10%, 60; and

(3) in all other cases, 65; and

(B) with respect to adjustment of the Minimum Weighted Average Spread, 0.06 per cent.,

provided that if the Weighted Average Moody's Recovery Rate for purposes of determining the Moody's Weighted Average Recovery Adjustment is greater than 60 per cent., then such Weighted Average Moody's Recovery Rate shall equal 60 per cent. unless Rating Agency Confirmation is received from Moody's.

"**Adjusted Weighted Average Moody's Rating Factor**" means, as of any Measurement Date, a number equal to the Moody's Weighted Average Rating Factor determined in the following manner: for

purposes of determining a Moody's Default Probability Rating in connection with determining the Moody's Weighted Average Rating Factor for purposes of this definition, each applicable rating on credit watch by Moody's that is on (a) positive watch will be treated as having been upgraded by one rating sub-category, (b) negative watch will be treated as having been downgraded by two rating sub-categories and (c) negative outlook will be treated as having been downgraded by one rating sub-category.

The Moody's Minimum Weighted Average Recovery Rate Test

The "**Moody's Minimum Weighted Average Recovery Rate Test**" will be satisfied, as at any Measurement Date from (and including) the Effective Date, if the Weighted Average Moody's Recovery Rate is greater than or equal to (i) 42 per cent. minus (ii) the Moody's Weighted Average Rating Factor Adjustment, provided however that the Moody's Minimum Weighted Average Recovery Rate Test may not be less than 38 per cent.

The "**Weighted Average Moody's Recovery Rate**" means, as of any Measurement Date, the number, expressed as a percentage, obtained by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation by its corresponding Moody's Recovery Rate and dividing such sum by the lesser of (x) the Reinvestment Target Par Balance and (y) the Aggregate Principal Balance and rounding to the nearest 0.1 per cent.

The "**Moody's Recovery Rate**" means, in respect of each Collateral Debt Obligation, the Moody's recovery rate determined in accordance with the Investment Management and Collateral Administration Agreement or as so advised by Moody's. Extracts of the Moody's Recovery Rate applicable under the Investment Management and Collateral Administration Agreement are set out in Annex B of (*Moody's Recovery Rates*) this Prospectus.

The "**Moody's Weighted Average Rating Factor Adjustment**" means an amount, expressed as a percentage, as of any Measurement Date equal to the greater of:

(a) zero; and

(b) the number obtained by dividing:

(i) (A) the number set forth in the Moody's Test Matrix at the intersection of the applicable "row/column" combination chosen by the Investment Manager (acting on behalf of the Issuer) (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)), as at such Measurement Date minus (B) the Adjusted Weighted Average Moody's Rating Factor; by

(ii) (A) 85 if the Weighted Average Spread is equal to or higher than 3.0 per cent. but less than 4.5 per cent, or (B) 90 if the Weighted Average Spread is equal to or higher than 4.5 per cent.;

and dividing the result by 100.

The Minimum Weighted Average Spread Test

The "**Minimum Weighted Average Spread Test**" will be satisfied if, as at any Measurement Date from (and including) the Effective Date, the Weighted Average Spread as at such Measurement Date equals or exceeds the Minimum Weighted Average Spread as at such Measurement Date.

The "**Minimum Weighted Average Spread**", as of any Measurement Date, will equal the greater of (a) the percentage set forth in the Fitch Test Matrix based upon the option chosen by the Investment Manager and (b) the percentage set forth in the Moody's Test Matrix based upon the option chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) reduced by the Moody's Weighted Average Recovery Adjustment, provided such reduction may not reduce the Minimum Weighted Average Spread below 3.00 per cent.

The "**Weighted Average Spread**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by (X) summing the following:

(a) the product obtained by multiplying:

(i) the Principal Balance (excluding Purchased Accrued Interest) of each Floating Rate Collateral Debt Obligation (excluding (i) Defaulted Obligations, (ii) Revolving Obligations, (iii) Delayed Drawdown Collateral Debt Obligations and (iv) PIK Securities) held by the Issuer as at such Measurement Date; by

(ii) its Effective Spread,

in each case excluding, in respect of each Mezzanine Obligation held by the Issuer in respect of such Measurement Date, any interest which has been contractually deferred pursuant to its terms; and

(b) the product obtained by multiplying:

(i) the aggregate of each Unfunded Amount of Floating Rate Collateral Debt Obligations (excluding Purchased Accrued Interest) held by the Issuer as at such Measurement Date in respect of which a commitment fee is receivable by the Issuer; by

(ii) the current *per annum* rate payable by way of such commitment fee in respect of each such Unfunded Amount; and

(c) the product obtained by multiplying:

(i) the aggregate of each Funded Amount of Floating Rate Collateral Debt Obligations (excluding Purchased Accrued Interest) held by the Issuer as at such Measurement Date; by

(ii) the Effective Spread applicable to each such Funded Amount as at such Measurement Date,

and dividing such sum by (Y) the sum of the Principal Balances (excluding Purchased Accrued Interest) of each Floating Rate Collateral Debt Obligation referred to in paragraph (a)(i) and of all Funded Amounts and Unfunded Amounts referred to in paragraphs (b)(i) and (c)(i) as above (the division of (X) and (Y) above the "**Non-Adjusted Weighted Average Spread**"), adding (Z) the Gross Fixed Rate Excess (but only to the extent the Minimum Weighted Average Spread Test is not satisfied).

Provided that in the case of Restructured Obligations interest that will be withheld or deducted because of tax reasons and which withheld or deducted amounts will not be grossed-up or recoverable under any applicable double tax treaty or otherwise shall be excluded.

Further, the Effective Spread shall be deemed to be (x) in respect of a Step-Down Coupon Security, the lowest Effective Spread that is permissible pursuant to and in accordance with the Underlying Investments relating thereto and (y) in respect of a Step-Up Coupon Security, the Effective Spread applicable as at the relevant Measurement Date.

"**Effective Spread**" means (A) with respect to any Euro denominated Floating Rate Collateral Debt Obligation (including the Funded Amount of any such Revolving Obligation or Delayed Drawdown Obligation), (i) the current *per annum* rate at which it pays interest (taking into account the impact of a floor, if any) in excess of EURIBOR or (ii) if such Floating Rate Collateral Debt Obligation pays interest at a spread over an index other than EURIBOR, the current *per annum* rate at which it pays interest (taking into account the impact of a floor, if any) in excess of the EURIBOR rate that has an equivalent frequency and setting date to the corresponding interest rate in respect of such Floating Rate Debt Collateral Obligation as of the immediately preceding interest determination date pursuant to the relevant Underlying Instrument (which spread or excess may be expressed as a negative percentage), and (B) with respect to any Asset Swap Obligations which is a Floating Rate Collateral Debt Obligation, (i) the current *per annum* rate at which the related Asset Swap Transaction pays interest (taking into account the impact of a floor, if any) in excess of EURIBOR or (ii) if such related Asset Swap Transaction pays interest at a spread over an index other than EURIBOR, the current *per annum* rate at which it pays interest (taking into account the impact of a floor, if any) in excess of the EURIBOR rate that has an equivalent frequency

and setting date to the corresponding interest rate in respect of such related Asset Swap Transaction as of the immediately preceding interest determination date pursuant to the Asset Swap Agreement (which spread or excess may be expressed as a negative percentage).

The Minimum Weighted Average Fixed Coupon Test

The "**Minimum Weighted Average Fixed Coupon Test**" means the test which will be satisfied if, as at any Measurement Date from (and including) the Effective Date, the Weighted Average Fixed Rate Coupon as at such Measurement Date equals or exceeds the Minimum Weighted Average Fixed Coupon as at such Measurement Date.

"**Minimum Weighted Average Fixed Coupon**" will be satisfied as if any Measurement Date from and including the Effective Date, if the Weighted Average Fixed Rate Coupon equals or exceeds 5.25 per cent.

The "**Weighted Average Fixed Rate Coupon**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by (X) summing the following:

(a) the products obtained by multiplying:

(i) the Principal Balance (excluding Purchased Accrued Interest) of each Fixed Rate Collateral Debt Obligation (excluding (i) Defaulted Obligations, (ii) Revolving Obligations, (iii) Delayed Drawdown Collateral Debt Obligations and (iv) PIK Securities) held by the Issuer as at such Measurement Date; by

(ii) (A) in the case of Euro-denominated Fixed Rate Collateral Debt Obligations, its stated coupon; or (B) in the case of an Asset Swap Obligation, the current *per annum* coupon at which the related Asset Swap Transaction pays interest; and

(b) the product obtained by multiplying:

(i) the aggregate of each Funded Amount of Fixed Rate Collateral Debt Obligations (excluding Purchased Accrued Interest) held by the Issuer as at such Measurement Date; by

(ii) the stated coupon applicable to each such Funded Amount as at such Measurement Date,

and dividing such sum by (Y) the sum of the Principal Balances (excluding Purchased Accrued Interest) of each Fixed Rate Collateral Debt Obligation referred to in paragraph (a)(i) and of all Funded Amounts referred to in paragraph (b)(i) as above, the division of (X) and (Y) above, the "**Non-Adjusted Weighted Average Fixed Rate Coupon**"), adding (Z) the Gross Spread Excess (but only to the extent the Minimum Weighted Average Fixed Coupon Test is not satisfied).

Provided that in the case of Restructured Obligations interest that will be withheld or deducted because of tax reasons and which withheld or deducted amounts will not be grossed-up or recoverable under any applicable double tax treaty or otherwise shall be excluded.

Further, the coupon shall be deemed to be, (x) in respect of a Step-Down Coupon Security, the lowest coupon that is permissible pursuant to and in accordance with the Underlying Instruments relating thereto and (y) in respect of a Step-Up Coupon Security, the coupon applicable as at the relevant Measurement Date.

"**Gross Fixed Rate Excess**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by:

(a) calculating the product of (1) the greater of zero and the excess, if any, of the Non-Adjusted Weighted Average Fixed Rate Coupon over the applicable Minimum Weighted Average Fixed Coupon on such date of determination and (2) the amount calculated in (Y) of the definition of the Weighted Average Fixed Rate Coupon; and

(b) dividing such product by the amount calculated in (Y) of the definition of the Weighted Average Spread.

"**Gross Spread Excess**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by:

(a) calculating the product of (i) the greater of zero and the excess, if any, of the Non-Adjusted Weighted Average Spread over the applicable Minimum Weighted Average Spread on such date of determination and (ii) the amount calculated in (Y) of the definition of the Weighted Average Spread; and

(b) dividing such product by the amount calculated in (Y) of the definition of the Weighted Average Fixed Rate Coupon.

The Maximum Weighted Average Life Test

The "**Maximum Weighted Average Life Test**" will be satisfied on any Measurement Date if the Weighted Average Life as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such Measurement Date to 8 September 2023.

"**Weighted Average Life**" is, as of any Measurement Date with respect to all Collateral Debt Obligations other than Defaulted Obligations, the number of years following such date obtained by summing the products obtained by multiplying:

(a) the Average Life at such time of each such Collateral Debt Obligation by (b) the Principal Balance of such Collateral Debt Obligation,

and dividing such sum by:

(b) the Aggregate Principal Balance at such time of all Collateral Debt Obligations other than Defaulted Obligations.

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

Rating Definitions

Moody's Ratings Definitions

"**Assigned Moody's Rating**" means the monitored publicly available rating or the unpublished monitored loan rating or the credit estimate expressly assigned to a debt obligation (or facility) by Moody's.

"**CFR**" means, with respect to an obligor of a Collateral Debt Obligation, if such obligor has a corporate family rating by Moody's, then such corporate family rating; provided, if such obligor does not have a corporate family rating by Moody's but any entity in the obligor's corporate family does have a corporate family rating, then the CFR is such corporate family rating.

"**Moody's Default Probability Rating**" means, with respect to any Collateral Debt Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if the Obligor of such Collateral Debt Obligation has a CFR by Moody's, then such CFR;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on such obligation as selected by the Investment Manager in its sole discretion;

(c) if not determined pursuant to clause (a) or (b) above, if the Obligor of such Collateral Debt Obligation has one or more senior secured obligations with an Assigned Moody's Rating, then

the Moody's rating that is one sub-category lower than the Assigned Moody's Rating on any such senior secured obligation as selected by the Investment Manager in its sole discretion;

(d) if not determined pursuant to clause (a), (b) or (c) above, or if a credit estimate has been assigned to such Collateral Debt Obligation by Moody's upon the request of the Issuer, the Investment Manager or an Affiliate of the Investment Manager, then the Moody's Default Probability Rating is such credit estimate;

(e) if not determined pursuant to clauses (a), (b), (c) or (d) above, the Moody's Derived Rating; and

(f) if not determined pursuant to clauses (a), (b), (c), (d) or (e) above, the Collateral Debt Obligation will be deemed to have a Moody's Default Probability Rating of "Caa3".

"**Moody's Derived Rating**" means, with respect to a Collateral Debt Obligation whose Moody's Rating or Moody's Default Probability Rating is determined as the Moody's Derived Rating, the rating as determined in the manner set forth below:

(a) with respect to any Corporate Rescue Loan, one sub-category below the facility rating (whether public or private) of such Corporate Rescue Loan rated by Moody's;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral Debt Obligation has a long-term issuer rating by Moody's, then such long-term issuer rating;

(c) if not determined pursuant to clause (a) or (b) above, if another obligation of the Obligor is rated by Moody's, then by adjusting the rating of the related Moody's rated obligations of the related Obligor by the number of rating sub-categories according to the table below:

Obligation Category of Rated Obligation	Rating of Rated Obligation	Number of Sub-categories Relative to Rated Obligation Rating
Senior secured obligation	Greater than or equal to B2	-1
Senior secured obligation	less than B2	-2
Subordinated obligation	Greater than or equal to B3	+1
Subordinated obligation	less than B3	0

(d) if not determined pursuant to clause (a), (b) or (c) above, then by using any one of the methods provided below:

(i) pursuant to the table below:

Type of Collateral Debt Obligation	S&P Rating (Public and Monitored)	Collateral Debt Obligation Rated by S&P	Number of Sub-categories Relative to Moody's Equivalent of S&P Rating
Not Structured Finance Obligation	≥ BBB-	Not a Loan or Participation in Loan	-1
Not Structured Finance Obligation	≤ BB+	Not a Loan or Participation in Loan	-2
Not Structured Finance Obligation	≥ BB+	Loan or Participation in Loan	-2
Not Structured Finance Obligation	≤ BBB-	Loan or Participation in Loan	-1

(ii) if such Collateral Debt Obligation is not rated by S&P but another security or obligation of the Obligor has a public and monitored rating by S&P (a "**parallel security**"), then the rating of such parallel security will at the election of the Investment Manager be determined in accordance with the table set forth in sub clause (d)(i) above, and the Moody's Derived Rating for the purposes of the definition of Moody's Rating and Moody's Default Probability Rating (as applicable) of such Collateral Debt Obligation will be determined in accordance with the methodology set forth in clause (c) above (for such purposes treating the parallel security as if it were rated by Moody's at the rating determined pursuant to this sub clause (d)(ii)); or

(iii) if such Collateral Debt Obligation is a Corporate Rescue Loan, no Moody's Derived Rating may be determined based on a rating by S&P or any other rating agency; or

(e) if such Collateral Debt Obligation is not rated by Moody's and no other security or obligation of the issuer of such Collateral Debt Obligation is rated by Moody's, and if Moody's has been requested by the Issuer, the Investment Manager or the issuer of such Collateral Debt Obligation to assign a rating or credit estimate with respect to such Collateral Debt Obligation but such rating or credit estimate has not been received, pending receipt of such estimate, the Moody's Derived Rating for purposes of the definition of Moody's Rating and Moody's Default Probability Rating (as applicable) of such Collateral Debt Obligation shall be (i) "B3" if the Investment Manager certifies to the Trustee and the Collateral Administrator that the Investment Manager believes that such estimate will be at least "B3" and if the aggregate principal balance of Collateral Debt Obligations determined pursuant to this clause (e) does not exceed 5 per cent. of the Aggregate Collateral Balance of all Collateral Debt Obligations or (ii) otherwise, "Caa1".

"**Moody's Rating**" means,

(a) with respect to a Collateral Debt Obligation that is a Secured Senior Loan:

(i) if such Collateral Debt Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Debt Obligation has a CFR, then the Moody's rating that is one sub-category higher than such CFR;

(iii) if neither clause (i) nor (ii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Moody's rating that is two sub-categories higher than the Assigned Moody's Rating on any such obligation as selected by the Investment Manager in its sole discretion;

(iv) if none of clauses (i) through (iii) above apply, at the election of the Investment Manager, the Moody's Derived Rating; and

(v) if none of clauses (i) through (iv) above apply, the Collateral Debt Obligation will be deemed to have a Moody's Rating of "Caa3"; and

(b) with respect to a Collateral Debt Obligation other than a Secured Senior Loan:

(i) if such Collateral Debt Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on any such obligation as selected by the Investment Manager in its sole discretion;

(iii) if neither clause (i) nor (ii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has a CFR, then the Moody's rating that is one sub-category lower than such CFR;

(iv) if none of clauses (i), (ii) or (iii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more subordinated debt obligations with an Assigned Moody's Rating, then the Moody's rating that is one sub-category higher than the Assigned Moody's Rating on any such obligation as selected by the Investment Manager in its sole discretion;

(v) if none of clauses (i) through (iv) above apply, at the election of the Investment Manager, the Moody's Derived Rating; and

(vi) if none of clauses (i) through (v) above apply, the Collateral Debt Obligation will be deemed to have a Moody's Rating of "Caa3".

"**Moody's Secured Senior Loan**" means:

(a) a loan that:

(i) is not (and cannot by its terms become) subordinate in right of payment to any other debt obligation of the obligor of the loan;

(ii) (x) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the loan; and (y) such specified collateral does not consist entirely of equity securities or common stock; provided that any loan that would be considered a Moody's Secured Senior Loan but for clause (y) above shall be considered a Moody's Secured Senior Loan if it is a loan made to a parent entity and as to which the Investment Manager determines in good faith that the value of the common stock of the subsidiary (or other equity interests in the subsidiary) securing such loan at or about the time of acquisition of such loan by the Issuer has a value that is at least equal to the outstanding principal balance of such loan and the outstanding principal balances of any other obligations of such parent entity that are *pari passu* with such loan, which value may include, among other things, the enterprise value of such subsidiary of such parent entity; and

(iii) the value of the collateral securing the loan together with other attributes of the obligor (including, without limitation, its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) is adequate (in the commercially reasonable judgment of the Investment Manager) to repay the loan in accordance with its terms and to repay all other loans of equal seniority secured by a first lien or security interest in the same collateral); or

(b) a loan that:

(i) is not (and cannot by its terms become) subordinate in right of payment to any other debt obligation of the obligor of the loan;

(ii) with respect to such liquidation, is secured by a valid perfected security interest or lien;

(iii) the value of the collateral securing the loan together with other attributes of the obligor (including, without limitation, its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) is adequate (in the commercially reasonable judgment of the Investment Manager) to repay the loan in accordance with its terms and to repay all other loans of equal or higher seniority secured in the same collateral); and

(iv) (x) has a Moody's facility rating and the obligor of such loan has a Moody's corporate family rating; and (y) such Moody's facility rating is not lower than such Moody's corporate family rating; and

(c) the loan is not:

(i) a Corporate Rescue Loan; or

(ii) a loan for which the security interest or lien (or the validity or effectiveness thereof) in substantially all of its collateral attaches, becomes effective, or otherwise "springs" into existence after the origination thereof.

Fitch Ratings Definitions

The "**Fitch Rating**" of any Collateral Debt Obligation will be determined in accordance with the below (with the sub-paragraph earliest in this definition applying in the case where more than one sub-paragraph would otherwise be applicable):

(a) with respect to any Collateral Debt Obligation in respect of which there is a Fitch issuer default rating (including any credit opinions), whether public or privately provided to the Investment Manager following notification by the Investment Manager that the Issuer has entered into a

binding commitment to acquire such Collateral Debt Obligation (the "**Fitch Issuer Default Rating**"), the Fitch Rating shall be such Fitch Issuer Default Rating;

(b) if the Obligor thereof has an outstanding long-term financial strength rating from Fitch (the "**Fitch LTSR**"), then the Fitch Rating shall be one notch lower than such Fitch LTSR;

(c) if, in respect of any other obligation of the Obligor or its Affiliates, there is a publicly available rating by Fitch, then the Fitch Rating shall be the Fitch IDR Equivalent determined by applying the Fitch Rating Mapping Table (as defined below) to such rating;

(d) if in respect of the Collateral Debt Obligation there is a Moody's CFR, a Moody's Long Term Issuer Rating or an S&P Issuer Credit Rating, then the Fitch Rating shall be the rating that corresponds to the lowest thereof;

(e) if in respect of the Collateral Debt Obligation, there is an Insurance Financial Strength Rating, then the Fitch Rating shall be one notch lower than such Insurance Financial Strength Rating;

(f) if in respect of the Collateral Debt Obligation there is a Moody's/S&P Corporate Issue Rating, then the Fitch Rating shall be the Fitch IDR Equivalent determined by applying the Fitch Rating Mapping Table (as defined below) to such rating;

(g) if a Fitch Rating cannot otherwise be assigned, the Investment Manager, on behalf of the Issuer, shall apply to Fitch for a credit opinion which shall then be the Fitch Rating or shall agree a rating with Fitch which shall then be the Fitch Rating, provided that, pending receipt from Fitch of any credit opinion, the applicable Collateral Debt Obligation shall either be deemed to have a Fitch Rating of "B-", subject to the Investment Manager believing (in its reasonable judgement) that such credit assessment will be at least "B-" or the rating specified as applicable thereto by Fitch pending receipt of such credit assessment; or

(h) if such Collateral Debt Obligation is a Corporate Rescue Loan:

(i) if such Corporate Rescue Loan has a publicly available rating from Fitch or has been assigned an issue-level credit assessment by Fitch, the Fitch Rating shall be such rating or credit assessment; and

(ii) otherwise the Issuer or the Investment Manager on behalf of the Issuer shall apply to Fitch for an issue-level credit assessment provided that, pending receipt from Fitch of any issue-level credit assessment, the applicable Corporate Rescue Loan shall either be deemed to have a Fitch Rating of "B-", subject to the Investment Manager believing (in its reasonable judgement) that such credit assessment will be at least "B-" or the rating specified as applicable thereto by Fitch pending receipt of such credit assessment.

For the purposes of determining the Fitch Rating, the following definitions shall apply, provided always that (i) if a debt security or obligation of the Obligor has been in default during the past two years, the Fitch Rating of such Collateral Debt Obligation shall be treated as "D", (ii) with respect to any Current Pay Obligation that is rated "D" or "RD", the Fitch Rating of such Current Pay Obligation will be "CCC", and provided further that (x) if the applicable Collateral Debt Obligation has been put on rating watch negative or negative credit watch for possible downgrade by:

(A) Fitch, then the rating used to determine the Fitch Rating above shall be one rating subcategory below such rating by Fitch;

(B) Moody's, then in the case only where the Fitch Rating is derived from a rating assigned by Moody's then the Fitch Rating shall be one rating subcategory below what would otherwise be the Fitch Rating determined pursuant to paragraphs (a) to (h) above; or

(C) S&P, then in the case only where the Fitch Rating is derived from a rating assigned by S&P then the Fitch Rating shall be one rating subcategory below what would otherwise be the Fitch Rating determined pursuant to paragraphs (a) to (h) above,

and (y) notwithstanding the rating definition described above, Fitch reserves the right to use a credit opinion or a rating estimate for any Collateral Debt Obligations at any time.

"**Fitch IDR Equivalent**" means, in respect of any rating described in the Fitch Rating Mapping Table, the equivalent Fitch Issuer Default Rating determined by increasing (or reducing, in the case of a negative number) such rating (or the nearest Fitch equivalent thereof) by the number of notches specified under "Mapping Rule" in the fourth column of the Fitch Rating Mapping Table.

"**Fitch Rating Mapping Table**" means the following table:

Rating Type	Applicable Rating Agency(ies)	Issue rating	Mapping Rule
Corporate family rating or long term issuer rating	Moody's	n/a	+0
Issuer credit rating	S&P	n/a	+0
Senior unsecured	Fitch, Moody's or S&P	Any	+0
Senior, senior secured or subordinated secured	Fitch or S&P	"BBB-" or above	+0
Senior, senior secured or subordinated secured	Fitch or S&P	"BB+" or below	-1
Senior, senior secured or subordinated secured	Moody's	"Ba1" or above	-1
Senior, senior secured or subordinated secured	Moody's	"Ba2" or below	-2
Senior, senior secured or subordinated secured	Moody's	"Ca"	-1
Subordinated, junior subordinated or senior subordinated	Fitch, Moody's or S&P	"B+"/"B1" or above	+1
Subordinated, junior subordinated or senior subordinated	Fitch, Moody's or S&P	"B"/"B2" or below	+2

"**Insurance Financial Strength Rating**" means, in respect of a Collateral Debt Obligation, the lower of any applicable public insurance financial strength rating by S&P or Moody's in respect thereof.

"**Moody's CFR**" means, in respect of a Collateral Debt Obligation, a publicly available corporate family rating by Moody's in respect of the Obligor thereof.

"**Moody's Long Term Issuer Rating**" means, in respect of a Collateral Debt Obligation, a publicly available long term issuer rating by Moody's in respect of the Obligor thereof.

"**Moody's/S&P Corporate Issue Rating**" means, in respect of a Collateral Debt Obligation, the lower of the Fitch IDR Equivalent ratings, determined in accordance with the Fitch Rating Mapping Table, corresponding to any outstanding publicly available issue rating by Moody's and/or S&P in respect of any other obligation of the Obligor or any of its Affiliates.

"**S&P Issuer Credit Rating**" means, in respect of a Collateral Debt Obligation, a publicly available issuer credit rating by S&P in respect of the Obligor thereof.

The Coverage Tests

The Coverage Tests will consist of the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test, the Class E Par Value Test, the Class F Par Value Test, the Class A/B Interest Coverage Test, the Class C Interest Coverage Test, the Class D Interest Coverage Test and the Class E Interest Coverage Test. The Coverage Tests will be used primarily to determine whether interest may be paid on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes and whether Principal Proceeds may be reinvested in Substitute Collateral Debt Obligations. Each of the Class A/B Par Value Test, the Class A/B Interest Coverage Test, the Class C Par Value Test, the Class C Interest Coverage Test, the Class D Par Value Test, the Class D Interest Coverage Test, the Class E Par Value Test, the Class E Interest Coverage Test and the Class F Par Value Test shall apply on a Measurement Date (a) on and after the Effective Date in respect of the Par Value Tests (save for the Class F Par Value Test); (b) in the case of Class F Par Value Test, following the expiry of the Reinvestment Period; and (c) on and after the Determination Date immediately preceding the second Payment Date following the Effective Date in the

case of the Interest Coverage Tests and shall be satisfied on a Measurement Date if the corresponding Par Value Ratio or Interest Coverage Ratio (as the case may be) is at least equal to the percentage specified in the table below in relation to that Coverage Test.

Coverage Test and Ratio	Percentage at which Test is Satisfied
Class A/B Par Value	129.55%
Class A/B Interest Coverage	120.00%
Class C Par Value	122.27%
Class C Interest Coverage	110.00%
Class D Par Value	115.40%
Class D Interest Coverage	105.00%
Class E Par Value	106.64%
Class E Interest Coverage	101.00%
Class F Par Value	104.13%

DESCRIPTION OF THE INVESTMENT MANAGEMENT AND COLLATERAL ADMINISTRATION AGREEMENT

Fees

As compensation for the performance of its investment management services under the Investment Management and Collateral Administration Agreement, the Investment Manager will receive from the Issuer, in arrear on each Payment Date, the Senior Investment Management Fee, which will be payable senior to the Notes, but subordinated to certain fees and expenses of the Issuer, in accordance with the Priorities of Payment.

The Investment Management and Collateral Administration Agreement also provides that the Investment Manager will receive from the Issuer, in arrear on each Payment Date, the Subordinated Investment Management Fee, which will be payable senior to the payments on the Subordinated Notes, but subordinated to the Rated Notes, in accordance with the Priorities of Payment.

In addition to the Senior Investment Management Fee and the Subordinated Investment Management Fee, the Investment Manager will receive the Incentive Investment Management Fee, if the Incentive Investment Management Fee IRR Threshold has been met, payable out of Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payment.

Each of the Senior Investment Management Fee and the Subordinated Investment Management Fee shall be calculated semi-annually following the occurrence of a Frequency Switch Event and quarterly at all other times, in each case, based upon the actual number of days elapsed in the applicable Due Period divided by 360.

The Investment Manager may participate in creditors' committees with respect to the bankruptcy, restructuring or work-out of issuers of Collateral Debt Obligations. In such circumstances, the Investment Manager may take positions on behalf of itself or any Investment Manager Related Person that are adverse to the interests of the Issuer in the Collateral Debt Obligations.

If amounts distributable on any Payment Date in accordance with the Priorities of Payment are insufficient to pay the Senior Investment Management Fee in full, then a portion of the Senior Investment Management Fee equal to the shortfall will be deferred and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priorities of Payment.

If amounts distributable on any Payment Date in accordance with the Priorities of Payment are insufficient to pay the Subordinated Investment Management Fee in full, then a portion of the Subordinated Investment Management Fee equal to the shortfall will be deferred and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priorities of Payment.

The Investment Manager may elect to defer any Senior Investment Management Fees or Subordinated Investment Management Fees. Any amounts so deferred shall be applied in accordance with the Priorities of Payment. Any due and unpaid Investment Management Fees including Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts shall not accrue any interest.

Cross Transactions, Principal Transactions and Conflicts of Interest

The Investment Manager and its Affiliates and/or any fund or account for which the Investment Manager or any Affiliate of the Investment Manager serves as investment adviser or investment manager may at certain times seek to purchase or sell investments from or to the Issuer as principal. Under the Investment Management and Collateral Administration Agreement, the Investment Manager, at its option and sole discretion, may effect principal transactions between such entities. In addition, the Investment Manager and its Affiliates will be authorised to engage in certain "cross" and/or "principal" transactions between an Investment Manager Related Person and the Issuer if permitted in accordance with applicable policies and procedures, and in any case by applicable law, as further described in "*Risk Factors—relating to certain Conflicts of Interest—Investment Manager*".

The Originated Assets will be acquired by the Issuer from the Investment Manager in accordance with the procedures for "principal" transactions as described in "*Risk Factors—relating to certain Conflicts of Interest—Investment Manager*" and on the terms summarised in "*The Retention Holder and Retention Requirements—Origination Procedures*". In addition, the Issuer may purchase additional Collateral Debt Obligations from the Investment Manager or Investment Manager Related Persons on a principal basis, in each case in accordance with the procedures for "principal" transactions as described in *Risk Factors—Relating to certain Conflicts of Interest—Investment Manager*. The Issuer will receive disclosure in writing of the identity and method of acquisition of, and the procedures for determining the purchase price with respect to, such Collateral Debt Obligations (including the Originated Assets), and will provide its consent to such matters.

Under the Investment Management and Collateral Administration Agreement, the Issuer will acknowledge and agree, among other things, that (i) the Investment Manager engages in other business and furnishes investment management and advisory services to other funds which may differ from those provided by the Investment Manager on behalf of the Issuer, (ii) the Investment Manager may make recommendations or effect transactions which may differ from those effected with respect to the loans and securities included in the Collateral, (iii) the Investment Manager may, from time to time, or may cause or direct another account managed by the Investment 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 Investment Manager directs be purchased or sold on behalf of the Issuer, and (iv) in certain circumstances, the interests of the Issuer and/or the Noteholders with respect to matters as to which the Investment Manager is advising the Issuer may conflict with the interests of the Investment Manager.

By purchasing a Note, a holder shall be deemed to have consented to the procedures described herein relating to cross transactions, principal transactions and to the conflicts of interest described herein. The Investment Manager or its Affiliates may receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to any principal transaction or cross transactions. See "*Risk Factors—relating to certain Conflicts of Interest—Investment Manager*".

Standard of Care of the Investment Manager

Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager will agree with the Issuer that it will perform its obligations, duties and discretions under the Investment Management and Collateral Administration Agreement, with reasonable care using a degree of skill not less than that which the Investment Manager exercises (and in any event not less than the degree of care and skill exercised by other investment managers of recognised standing) with respect to comparable assets that it manages for itself and others having similar investment objectives and restrictions (the "**Standard of Care**").

Additionally, the Investment Management and Collateral Administration Agreement contains provisions which require (subject to the Standard of Care), that the Investment Manager shall not take any action on behalf of the Issuer which would cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes or become otherwise subject to U.S. federal, state or local tax on a net income basis, subject to further conditions detailed in the Investment Management and Collateral Administration Agreement including adhering to specific U.S. Tax Guidelines (as defined in the Investment Management and Collateral Administration Agreement) and/or relying on external tax advice as contemplated therein.

The Investment Manager is authorised to act on behalf of the Issuer pursuant to the Investment Management and Collateral Administration Agreement. The Investment Manager's duties and authority to act as Investment Manager are limited to the duties and authority specifically provided for in the Investment Management and Collateral Administration Agreement. In particular, the Investment Manager shall not assume the rights or obligations of the Issuer under the Notes, the Trust Deed or any other document to which the Issuer is a party.

Responsibilities of the Investment Manager

The Investment Manager will have no responsibility under the Investment Management and Collateral Administration Agreement other than to render the services called for thereunder in good faith and, subject to the Standard of Care described above:

(a) shall not be responsible for any action it takes, on behalf of the Issuer, in compliance with the terms of the Investment Management and Collateral Administration Agreement;

(b) shall not be responsible for any action or inaction by the Issuer, the Collateral Administrator or the Trustee in following or declining to follow any direction, advice, recommendation or instruction of the Investment Manager;

(c) does not assume any fiduciary duty or responsibility with regard to the Issuer, the Trustee, any Noteholder or any other person;

(d) does not guarantee or otherwise assume any responsibility for the performance of the Notes, the Portfolio, any Collateral Debt Obligation or the performance by any third party of any contract entered into on behalf of the Issuer or, except as expressly set forth under the Investment Management and Collateral Administration Agreement, any obligation of any other party;

(e) shall not incur any liability in acting upon any publicly available information published or provided to it in relation to the Collateral in the absence of actual knowledge of the Investment Manager to the contrary, save for manifest error;

(f) shall incur no liability to anyone in acting upon any signature, instrument, statement, notice, resolution, request, direction, consent, order, report, opinion, bond or other document, paper or data reasonably believed by it to be genuine and reasonably believed by it to be properly executed or signed or originated by the proper party or parties;

(g) shall be entitled to rely, in the absence of manifest error of which the Investment Manager is actually aware (without having made further enquiry or investigation), upon the accuracy and completeness of notices and other information supplied by the Collateral Administrator; and

(h) shall not incur any liability in, and shall bear no responsibility for, acting or relying upon information provided to it in respect of any Collateral Debt Obligation or related Underlying Instrument by (x) any Obligor or issuer thereof (or any officer thereof), (y) any investment bank providing analytical service in relation thereto, or (z) any investment bank or other entity originating or arranging the syndication of such Collateral Debt Obligation, in each case save in the case of manifest error.

In situations where a conflict of interest arises between the Issuer and the Investment Manager, neither the Investment Manager nor any of its clients, partners, members or their employees and their Affiliates has any duty to act in a way that is favourable to the Issuer or to offer any particular investment opportunity to the Issuer.

The Investment Manager, as well as its directors, employees, officers, shareholders and agents, shall not be liable (whether directly or indirectly, in contract or in tort or otherwise) to the Issuer, the Trustee, the Noteholders or any other person for losses, claims, damages, judgments, interest on judgments, assessments, costs, fees, charges, amounts paid in settlement or other liabilities (including, without limitation, in respect of taxes, duties, levies, imposts and other charges and all properly incurred legal fees and disbursements incurred in defending or disputing any of the foregoing and including any irrecoverable VAT or similar tax charged or chargeable in respect thereof) (collectively "**Liabilities**") incurred by the Issuer, the Trustee, the Noteholders or any other person that arise out of or in connection with the performance by the Investment Manager of its duties under the Investment Management and Collateral Administration Agreement provided that nothing shall relieve the Investment Manager from liability to the Issuer for Liabilities they may incur:

(a) by reason of acts or omissions constituting bad faith, wilful misconduct or gross negligence (where gross negligence shall be given its meaning under New York law) of the Investment Manager under the Investment Management and Collateral Administration Agreement, the Trust Deed or any other Transaction Document to which it is a party; or

(b) with respect to the information concerning the Investment Manager provided in writing to the Issuer by the Investment Manager expressly for inclusion in the Preliminary Prospectus (as defined in the Investment Management and Collateral Administration Agreement) and this Prospectus, such information containing any untrue statement of material fact or omitting to state a material

fact necessary in order to make the statement therein, in light of the circumstances under which they were made, not misleading,

each an "**Investment Manager Breach**". The Investment Manager shall indemnify the Issuer in respect of any Investment Manager Breaches subject to and in accordance with the Investment Management and Collateral Administration Agreement.

Notwithstanding any provision in the Investment Management and Collateral Administration Agreement to the contrary, in no event shall the Investment Manager be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits) even if the Investment Manager has been advised of the likelihood of such loss or damage and regardless of the form of action.

Subject to the Standard of Care specified above, the Investment Manager (any Affiliates of the Investment Manager, and their shareholders, directors, officers, members, attorneys, advisors, agents and employees) will be entitled to indemnification by the Issuer in relation, inter alia, to the performance of the Investment Manager's obligations under the Investment Management and Collateral Administration Agreement, which will be payable in accordance with the Priorities of Payment.

Resignation of the Investment Manager

The Investment Manager may resign, subject to the appointment of a successor investment manager, with or without cause upon at least ninety calendar days' prior written notice to the Issuer, the Collateral Administrator, the Trustee, the Noteholders (delivery of such notice to Noteholders to be given by the Issuer in accordance with the Conditions), any Hedge Counterparty and each Rating Agency. The Investment Manager may resign its appointment upon shorter notice whether or not a successor investment manager has been appointed where there is a change in law or the application of any applicable law which makes it illegal for the Investment Manager to carry on its duties under the Investment Management and Collateral Administration Agreement.

Investment Manager Tax Event

The Investment Manager may be removed by the Issuer (regardless of whether or not a successor investment manager has been appointed) if it has not changed the location from which it provides its investment management services under the terms of the Investment Management and Collateral Administration Agreement or otherwise remedied or eliminated the occurrence of an Investment Manager Tax Event, in each case, within ninety calendar days of the date that the Investment Manager first becomes aware of an Investment Manager Tax Event (where "**Investment Manager Tax Event**" means that the Issuer has become subject either to any:

(a) United Kingdom tax liability;

(b) French tax liability; or

(c) U.S. federal income tax on a net income basis (or there being a substantial likelihood that the Issuer will become subject such U.S. federal income tax),

where the amount of such tax liability is in a sufficient amount such that the Class E Par Value Test would not be satisfied if calculated assuming payment by the Issuer of such tax liability (in each case, provided that such ninety calendar day period shall be extended by a further ninety calendar days if the Investment Manager has notified the Issuer and the Trustee in writing before the end of the first ninety calendar day period that it expects to have changed the place from which it provides its investment management services under the terms of the Investment Management and Collateral Administration Agreement or that it is otherwise able to remedy or eliminate the circumstances giving rise to such Investment Manager Tax Event).

Removal for Cause

The Investment Manager may, subject to the appointment of a successor Investment Manager in accordance with the terms of the Investment Management and Collateral Administration Agreement, be removed for Cause upon at least thirty calendar days' prior written notice:

(a) by the Issuer at its discretion; and

(b) by the Trustee (subject to being indemnified and/or secured and/or prefunded to its satisfaction), if so directed in writing by the holders of:

(i) the Subordinated Notes, acting by way of Extraordinary Resolution; or

(ii) the Controlling Class, acting by way of Extraordinary Resolution,

(for the avoidance of doubt, in each case excluding any Notes in the form of IM Non-Voting Exchangeable Notes or IM Non-Voting Notes and any Notes held by the Investment Manager or any Investment Manager Related Person) provided that notice of such removal shall have been given to the holders of each Class of the Notes by the Issuer or the Trustee, as the case may be, in accordance with the Conditions.

For the purposes of determining "**Cause**" with respect to termination of the Investment Management and Collateral Administration Agreement such term shall mean any one of the following events:

(a) that the Investment Manager wilfully violated a material provision of the Investment Management and Collateral Administration Agreement, the Trust Deed or any other Transaction Document applicable to it (unrelated to the economic performance of the Collateral Debt Obligations, for the avoidance of doubt, (it being understood that the failure to meet any Coverage Tests, the Reinvestment Overcollateralisation Test, any Portfolio Profile Tests or any Collateral Quality Tests shall not of itself constitute a breach by the Investment Manager under this paragraph (a));

(b) that the Investment Manager breached in any respect any provision of the Investment Management and Collateral Administration Agreement as is applicable to it (other than as specified in paragraph (a) above) which breach:

(i) has a material adverse effect on the Issuer or the interests of the Noteholders of any Class; and

(ii) if capable of being cured, is not cured within thirty calendar days of the Investment Manager becoming aware thereof or the Investment Manager's receipt of written notice of such breach from the Issuer or the Trustee unless, if capable of being cured, the Investment Manager has commenced the taking of action within such thirty calendar day period to the satisfaction of the Trustee (acting reasonably) to remedy such breach and does in fact remedy such breach within 60 calendar days after the Investment Manager becoming aware of such breach or the Investment Manager receiving written notice of such breach from the Issuer or the Trustee;

(c) the failure of any representation, warranty, certification or statement made or delivered by the Investment Manager in or pursuant to the Investment Management and Collateral Administration Agreement, the Trust Deed or any other Transaction Document to be correct when made and such failure:

(i) has a material adverse effect on the Issuer or interests of the Noteholders of any Class; and

(ii) such failure is not remedied within thirty calendar days after the Investment Manager becoming aware of, or its receipt of written notice from the Issuer or the Trustee of, such failure;

(d) the Investment Manager is wound up or dissolved (other than pursuant to a consolidation, amalgamation or merger where a successor investment manager succeeds the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement and is bound by the terms of the Investment Management and Collateral Administration Agreement and the other Transaction Documents applicable to the Investment Manager), or there is appointed over it or a substantial part of its assets a receiver, administrator, administrative receiver, trustee or similar officer;

(e) the Investment Manager:

(i) ceases to be able to, or admits in writing that it is unable to pay its debts as they become due and payable, or makes a general assignment for the benefit of, or enters into any composition or arrangement with, its creditors generally;

(ii) applies for or consents (by admission of material allegations of a petition or otherwise) to the appointment of a receiver, administrator, trustee, assignee, custodian, liquidator or sequestrator (or other similar official) of the Investment Manager or of any substantial part of its properties or assets, or authorises such an application or consent, or proceedings seeking such appointment are commenced against the Investment Manager without such authorisation, consent or application and either continue undismissed for sixty calendar days or any such appointment is ordered by a court or regulatory body having jurisdiction;

(iii) authorises or files a voluntary petition in bankruptcy, or applies for or consents (by admission of material allegations of a petition or otherwise) to the application of any bankruptcy, reorganisation, arrangement, readjustment of debt, insolvency, dissolution, or similar law, or authorises such application or consent, or proceedings to such end are instituted against the Investment Manager without such authorisation, application or consent and remain undismissed for sixty calendar days or result in adjudication of bankruptcy or insolvency or the issuance of an order for relief; or

(iv) permits or suffers all or any substantial part of its properties or assets to be sequestered or attached by court order and the order (if contested in good faith) remains undismissed for sixty calendar days;

(f) the occurrence of an Event of Default specified Condition 10(a)(i) or (ii) (*Events of Default*) that has not been cured within any applicable grace period and that arises from a breach of the Investment Manager's duties under the Investment Management and Collateral Administration Agreement (it being understood that an act or omission of the Investment Manager based on its good faith interpretation of the provisions of the Investment Management and Collateral Administration Agreement or the Trust Deed, will not constitute a breach for the purposes of this paragraph (f)); and

(g) the occurrence of an act by the Investment Manager (or any senior officer of the Investment Manager involved in its leveraged investment business) that constitutes fraud or criminal activity in the performance of the Investment Manager's obligations under the Investment Management and Collateral Administration Agreement or its other investment management activities, or the Investment Manager (or any senior officer of the Investment Manager involved in its leveraged investment business) being found guilty of having committed a criminal offence materially related to the management of investments similar in nature and character to those which comprise the Collateral, unless any such senior officer of the Investment Manager has, within 30 calendar days after such occurrence, been removed from performing work in fulfilment of the Investment Manager's obligations under the Investment Management and Collateral Administration Agreement.

Pursuant to the terms of the Investment Management and Collateral Administration Agreement, if any of the events specified in paragraphs (a) to (g) (inclusive) occurs, the Investment Manager shall, upon becoming aware of the same, be required to give prompt written notice thereof to the Issuer (who shall promptly, upon receipt of the same, deliver notice to the Noteholders in accordance with the Conditions), the Trustee, the Rating Agencies and any Hedge Counterparty.

No Voting Rights

Any Notes held in the form of IM Non-Voting Exchangeable Notes or IM Non-Voting Notes shall not have any voting rights in respect of, and shall not be counted for the purposes of determining a quorum and the result of voting on any IM Removal Resolutions or any IM Replacement Resolutions (but shall otherwise carry a right to vote and be so counted).

Any Notes held by or on behalf of the Investment Manager or any Investment Manager Related Person shall have no voting rights with respect to, and shall not be counted for the purposes of determining a quorum and the results of, voting on any IM Removal Resolution or IM Replacement Resolution.

Delegation, Assignment or Transfer

The Investment Manager, without the prior consent of the Issuer, any Noteholder or the Trustee, may employ third parties, including its Affiliates, to render asset management services (including investment advice) and assistance in connection with its obligations under the Investment Management and Collateral Administration Agreement (and it is expected that the Investment Manager will delegate certain of its duties under the Investment Management and Collateral Administration Agreement to AXA Investment Managers Paris on the Issue Date), provided that in each case any such party has the required regulatory capacity to provide such services to the Issuer and provided that in each case such appointment will not cause the Issuer to become subject to net income taxation outside its jurisdiction of incorporation, be treated as engaged in a trade or business in the United States for U.S. federal income tax purposes, result in Investment Management Fees becoming subject to VAT or otherwise cause any other material adverse tax consequences to the Issuer. In such event, the Investment Manager shall not be relieved of any of its duties or liabilities under the Investment Management and Collateral Administration Agreement regardless of the performance of any services by third parties and shall be solely responsible for the fees and expenses payable to any such third party except to the extent such expenses are payable by the Issuer under the Investment Management and Collateral Administration Agreement.

The Investment Manager may not assign or transfer its material rights or material responsibilities under the Investment Management and Collateral Administration Agreement without the written consent of:

(a) the Issuer;

(b) either:

  (i) the holders of the Rated Notes, acting by Ordinary Resolution, voting together as a single class; or

  (ii) the holders of the Controlling Class acting by Ordinary Resolution; and

(c) the holders of the Subordinated Notes acting by Ordinary Resolution,

in each case excluding any Notes in the form of IM Non-Voting Exchangeable Notes or IM Non-Voting Notes and any Notes held by the Investment Manager or any Investment Manager Related Person, and subject to receipt by the Issuer of a Rating Agency Confirmation with respect to such assignment or transfer and provided that such assignee or transferee has the required regulatory capacity to provide the services provided under the Investment Management and Collateral Administration Agreement to the Issuer provided further that, to the extent permitted by the Investment Management and Collateral Administration Agreement, such consent and Rating Agency Confirmation shall not be required in the case of any assignment to a Permitted Assignee (as defined below); provided further that, if such transferee or assignee is to be the relevant retention party for the purposes of the Retention Requirements, the appointment of such transferee or assignee is permitted under and contemplated by the Risk Retention Letter, permitted under the Retention Requirements and would not cause the transactions described in this Prospectus to cease to be compliant with the Retention Requirements. A "**Permitted Assignee**", for the purposes of the Investment Management and Collateral Administration Agreement, means an Affiliate of the Investment Manager that certifies in writing (upon which certification the Trustee may rely absolutely and without enquiry or liability) to the Trustee and the Issuer that it:

(a) is legally qualified and has the regulatory capacity to act as investment manager under the Investment Management and Collateral Administration Agreement;

(b) employs (directly or indirectly) the principal personnel performing the duties required under the Investment Management and Collateral Administration Agreement (or persons of similar expertise) prior to such assignment;

(c) will not, as a consequence of its appointment, cause either of the Issuer or the Collateral to become required to register under the provisions of the Investment Company Act; and

(d) will not, as a consequence of its appointment and/or conduct, cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation, be engaged in a trade or business in the United States for U.S. federal income tax purposes, result in additional VAT or similar tax or cause any other material adverse tax becoming payable by the Issuer (whether to a tax authority or any counterparty).

The Issuer may not assign its rights under the Investment Management and Collateral Administration Agreement without the prior written consent of the Investment Manager, the Trustee, the holders of each Class of Notes acting by Ordinary Resolution, each voting as a separate class, and subject to Rating Agency Confirmation and to such transferee or delegate having the required regulatory capacity, except in the case of an assignment by the Issuer: (a) to an entity that is a successor to the Issuer permitted under the Trust Deed; or (b) to the Trustee.

Appointment of Successor

Upon any removal or resignation of the Investment Manager (except in the circumstances where it has become illegal for the Investment Manager to carry on its duties under the Investment Management and Collateral Administration Agreement and except as provided for under an Investment Manager Tax Event as described above), the Investment Manager will continue to act in such capacity until a successor investment manager has been appointed in accordance with the terms of the Investment Management and Collateral Administration Agreement.

The successor investment manager will be selected by the Issuer subject to:

(a) the approval of the holders of the Subordinated Notes acting by Ordinary Resolution (excluding any Notes held in the form of IM Non-Voting Notes or IM Non-Voting Exchangeable Notes and any Notes held by the Investment Manager or any Investment Manager Related Person);

(b) the successor investment manager demonstrating an ability to professionally and competently perform duties similar to those imposed upon the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement and has a substantially similar (or better) level of experience;

(c) for so long as the Rated Notes are outstanding, the holders of the Controlling Class (acting by Ordinary Resolution) do not object within thirty calendar days after the giving of notice thereof in accordance with the Conditions of such proposed selection by the Issuer (excluding any Notes held in the form of IM Non-Voting Notes or IM Non-Voting Exchangeable Notes and any Notes held by the Investment Manager or any Investment Manager Related Person);

(d) the appointment of which will not cause either of the Issuer or the Portfolio to be required to be registered under the Investment Company Act;

(e) receipt of Rating Agency Confirmation;

(f) if it is to be the relevant retention party for the purposes of the Retention Requirements, the transfer of the Retention Notes to such entity is permitted under and contemplated by the Risk Retention Letter, permitted under the Retention Requirements and would not cause the transactions described in this Prospectus to cease to be compliant with the Retention Requirements;

(g) such successor investment manager being legally qualified and having the requisite regulatory capacity (including Irish regulatory capacity to provide investment management services to Irish counterparties as a matter of the laws of Ireland) to act as investment manager as successor to the Investment Manager under the Investment Management and Collateral Administration Agreement in the assumption of all of the responsibilities, duties and obligations of the Investment Manager under the Investment Management and Collateral Administration Agreement;

(h) the appointment and/or conduct of such successor investment manager will not cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation, cause the Issuer be engaged in a trade or business in the United States for U.S. federal income tax purposes, result in the Investment Management Fees becoming subject to VAT or cause any other material adverse tax consequences to the Issuer; and

(i) the appointment of such successor investment manager will not cause the Issuer, its officers or Directors, the Investment Manager or its Affiliates or the Portfolio to become or to register as a CPO or CTA with the CFTC and/or the United States National Futures Association.

If the holders of Subordinated Notes do not approve the successor investment manager pursuant to paragraph (a) above, or the Controlling Class object to the Issuer's selection of successor investment manager pursuant to paragraph (c) above, then the Issuer may propose an alternative successor investment manager. If no successor investment manager has been appointed within one hundred and twenty calendar days or if the Investment Manager is required to resign as a result of illegality or due to an Investment Manager Tax Event, the Issuer (subject to the approval of the Controlling Class, acting by Ordinary Resolution), shall appoint a successor investment manager which satisfies the criteria specified in the Investment Management and Collateral Administration Agreement subject to receipt of Rating Agency Confirmation.

Upon notice of removal or resignation of the Investment Manager

If the Investment Manager has received notice that it will be removed or has given notice of its resignation, until a successor investment manager has been appointed and has accepted such appointment in accordance with the terms specified in the Investment Management and Collateral Administration Agreement, the Investment Manager:

(a) will not acquire on behalf of the Issuer any Collateral Debt Obligations (except for trades initiated prior to such removal, termination or resignation);

(b) will only execute sales of Margin Stock, Credit Impaired Obligations and Defaulted Obligations (in addition to any trades initiated prior to such removal, termination or resignation).

Any such resignation or removal of the Investment Manager or termination of the Investment Management and Collateral Administration Agreement shall be without prejudice and subject to fulfilment of the Investment Manager's obligations in respect of the Retention Notes for so long as the Investment Manager is also the Retention Holder (unless the same have been validly transferred in accordance with the terms of the Risk Retention Letter).

Termination and Resignation of Appointment of the Collateral Administrator

Pursuant to the terms of the Investment Management and Collateral Administration Agreement, the Collateral Administrator may be removed: (a) without cause at any time upon at least ninety calendar days' prior written notice by the Issuer at its discretion or the Trustee if so directed by the holders of the Subordinated Notes acting by way of Extraordinary Resolution and subject to the Trustee being secured and/or indemnified and/or prefunded to its satisfaction; or (b) with cause upon at least ten calendar days' prior written notice by the Issuer at its discretion or the Trustee if so directed by the holders of the Subordinated Notes acting by way of Ordinary Resolution and subject to the Trustee being secured and/or indemnified and/or prefunded to its satisfaction. In addition, the Collateral Administrator may also resign its appointment without cause on at least forty-five calendar days' prior written notice and with cause upon at least ten calendar days' prior written notice to the Issuer and the Trustee. No resignation or removal of the Collateral Administrator will be effective until a successor collateral administrator has been appointed pursuant to the terms of the Investment Management and Collateral Administration Agreement.

HEDGING ARRANGEMENTS

The following is a summary of the principal terms of the hedging arrangements to be entered into by the Issuer on either or about the Issue Date and/or thereafter. The following is a summary only and should not be relied upon as an exhaustive description of the detailed provisions of such documents (copies of which are available from the registered office of the Issuer). The following is a general description of the Hedge Agreements. Any Hedge Agreement may include terms which vary from the descriptions set out below.

Hedge Agreements

The Investment Manager (on behalf of the Issuer) may enter into Hedge Agreements, subject to the Issuer obtaining legal advice in respect of such Hedge Agreement from reputable international legal counsel to the effect that the entry into such arrangements shall not in respect of a CPO, and shall not in respect of a CTA, cause the Issuer, its Directors or officers, the Investment Manager or its Affiliates to register with the CFTC and/or the United States National Futures Association with respect to the Issuer as a CPO and/or a CTA. The Issuer will obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless such arrangements are documented by way of a Form Approved Hedge Agreement.

Form Approved Hedge Agreements

If a Rating Agency announces that the rating criteria applicable to Hedge Agreements has been modified such that a Hedge Agreement no longer constitutes a Form Approved Hedge Agreement then the Issuer or the Investment Manager on its behalf shall seek approval of a new form of hedge agreement from the relevant Rating Agencies.

Currency Hedging Arrangements

Asset Swap Agreements

The Issuer (or the Investment Manager on behalf of the Issuer) may purchase Non-Euro Obligations provided that the Investment Manager, on behalf of the Issuer, enters, as soon as practicable following entry into a binding commitment to purchase such Collateral Debt Obligation and no later than the settlement date of the acquisition of the relevant Collateral Debt Obligation, into an Asset Swap Transaction which shall relate to the purchased Collateral Debt Obligation (to become effective on or before the settlement date of such Collateral Debt Obligation) with an Asset Swap Counterparty (which satisfies the applicable Rating Requirement and has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents) pursuant to the terms of which the initial principal exchange is made to fund the Issuer's acquisition of the related Non-Euro Obligation and the final and, if applicable, interim principal exchanges are made to convert the principal proceeds received in respect thereof at maturity and prior to maturity, respectively and coupon exchanges are made at the exchange rate specified for such transaction.

Transactions entered into under an Asset Swap Agreement are documented in confirmations to such Asset Swap Agreement. Each transaction will be evidenced by a confirmation entered into pursuant to an Asset Swap Agreement (each an "**Asset Swap Transaction**"). An Asset Swap Transaction, if entered into, will be:

(a) used to hedge the currency (and if applicable, interest rate) mismatch between the Notes and any Non-Euro Obligations and for no other purpose; and

(b) other than in the case of a Form Approved Asset Swap, subject to receipt of Rating Agency Confirmation in respect thereof.

Further, each Asset Swap Counterparty will be required to satisfy the applicable Rating Requirement (taking into account any guarantor thereof) and must have the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents. No Asset Swap Transaction may be entered into if, at the time of entry into such transaction, there is a withholding or deduction for or on account of any tax required in respect of any payments by either party to such Asset Swap Transaction. The Investment

Manager shall be required to terminate any Asset Swap Transaction at the time it sells an Asset Swap Obligation. Upon the sale of an Asset Swap Obligation, the Asset Swap Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms, resulting in either (a) the Asset Swap Counterparty receiving the proceeds of the sale of the Asset Swap Obligation (or the par value thereof) from the Issuer (which shall be funded outside the Priorities of Payment from the Asset Swap Account) and returning the Sale Proceeds (in accordance with paragraph (b) of the definition thereof) to the Issuer or (b) the Issuer retaining the proceeds of sale of the Asset Swap Obligation (which shall be converted into Euro and paid into the Principal Account in accordance with the Conditions of the Notes) net of any payments due to the Asset Swap Counterparty in connection with the termination of the Asset Swap Transaction in such circumstances (which the Issuer shall pay to the Asset Swap Counterparty on the date such payment is due in accordance with the applicable Hedge Agreement). Furthermore, upon the insolvency of the Issuer and/or the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*), the Asset Swap Counterparty may, but shall not be obliged to, early terminate any Asset Swap Transaction, in which case any Asset Swap Termination Payment would be paid in accordance with the Post-Acceleration Priority of Payments (other than with respect to any Counterparty Downgrade Collateral which is required to be returned to an Asset Swap Counterparty outside the Priorities of Payment in accordance with the Asset Swap Agreement).

If, following the insolvency of the Issuer and/or the acceleration of the Notes, the Asset Swap Counterparty elects not to early terminate any Asset Swap Transaction, such Asset Swap Transaction shall terminate in accordance with its terms upon the sale of the relevant Non-Euro Obligation, resulting in the Asset Swap Counterparty receiving the proceeds of the sale of the Non-Euro Obligation from the Issuer and returning the Sale Proceeds (in accordance with paragraph (b) of the definition thereof, for the avoidance of doubt, net of any termination cost in respect of the early termination of the Asset Swap Transaction, as determined and incurred by the Asset Swap Counterparty in accordance with the Asset Swap Agreement) to the Issuer.

Replacement Asset Swap Transactions

If any Asset Swap Transaction terminates in whole at any time in circumstances in which the applicable Asset Swap Counterparty is the "Defaulting Party" or sole "Affected Party" (each as defined in the applicable Asset Swap Agreement) the Issuer, or the Investment Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Asset Swap Transaction within thirty calendar days of the termination thereof with a counterparty which satisfies, among other things, the applicable Rating Requirement and which has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents.

If any Asset Swap Transaction terminates in the circumstances referred to above, any Asset Swap Termination Receipt will be paid into the relevant Hedge Termination Account and shall be applied towards the costs of entry into a Replacement Asset Swap Transaction, together with, where necessary, Interest Proceeds and/or Principal Proceeds that are available for such purpose on any Payment Date pursuant to the Priorities of Payment, subject to receipt of Rating Agency Confirmation, save:

(a) where termination of the Asset Swap Transaction occurs on a Redemption Date pursuant to Conditions 7(a) (*Final Redemption*), Condition 7(b) (*Optional Redemption*) (other than in connection with a Refinancing), Condition 7(g) (*Redemption following Note Tax Event*) or Condition 10 (*Events of Default*); or

(b) to the extent that such Asset Swap Termination Receipt is not required for application towards any Asset Swap Replacement Payment,

in which event such Asset Swap Termination Receipt shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

If the Issuer receives any Asset Swap Replacement Receipt upon entry into a Replacement Asset Swap Transaction, such amount shall be paid into the relevant Hedge Termination Account and applied directly by the Collateral Administrator acting on the instructions of the Investment Manager (acting on behalf of the Issuer) in payment of any Asset Swap Termination Payment payable upon termination of the Asset Swap Transaction being so replaced. To the extent not fully paid out of Asset Swap Replacement Receipts, any Asset Swap Termination Payment payable by the Issuer shall be paid to the applicable Asset Swap Counterparty on the next Payment Date in accordance with the Priorities of Payment. To the extent

not required for making any such Asset Swap Termination Payment, such Asset Swap Replacement Receipts shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

The Issuer (or the Investment Manager on its behalf) shall be required to terminate any Replacement Asset Swap Transaction at the time the Investment Manager sells an Asset Swap Obligation. Upon the sale of an Asset Swap Obligation, the Replacement Asset Swap Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms.

Subject to paragraph (a) above, if a Replacement Asset Swap Transaction cannot be entered within 30 calendar days of the termination of the Asset Swap Transaction, the Investment Manager, acting on behalf of the Issuer, shall use all reasonable endeavours to sell the applicable Non-Euro Obligation, pay the proceeds thereof to the applicable Asset Swap Counterparty, to the extent required pursuant to the terms of such Asset Swap Transaction and/or to the extent not so required, shall direct the Collateral Administrator to convert all of such proceeds into Euro at the Applicable Exchange Rate and shall procure that such amounts are paid into the Principal Account. If such proceeds are insufficient to pay any Asset Swap Termination Payments in full, such amount, including any Defaulted Hedge Termination Payment, shall be paid out of Interest Proceeds and/or Principal Proceeds on the next following Payment Date in accordance with the Priorities of Payment.

Interest Rate Hedging Arrangements

Interest Rate Hedge Agreements

The Issuer (or the Investment Manager on its behalf) may enter into Interest Rate Hedge Transactions from time to time in order to hedge any interest rate mismatch between the Rated Notes and the Collateral Debt Obligations and for no other purpose, subject to the receipt of Rating Agency Confirmation in respect thereof and provided that the Interest Rate Hedge Counterparty satisfies the applicable Rating Requirement and has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents. The Issuer (or the Investment Manager on its behalf) shall be required to terminate any Interest Rate Hedge Transaction at the time it sells the related Collateral Debt Obligations. At such time, the Interest Rate Hedge Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms.

Replacement Interest Rate Hedge Agreements

If an Interest Rate Hedge Transaction terminates in whole at any time in circumstances which the applicable Interest Rate Hedge Counterparty is the "Defaulting Party" or sole "Affected Party" (each such term as defined in the applicable Interest Rate Hedge Agreement), the Issuer, or the Investment Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Interest Rate Hedge Transaction within thirty calendar days of termination thereof with an Interest Rate Hedge Counterparty which satisfies the applicable Ratings Requirement and which has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents. The Issuer (or the Investment Manager on its behalf) shall be required to terminate any Replacement Interest Rate Hedge Transaction at the time it sells the related Collateral Debt Obligation. At such time, the Replacement Interest Rate Hedge Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms.

Standard Terms of the Hedge Agreements

Each Hedge Agreement entered into by or on behalf of the Issuer shall contain the following standard provisions, save to the extent that any change thereto is agreed by the Issuer and the applicable Hedge Counterparty and subject to receipt of Rating Agency Confirmation in respect thereof.

Gross up

Under each Hedge Agreement neither the Issuer nor the applicable Hedge Counterparty will be obliged to gross up any payments thereunder if there is any withholding or deduction for or on account of tax required to be paid on such payments. Any such event may however result in a "Tax Event" which is a "Termination Event" for the purposes of the relevant Hedge Agreement. If a Tax Event (as defined in such Hedge Agreement) occurs, each Hedge Agreement will include provision for the relevant Affected Party (as defined therein) to use reasonable endeavours to: (a) (in the case of the Hedge Counterparty)

arrange for a transfer of all of its interests and obligations under the Hedge Agreement and all Transactions (as defined in the Hedge Agreement) thereunder to an Affiliate that is incorporated in another jurisdiction so as to avoid the requirement to withhold or deduct for or on account of tax; or (b) (in the case of the Issuer) transfer its residence for tax purposes to another jurisdiction or if a substitute principal obligor under the Notes has been substituted for the Issuer in accordance with Condition 9 (*Taxation*), arrange for a transfer of all of its interest and obligations under the Hedge Agreement and all Transactions thereunder to that substitute principal obligor so as to avoid the requirement to withhold or deduct for or on account of tax subject to satisfaction of the conditions specified therein (including receipt of Rating Agency Confirmation).

Limited Recourse and Non-Petition

The obligations of the Issuer under each Hedge Agreement will be limited to the proceeds of enforcement of the Collateral as applied in accordance with the Priorities of Payment set out in Condition 3(c) (*Priorities of Payment*). The Issuer will have the benefit of limited recourse and non-petition language similar to the language set out in Condition 4(c) (*Limited Recourse and Non-Petition*).

Termination Provisions

Each Hedge Agreement may terminate by its terms, whether or not the Notes have been paid in full prior to such termination, upon the earlier to occur of the following events (which may include without limitation):

(a) certain events of bankruptcy, insolvency, receivership or reorganisation of the Issuer or the related Hedge Counterparty;

(b) failure on the part of the Issuer or the related Hedge Counterparty to make any payment under the applicable Hedge Agreement after taking into account any applicable grace period;

(c) a change in law making it illegal for either the Issuer or the related Hedge Counterparty to be a party to, or to perform its obligations under, the applicable Hedge Agreement;

(d) the principal due in respect of the Notes is declared to be due and payable in accordance with the terms of the Trust Deed, and the Trustee has started to sell all or part of the Collateral as a consequence thereof;

(e) the Notes are redeemed in whole prior to the Maturity Date (otherwise than as a result of an Event of Default thereunder);

(f) regulatory changes occur which have a material adverse effect on a Hedge Counterparty; and

(g) material changes are made to the Transaction Documents without the consent of a Hedge Counterparty which could have a material adverse effect on the Hedge Counterparty.

A termination of a Hedge Agreement does not constitute an Event of Default under the Notes, though the repayment in full of the Notes may be an "additional termination event" under a Hedge Agreement.

Asset Swap Agreements may also contain provisions which allow an Asset Swap Transaction to terminate upon the occurrence of certain credit events related to the underlying Non-Euro Obligation. These credit events could potentially be triggered in circumstances where the related Collateral Debt Obligation would not constitute a Defaulted Obligation. In such instances the related Asset Swap Transaction would terminate and the Issuer (or the Investment Manager acting on its behalf) may need to sell the related Non-Euro Obligation unless a new Asset Swap Transaction can be entered into.

Rating Downgrade Requirements

Each Hedge Agreement shall contain the terms and provisions required by the Rating Agencies for the type of derivatives transaction represented by the Hedge Transactions if the Hedge Counterparty or, as relevant, its guarantor, is subject to a voting withdrawal or downgrade by a Rating Agency to below the applicable Rating Requirement. Such provisions may include a requirement that a Hedge Counterparty must post collateral or transfer the Hedge Agreement to another entity meeting the applicable Rating

Requirement or procure that a guarantor meeting the applicable Rating Requirement guarantees its obligations under the Hedge Agreement or take other actions subject to Rating Agency Confirmation.

Transfer and Modification

The Investment Manager acting on behalf of the Issuer, may not modify any Hedge Transaction or Hedge Agreement without Rating Agency Confirmation in relation to such modification, save to the extent that it would constitute a Form Approved Hedge Agreement following such modification. A Hedge Counterparty may transfer its rights and obligations under a Hedge Agreement to any institution which (or whose credit support provider (as defined in the applicable Hedge Agreement)) satisfies the applicable Rating Requirement and provided that such institution has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents.

Any of the requirements set out herein may be modified in order to meet any new or additional requirements of any Rating Agency then rating any Class of Notes.

Governing Law

Each Hedge Agreement together with each Hedge Transaction thereunder in each case, including any non-contractual obligations arising out of or in relation thereto, will be governed by, and construed in accordance with, the laws of England.

Reporting of Specified Hedging Data

The Investment Manager, on behalf of the Issuer, may from time to time enter into agreements (each a "**Reporting Delegation Agreement**") for the delegation of certain derivative reporting obligations to one or more Hedge Counterparties or third parties (each, in such capacity, a "**Reporting Delegate**").

DESCRIPTION OF THE REPORTS

Terms used and not otherwise defined herein or in this Prospectus as specifically referenced herein shall have the meaning given to them in Condition 1 (*Definitions*) of the Terms and Conditions of the Notes.

Monthly Reports

The Collateral Administrator, not later than the last London Business Day of each month (save in respect of any month for which a Payment Date Report or the Effective Date Report has been prepared) commencing in the month following the month of the Effective Date, on behalf, and at the expense, of the Issuer and in consultation with the Investment Manager, shall compile and make available to the Issuer, the Trustee, the Investment Manager, the Placement Agent on a non-reliance basis, any Hedge Counterparty, each Rating Agency and any Noteholder (upon written request therefor in the form set out in the Trust Deed certifying that it is such a holder), by means of a secured website currently located at https://gctinvestorreporting.bnymellon.com/GCTIRServices (or such other website as may be notified in writing by the Collateral Administrator to the Issuer (who shall notify the Noteholders in accordance with Condition 16 (*Notices*)), the Trustee, the Investment Manager, the Placement Agent, each Hedge Counterparty and the Rating Agencies from time to time) and with a copy delivered to Intex Solutions, Inc. (at the address supplied by the Issuer, or the Investment Manager on its behalf, to the Collateral Administrator)**,** a monthly report (the "**Monthly Report**"), which shall be accessible by way of a unique password which, in the case of each Noteholder, may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such Noteholder is a holder of a beneficial interest in any Notes and which shall contain, without limitation, the information set out below with respect to the Portfolio (and shall include a version in excel format), determined by the Collateral Administrator on the 20th day of each month (or, if such day is not a Business Day, the following Business Day) in consultation with the Investment Manager.

In addition, the Collateral Administrator shall (in consultation with the Investment Manager) compile and submit to the website referred to above, no later than the last London Business Day of the relevant month, a report (in excel format) containing principal balances of each Collateral Debt Obligation in the Portfolio, in respect of each month following the month in which the Issue Date occurs and prior to the month in which the Effective Date occurs, as determined by the Collateral Administrator on the 20th day of each such month (or, if such day is not a Business Day, the following Business Day).

"**London Business Day**" means a day on which commercial banks and foreign exchange markets settle payments in London (other than a Saturday or a Sunday).

Portfolio

(a) the Aggregate Principal Balance of the Collateral Debt Obligations and Eligible Investments representing Principal Proceeds;

(b) the Aggregate Collateral Balance of the Collateral Debt Obligations;

(c) the Adjusted Collateral Principal Amount of the Collateral Debt Obligations;

(d) whether a Restricted Trading Period applies;

(e) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Debt Obligation, its Principal Balance, LoanX ID, CUSIP number, ISIN or identification thereof, annual interest rate or spread (and EURIBOR floor if any), facility, the designated maturity in respect of each interest rate, the Stated Maturity, Obligor, the Domicile of the Obligor, location of assets, location of security, Fitch Recovery Rate, Fitch Rating, Moody's Rating, Moody's Default Probability Rating and any other public rating (other than any confidential credit estimate), its Fitch industry category and Moody's industrial classification group, Moody's Recovery Rate and Fitch Recovery Rate;

(f) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Debt Obligation, whether such Collateral Debt Obligation is a Secured Senior Loan, Secured Senior Bond, Unsecured Senior Obligation, Second Lien Loan, Mezzanine Obligation or High Yield Bond, Fixed Rate Collateral Debt Obligation, Corporate Rescue Loan, PIK Security, Step-Up Coupon

Security, Step-Down Coupon Security, Revolving Obligation, Delayed Drawdown Collateral Debt Obligation, Bridge Loan, Discount Obligation, Cov-Lite Loan or a Swapped Non-Discount Obligation, First-Lien Last-Out Loan and whether such Collateral Debt Obligation would have been a Cov-Lite Loan but for the proviso in the definition of "**Cov-Lite Loan**";

(g) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Enhancement Obligation and Exchanged Equity Security (to the extent applicable), its Principal Balance, face amount, annual interest rate, Stated Maturity and Obligor, details of the type of instrument it represents and details of any amounts payable thereunder or other rights accruing pursuant thereto;

(h) subject to any confidentiality obligations binding on the Issuer, the number, identity and, if applicable, Principal Balance of, respectively, any Collateral Debt Obligations, Collateral Enhancement Obligations or Exchanged Equity Securities that were released for sale or other disposition (specifying the reason for such sale or other disposition and the section in the Investment Management and Collateral Administration Agreement pursuant to which such sale or other disposition was made), the Aggregate Principal Balances of Collateral Debt Obligations released for sale or other disposition at the Investment Manager's discretion (expressed as a percentage of the Adjusted Collateral Principal Amount and measured at the date of determination of the last Monthly Report) and the sale price thereof and identity of any of the purchasers thereof (if any) that are Affiliated with the Investment Manager;

(i) subject to any confidentiality obligations binding on the Issuer, the purchase or sale price of each Collateral Debt Obligation, Eligible Investment and Collateral Enhancement Obligation acquired by the Issuer and in which the Issuer has granted a security interest to the Trustee, and each Collateral Debt Obligation, Eligible Investment and Collateral Enhancement Obligation sold by the Issuer since the date of determination of the last Monthly Report and the identity of the purchasers or sellers thereof, if any, that are Affiliated with the Issuer or the Investment Manager;

(j) subject to any confidentiality obligations binding on the Issuer, (i) the identity of each Collateral Debt Obligation which became a Defaulted Obligation or Deferring Security or in respect of which an Exchanged Equity Security has been received since the date of determination of the last Monthly Report; (ii) the identity of all Collateral Debt Obligations which are Defaulted Obligations or Deferring Securities or in respect of which Exchanged Equity Securities have been received; and (iii) the identity and Principal Balance of each Fitch CCC Obligation and Moody's Caa Obligation;

(k) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Debt Obligation which became a Restructured Obligation and its Obligor, as well as, where applicable, the name of the Obligor prior to the restructuring and the Obligor's new name after the Restructuring Date;

(l) the Aggregate Principal Balance of Collateral Debt Obligations which were upgraded or downgraded since the most recent Monthly Report and of which the Collateral Administrator or the Investment Manager has actual knowledge;

(m) the approximate Market Value of, respectively any Collateral Debt Obligations and Collateral Enhancement Obligations for which the Market Value needs to be determined in accordance with the Transaction Documents and the CCC/Caa Excess;

(n) in respect of each Collateral Debt Obligation, its Fitch Rating and Moody's Rating (other than any confidential credit estimate) as at (i) the date of acquisition; (ii) the date of the previous Monthly Report; and (iii) the date of the current Monthly Report;

(o) the Aggregate Principal Balance of Collateral Debt Obligations comprising Participations in respect of which the Selling Institutions are not the lenders of record; and

(p) a commentary provided by the Investment Manager with respect to the Portfolio.

Accounts

(a) the Balances standing to the credit of each of the Accounts;

(b) the purchase price, principal amount, redemption price, annual interest rate, maturity date and Obligor under each Eligible Investment purchased from funds in the Accounts; and

(c) the rating by Fitch and Moody's in respect of each Eligible Investment.

Hedge Transactions

(a) the outstanding notional amount (as defined therein) of each Hedge Transaction, distinguishing between: (i) Asset Swap Transactions (including the Applicable Exchange Rate); and (ii) Interest Rate Hedge Transactions (including the interest spread and the current rate of EURIBOR);

(b) the amount scheduled to be received and paid by the Issuer pursuant to each Hedge Transaction on or before the next Payment Date;

(c) the then current Moody's rating and, if applicable, Fitch rating in respect of each Hedge Counterparty and the Account Bank and whether such Hedge Counterparty and Account Bank satisfies the Rating Requirements, as well as the identity of the Hedge Counterparty; and

(d) the maturity date, the strike price and the underlying currency notional amount of each currency option, the upfront premium paid or payable by the Issuer thereunder and, in relation to each currency option exercised, the date of exercise, the spot foreign exchange rate at the time of exercise, the notional amount of the optional exercised, the aggregate notional amount of the option which remains unexercised and the aggregate premium received.

Frequency Switch Event

Whether a Frequency Switch Event has occurred and the applicable Frequency Switch Event Measurement Date (as notified in writing from the Investment Manager to the Collateral Administrator).

Coverage Tests and Collateral Quality Tests

(a) a statement as to whether each of the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test and the Class E Par Value Test is satisfied and details of the relevant Par Value Ratios;

(b) a statement as to whether each of the Class A/B Interest Coverage Test, the Class C Interest Coverage Test, the Class D Interest Coverage Test and the Class E Interest Coverage Test is satisfied and details of the relevant Interest Coverage Ratios;

(c) during the Reinvestment Period, a statement as to whether the Reinvestment Overcollateralisation Test is satisfied and details of the Class F Par Value Ratio calculated for the purposes of such test;

(d) a statement as to whether each of the Collateral Quality Tests is satisfied and the pass levels thereof, together with details of the relevant Fitch Weighted Average Recovery Rate, Fitch Weighted Average Rating Factor, the Non-Adjusted Weighted Average Spread and the Non-Adjusted Weighted Average Fixed Rate Coupon;

(e) a statement identifying any Collateral Debt Obligation in respect of which the Investment Manager has made its own determination of "Market Value" (pursuant to the definition thereof) for the purposes of any of the Coverage Tests;

(f) so long as any Notes rated by Moody's are Outstanding, the Adjusted Weighted Average Moody's Rating Factor and a statement as to whether the Moody's Maximum Weighted Average Rating Factor Test is satisfied;

(g) so long as any Notes rated by Moody's are Outstanding, (i) the Weighted Average Moody's Recovery Rate and a statement as to whether the Moody's Minimum Weighted Average Recovery Rate Test is satisfied; and (ii) subject to any confidentiality undertakings binding on the Issuer, with respect to each Collateral Debt Obligation, (A) the name of the Obligor; (B) the

Moody's Default Probability Rating (if public); (C) the name of the Collateral Debt Obligation as documented in its Underlying Instrument (or, where it is not practicable to provide this information, such information shall, upon request from Moody's, be provided to Moody's in the event that Moody's is unable to map such name to its database); (D) the seniority of the Collateral Debt Obligation; (E) the Moody's Rating of the Collateral Debt Obligation (if public); and (F) the Moody's assigned recovery rate (if the relevant Collateral Debt Obligation has a Moody's Rating which is public); and

(h) so long as any Notes rated by Moody's are Outstanding, the Diversity Score and a statement as to whether the Moody's Minimum Diversity Test is satisfied.

Portfolio Profile Tests

(a) in respect of each Portfolio Profile Test, a statement as to whether such test is satisfied, together with details of the result of the calculations required to be made in order to make such determination which details shall include the applicable numbers, levels and/or percentages resulting from such calculations;

(b) the identity and Moody's Rating and Fitch Rating of each Selling Institution, together with any changes in the identity of such entities since the date of determination of the last Monthly Report and details of the aggregate amount of Participations entered into with each such entity; and

(c) a statement as to (i) each individual third party exposure limit and percentage of the Aggregate Principal Balance corresponding thereto and (ii) whether the limits specified in the Bivariate Risk Table are met by reference to the Moody's Ratings and Fitch Ratings of Selling Institutions and, if such limits are not met, a statement as to the nature of the non-compliance.

Risk Retention

Confirmation that the Collateral Administrator has received written confirmation from the Investment Manager, that:

(a) it continues to hold, not less than 5 per cent. of the outstanding nominal value of each Class of Notes (the "**Retention**"); and

(b) it has not transferred the Retention Notes nor has it sold, hedged or otherwise mitigated its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except to the extent permitted in accordance with the Risk Retention Letter.

IM Voting Notes / IM Non-Voting Notes / IM Non-Voting Exchangeable Notes

In respect of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes:

(a) the aggregate Principal Amount Outstanding of IM Voting Notes;

(b) the aggregate Principal Amount Outstanding of IM Non-Voting Exchangeable Notes; and

(c) the aggregate Principal Amount Outstanding of IM Non-Voting Notes.

Payment Date Report

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with the Investment Manager, shall render a report (the "**Payment Date Report**"), prepared and determined as of each Determination Date, and make available to the Investment Manager, the Issuer, the Trustee, the Placement Agent, any Hedge Counterparty, any Noteholder and each Rating Agency by means of a secured website currently located at https://gctinvestorreporting.bnymellon.com/GCTIRServices (or such other website as may be notified in writing by the Collateral Administrator to the Issuer (who shall notify the Noteholders in accordance with Condition 16 (*Notices*)), the Trustee, the Investment Manager, the Placement Agent on a non-reliance basis, each Hedge Counterparty and the Rating Agencies from time to time) and with a copy delivered to Intex Solutions, Inc. (at the address supplied by the Issuer, or the Investment Manager on its behalf, to the Collateral Administrator)**,** and accessible by way of a unique

password which in the case of each Noteholder may be obtained from the Collateral Administrator (subject to receipt by the Collateral Administrator of certification that such Noteholder is a holder of a beneficial interest in any Notes), not later than the Business Day preceding the related Payment Date. Upon receipt of each Payment Date Report, the Collateral Administrator, in the name and at the expense of the Issuer, shall notify the Irish Stock Exchange of the Principal Amount Outstanding of each Class of Notes after giving effect to the principal payments, if any, on the next Payment Date. The Payment Date Report shall contain the following information:

Portfolio

(a) the Aggregate Principal Balance of the Collateral Debt Obligations as of the close of business on such Determination Date, after giving effect to (i) Principal Proceeds received on the Collateral Debt Obligations with respect to the related Due Period and the reinvestment of such Principal Proceeds in Substitute Collateral Debt Obligations during such Due Period; and (ii) the disposal of any Collateral Debt Obligations during such Due Period;

(b) subject to any confidentiality obligations binding on the Issuer, a list of, respectively, the Collateral Debt Obligations and Collateral Enhancement Obligations indicating the Principal Balance and Obligor of each; and

(c) the information required pursuant to "*Monthly Reports—Portfolio*" above.

Notes

(a) the Principal Amount Outstanding of the Notes of each Class and such aggregate amount as a percentage of the original aggregate Principal Amount Outstanding of the Notes of such Class at the beginning of the Accrual Period, the amount of principal payments to be made on the Notes of each Class on the related Payment Date, and the aggregate amount of the Notes of each Class Outstanding and such aggregate amount as a percentage of the original aggregate amount of the Notes of such Class Outstanding after giving effect to the principal payments, if any, on the next Payment Date;

(b) the interest payable in respect of each Class of Notes (as applicable), including the amount of any Deferred Interest payable on the related Payment Date (in the aggregate and by Class);

(c) the Interest Amount payable in respect of the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, on the next Payment Date;

(d) EURIBOR and the Designated Maturity for the related Due Period and the Floating Rate of Interest applicable to each Class of Rated Notes during the related Due Period; and

(e) whether a Frequency Switch Event has occurred and the applicable Frequency Switch Event Measurement Date.

Payment Date Payments

(a) the amounts payable pursuant to the Interest Proceeds Priority of Payments, the Principal Proceeds Priority of Payments and the Post-Acceleration Priority of Payments;

(b) the Trustee Fees and Expenses, the amount of any Investment Management Fees and Administrative Expenses payable on the related Payment Date, in each case, on an itemised basis; and

(c) any Asset Swap Termination Payments, any Interest Rate Hedge Termination Payments and any Defaulted Hedge Termination Payments.

Accounts

(a) the Balance standing to the credit of the Interest Account at the end of the related Due Period;

(b) the Balance standing to the credit of the Principal Account at the end of the related Due Period;

(c) the Balance standing to the credit of the Interest Account immediately after all payments and deposits to be made on the next Payment Date;

(d) the Balance standing to the credit of the Principal Account immediately after all payments and deposits to be made on the next Payment Date;

(e) the amounts payable from the Interest Account through a transfer to the Payment Account pursuant to the Priorities of Payment on such Payment Date;

(f) the amounts payable from the Principal Account through a transfer to the Payment Account pursuant to the Priorities of Payment on such Payment Date;

(g) the amounts payable from any other Accounts (through a transfer to the Payment Account) pursuant to the Priorities of Payment on such Payment Date, together with details of whether such amounts constitute Interest Proceeds or Principal Proceeds;

(h) the Balance standing to the credit of each of the other Accounts at the end of the related Due Period;

(i) the purchase price, principal amount, redemption price, annual interest rate, maturity date of and Obligor of each Eligible Investment purchased from funds in the Accounts;

(j) the Principal Proceeds received during the related Due Period;

(k) the Interest Proceeds received during the related Due Period; and

(l) the Collateral Enhancement Obligation Proceeds received during the related Due Period.

Coverage Tests, Collateral Quality Tests and Portfolio Profile Tests

(a) the information required pursuant to "*Monthly Reports—Coverage Tests and Collateral Quality Tests*" above; and

(b) the information required pursuant to "*Monthly Reports—Portfolio Profile Tests*" above.

Hedge Transactions

The information required pursuant to "*Monthly Reports—Hedge Transactions*" above.

Risk Retention

The information required pursuant to "*Monthly Reports—Risk Retention*" above.

IM Voting Notes / IM Non-Voting Notes / IM Non-Voting Exchangeable Notes

The information required pursuant to "*Monthly Reports—IM Voting Notes / IM Non-Voting Notes / IM Non-Voting Exchangeable Notes*" above.

Miscellaneous

Each report shall state that it is for the purposes of information only, that certain information included in the report is estimated, approximated or projected and that it is provided without any representations or warranties as to the accuracy or completeness thereof and that none of the Collateral Administrator, the Trustee, the Placement Agent, the Issuer or the Investment Manager will have any liability for estimates, approximations or projections contained therein.

In addition, the Collateral Administrator shall provide the Issuer with such other information and in such a format relating to the Portfolio as the Issuer may reasonably request and which is in the possession of the Collateral Administrator, in order for the Issuer to satisfy its obligation to make any required filings of information with the Central Bank of Ireland and in respect of the preparation of its financial statements and tax returns.

Further, for so long as any of the Notes are Outstanding, the Monthly Report and the Payment Date Report will be available for inspection at the offices of, and copies thereof may be obtained free of charge upon request from, the Issuer.

TAX CONSIDERATIONS

1. General

Purchasers of Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Note.

Potential purchasers who are in any doubt about their tax position on purchase, ownership, transfer or exercise of any Note should consult their own tax advisers. **In particular, no representation is made as to the manner in which payments under the Notes would be characterised by any relevant tax authority**. Potential investors should be aware that the relevant fiscal rules or their interpretation may change, possibly with retrospective effect, and that this summary is not exhaustive. This summary does not constitute legal or tax advice or a guarantee to any potential investor of the tax consequences of investing in the Notes.

2. Irish Taxation

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

Taxation of Noteholders Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest which should include interest payable on the Notes.

The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Note so long as the interest paid on the relevant Note falls within one of the following categories:

1. Interest paid on a quoted Eurobond: The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Note where:

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

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

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

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

   (c) one of the following conditions is satisfied:

      (i) the Noteholder is resident for tax purposes in Ireland or, if not so resident, is otherwise within the charge to corporation tax in Ireland in respect of the interest; or

      (ii) the interest is subject under the laws of a relevant territory, without any reduction computed by reference to the amount of such interest, to a tax in a

relevant territory which corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains received in that territory, by persons, from sources outside that territory; or

(iii) the Noteholder is not a company which, directly or indirectly, controls the Issuer, is controlled by the Issuer, or is controlled by a third company which also directly or indirectly controls the Issuer, and neither the Noteholder, nor any person connected with the Noteholder, is a person or persons:

(A) from whom the Issuer has acquired assets;

(B) to whom the Issuer has made loans or advances; or

(C) with whom the Issuer has entered into a swap agreement,

where the aggregate value of such assets, loans, advances or swap agreements represents not less than 75 per cent, of the aggregate value of the assets of the Issuer; or

(iv) at the time of issue of the Notes, the Issuer was not in possession, or aware, of any information which could reasonably be taken to indicate whether or not the interest would be subject, without any reduction computed by reference to the amount of such interest, to a tax in a relevant territory which corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains received in that territory from sources outside that territory.

where the term:

"**relevant territory**" means a member state of the European Union (other than Ireland) or a country with which Ireland has signed a double tax treaty ("**Relevant Territory**"); and

"**swap agreement**" means any agreement, arrangement or understanding that:

(i) provides for the exchange, on a fixed or contingent basis, of one or more payments based on the value, rate or amount of one or more interest or other rates, currencies, commodities, securities, instruments of indebtedness, indices, quantitative measures, or other financial or economic interests or property of any kind, or any interest therein or based on the value thereof, and

(ii) transfers to a person who is a party to the agreement, arrangement or understanding or to a person connected with that person, in whole or in part, the financial risk associated with a future change in any such value, rate or amount without also conveying a current or future direct or indirect ownership interest in an asset (including any enterprise or investment pool) or liability that incorporates the financial risk so transferred.

Thus, so long as the Notes continue to be quoted on the Irish Stock Exchange, are held in Euroclear and/or Clearstream, Luxembourg, and one of the conditions set out in paragraph 1(c) above is satisfied, interest on the Notes can be paid by any paying agent acting on behalf of the Issuer free of any withholding or deduction for or on account of Irish income tax. If the Notes continue to be quoted but cease to be held in a recognised clearing system, interest on the Notes may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland and one of the conditions set out in paragraph 1(c) above is satisfied.

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

If, for any reason, the exemption referred to above ceases to apply, interest payments may still be made free of withholding tax provided that:

(a) the Issuer remains a "qualifying company" (as defined in Section 110 of the Taxes Consolidation Act 1997 of Ireland (the "**TCA**") and the Noteholder is a person which is resident in a Relevant Territory, and, where the recipient is a company, the interest is not paid to it in connection with a trade or business carried on by it in Ireland through a branch or agency. The test of residence is determined by reference to the law of the Relevant Territory in which the Noteholder claims to be resident. The Issuer must be satisfied that the terms of the exemption are satisfied; and

(a) one of the following conditions is satisfied:

(i) the Noteholder is a pension fund, government body or other person (which satisfies paragraph l(c)(iii) above), which is resident in a Relevant Territory and which, under the laws of that territory, is exempted from tax that corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains in that territory; or

(ii) the interest is subject, without any reduction computed by reference to the amount of such interest, to a tax in a Relevant Territory which corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains received in that territory, by persons, from sources outside that territory.

Encashment Tax

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

Income Tax, PRSI and Universal Social Charge

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax, the Noteholder may still be liable to pay Irish tax with respect to such interest.

Noteholders resident or ordinarily resident in Ireland who are individuals may be liable to pay Irish income tax, social insurance (PRSI) contributions and the universal social charge in respect of interest they receive on the Notes.

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

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

There are a number of exemptions from Irish income tax available to certain non-residents. Firstly, interest payments made by the Issuer are exempt from income tax so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA, the recipient is not resident in Ireland and is resident in a Relevant Territory and the interest is paid out of the assets of the Issuer. Secondly, interest payments made by the Issuer in the ordinary course of its trade or business to a company are exempt from income tax provided the recipient company is not resident in Ireland and is either resident for tax purposes in a Relevant Territory which imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory and which tax corresponds to income tax or corporation tax in Ireland or the interest is exempted from the charge to Irish income tax under the terms of a double tax agreement which is either in force or which will come in to force once all ratification procedures have been completed. Thirdly, interest paid by the Issuer free of withholding tax under the quoted Eurobond exemption is exempt from income tax where the recipient is a person not resident in Ireland and resident in a Relevant Territory or is a company not resident in Ireland which is under the control, whether directly or indirectly, of person(s) who by virtue of the law of a Relevant Territory are resident for the purposes of

tax in a Relevant Territory and is not under the control of person(s) who are not so resident, or is a company not resident in Ireland where the principal class of shares of the company is substantially and regularly traded on a recognised stock exchange. For the purposes of these exemptions and where not specified otherwise, residence is determined under the terms of the relevant double taxation agreement or in any other case, the law of the country in which the recipient claims to be resident. Interest falling within the above exemptions is also exempt from the universal social charge.

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

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

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

Capital Gains Tax

A Noteholder will not be subject to Irish tax on capital gains on a disposal of securities unless such Noteholder is either resident or ordinarily resident in Ireland or carries on a trade in Ireland through a branch or agency in respect of which the Notes were used or held.

Capital Acquisitions Tax

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

Stamp Duty

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

3. United States Federal Income Taxation

General

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

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

- an individual who is a citizen or a resident of the United States, for U.S. federal income tax purposes;
- a corporation (or other entity that is treated as a corporation for U.S. federal tax purposes) that is created or organised in or under the laws of the United States, any State thereof, or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or

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

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

- a nonresident alien individual for U.S. federal income tax purposes;
- a foreign corporation for U.S. federal income tax purposes;
- an estate whose income is not subject to U.S. federal income tax on a net income basis; or
- a trust if no court within the United States is able to exercise primary jurisdiction over its administration or if no United States persons have the authority to control all of its substantial decisions.

An individual may, subject to certain exceptions, be deemed to be a resident of the United States for U.S. federal income tax purposes by reason of being present in the United States for at least 31 days in the calendar year and for an aggregate of more than 182 days during a three-year period ending in the current calendar year (counting for such purposes all of the days present in the current year, one-third of the days present in the immediately preceding year, and one-sixth of the days present in the second preceding year).

This summary is based on interpretations of the Internal Revenue Code of 1986, as amended (the "**Code**"), regulations issued thereunder, and rulings and decisions currently in effect (or in some cases proposed), all of which are subject to change. Any such change may be applied retroactively and may adversely affect the federal income tax consequences described herein. This summary addresses only holders that purchase Notes at initial issuance (and at their issue price) and beneficially own such Notes as capital assets and not as part of a "straddle," "hedge," "synthetic security" or a "conversion transaction" for federal income tax purposes, or as part of some other integrated investment. This summary does not discuss all of the tax consequences that may be relevant to particular investors (such as any alternative minimum tax consequences) or to investors subject to special treatment under the federal income tax laws (such as banks, thrifts, or other financial institutions; insurance companies; securities dealers or brokers, or traders in securities electing mark-to-market treatment; mutual funds or real estate investment trusts; small business investment companies; S corporations; partnerships or investors that hold their Notes through a partnership or other entity treated as a partnership for U.S. federal income tax purposes; U.S. Holders whose functional currency is not the U.S. dollar; certain former citizens or residents of the United States; retirement plans or other tax-exempt entities, or persons holding the Notes in tax-deferred or tax-advantaged accounts; or "controlled foreign corporations" or "passive foreign investment companies" for U.S. federal income tax purposes). This summary also does not address the tax consequences to shareholders, or other equity holders in, or beneficiaries of, a holder of Notes, or any state, local or foreign tax consequences of the purchase, ownership or disposition of the Notes. Finally, this summary does not address the tax consequences to a Contributor of a Contribution as described in Condition 2(l) (*Contributions*).

PROSPECTIVE PURCHASERS OF NOTES SHOULD CONSULT THEIR TAX ADVISERS AS TO THE U.S. FEDERAL, STATE AND LOCAL TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, AS WELL AS ANY CONSEQUENCES ARISING UNDER THE LAWS OF ANY OTHER TAXING JURISDICTION TO WHICH THEY MAY BE SUBJECT.

U.S. Federal Tax Treatment of the Issuer

The Issuer will be treated as a foreign corporation for U.S. federal income tax purposes. The Issuer intends to operate so as not to be subject to U.S. federal income tax on its net income. Upon the issuance of the Notes, the Issuer will receive an opinion of Cadwalader, Wickersham & Taft LLP to the effect that, although no activity closely comparable to that contemplated by the Issuer has been the subject of any Treasury regulation, revenue ruling or judicial decision, if the Issuer and the Investment Manager comply with the Trust Deed and the Investment Management and Collateral Administration Agreement, including certain tax guidelines referenced therein (the "**U.S. Tax Guidelines**") , and certain other assumptions specified in the opinion are satisfied, the Issuer will not be treated as engaged in a trade or

business within the United States for U.S. federal income tax purposes under current law. Failure of the Issuer or the Investment Manager to comply with the U.S. Tax Guidelines, the Trust Deed or the Investment Management and Collateral Administration Agreement may not give rise to a default or a Note Event of Default under the Trust Deed or an Event of Default under the Investment Management and Collateral Administration Agreement and may not give rise to a claim against the Issuer or the Investment Manager. In the event of such a failure, the Issuer could be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes. In addition, the U.S. Tax Guidelines permit the Issuer (or the Investment Manager acting on its behalf) to receive advice from nationally recognised U.S. tax counsel to the effect that any changes in its structure and operations will not cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. The opinion of Cadwalader, Wickersham & Taft LLP will assume the correctness of any such advice. The opinion of Cadwalader, Wickersham & Taft LLP is not binding on the IRS or the courts. Moreover, a change in law or its interpretation could result in the Issuer being treated as engaged in a trade or business in the United States for U.S. federal income tax purposes, or otherwise subject to U.S. federal income tax on a net income basis (notwithstanding that the Investment Manager is acting in accordance with the U.S. Tax Guidelines). Finally, the Trust Deed could be amended in a manner that permits or causes the Issuer to be engaged in a trade or business in the United States for U.S. federal income tax purposes.

If it is determined that the Issuer is engaged in a trade or business in the United States for U.S. federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer will be subject under the Code to the regular U.S. federal corporate income tax on its effectively connected taxable income, possibly on a gross basis, and possibly to a 30 per cent. branch profits tax and state and local taxes as well. The imposition of such a tax liability could materially adversely affect the Issuer's ability to make payments on the Notes. The balance of this summary assumes that the Issuer is not subject to U.S. federal income tax on its net income.

U.S. Federal Tax Treatment of the Notes

Upon the issuance of the Notes, the Issuer will receive an opinion of Cadwalader, Wickersham & Taft LLP to the effect that, based on certain assumptions, the Class A Notes, Class B Notes, Class C Notes, and Class D Notes will be treated, and the Class E Notes should be treated, as indebtedness for U.S. federal income tax purposes. No opinion will be received with respect to the Class F Notes. The Issuer intends to treat each Class of Rated Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes. The Issuer's characterisations will be binding on all Noteholders, and the Trust Deed requires the Noteholders to treat the Rated Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that one or more Classes of Rated Notes are equity in the Issuer. If any Rated Notes were treated as equity in, rather than debt of, the Issuer for U.S. federal income tax purposes, then the Noteholders of those Notes would be subject to the special and potentially adverse U.S. tax rules applicable to U.S. equity owners in PFICs. See "*Possible Treatment of Class E Notes and Class F Notes as Equity for U.S. Federal Tax Purposes*" below. Except as otherwise indicated, the balance of this summary assumes that all of the Rated Notes are treated as indebtedness of the Issuer for U.S. federal, state and local income and franchise tax purposes. Prospective investors in the Rated Notes should consult their tax advisers regarding the U.S. federal, state and local income and franchise tax consequences to the investors in the event their Rated Notes are treated as equity in the Issuer.

The Issuer intends to treat the Subordinated Notes as equity in the Issuer for U.S. federal income tax purposes, and each holder, by its purchase of a Subordinated Note, agrees to treat the Subordinated Notes consistently with this treatment.

The Trust Deed could be amended in a manner that materially adversely affects the U.S. federal tax consequences of an investment in the Notes as described herein, including by affecting the U.S. federal income tax characterisation of the Notes as indebtedness or equity or changing the characterisation and timing of income inclusions to U.S. Holders in respect of the Notes. The remainder of this discussion and the tax opinion of Cadwalader, Wickersham & Taft LLP assume that the Trust Deed is not so amended.

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

Class A Notes and Class B Notes

Stated Interest. U.S. Holders of Class A Notes and Class B Notes will include in gross income the U.S. dollar value of payments of stated interest accrued or received on their Notes, in accordance with their usual method of tax accounting, as ordinary interest income.

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

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

Accrual basis U.S. Holders of Class A Notes or Class B Notes that are issued with OID also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class A Notes or Class B Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of such payments when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Original Issue Discount. In addition, if the discount at which a substantial amount of the Class A Notes or Class B Notes is first sold to investors is at least 0.25 per cent. of the principal amount of the Class, multiplied by the number of complete years to the weighted average maturity of the Class, then the Issuer will treat the Class as issued with original issue discount ("**OID**") for U.S. federal income tax purposes. The total amount of OID with respect to a Note within the Class will equal the excess of the principal amount of the Note over its issue price (the first price at which a substantial amount of Notes within the Class was sold to investors). U.S. Holders of Notes that are issued with OID will be required to include the U.S. dollar value of OID in advance of the receipt of cash attributable to such income. In general, U.S. Holders of the Class A Notes or Class B Notes will calculate the U.S. dollar value of OID based on the average euro-to-U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro-to-U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder of the Class A Notes or Class B Notes can elect to calculate the U.S. dollar value of OID based on the euro-to-U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, in the case of an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment of accrued OID, the spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

A U.S. Holder will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting) under a constant yield method. Accruals of any such OID will be based on the weighted average life of the applicable Class rather than its stated maturity. It is possible, however, that the IRS could assert and a court could ultimately hold that some other method of accruing OID should apply. Accruals of OID on the Class A-1 Notes and Class B-1 Notes will be calculated by assuming that interest will be paid over the life of the applicable Class based on the value of EURIBOR used in setting the interest rate for the first Accrual Period, and then adjusting the accrual for each subsequent Accrual Period based on the difference between the value of EURIBOR used in setting interest for that subsequent Accrual Period and the assumed rate.

U.S. Holders of Class A Notes or Class B Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class A Notes or Class B Notes to the extent that the U.S.

dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of the corresponding amounts of OID when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Sale, Exchange or Retirement. In general, a U.S. Holder will have a basis in its Note equal to the U.S. dollar value of the cost of such Note (based, in the case of a Class A Note or a Class B Note, on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired, or the settlement date for the purchase of the Note if the Note is treated under applicable Treasury regulations as a security traded on an established securities market and the U.S. Holder either uses the cash method of accounting, or uses the accrual method of accounting and so elects (which election must be applied consistently from year to year)), (i) increased by the U.S. dollar value of any such amount includable in income as OID (as described above), and (ii) reduced by the U.S. dollar value of payments of principal on such Note (based, in the case of a Class A Note or a Class B Note, on the euro-to-U.S. dollar spot exchange rate on the date any such payments were received).

A U.S. Holder will generally recognise foreign currency exchange gain or loss on the receipt of any principal payments on a Class A Note or Class B Note prior to a sale, exchange, or retirement of such Note to the extent that the U.S. dollar value of each such principal payment (based on the euro-to-U.S. dollar spot exchange rate on the date any such payment was received) differs from the U.S. dollar value of the equivalent principal amount of the Note on the date that the Note was acquired (based on the euro-to-U.S. dollar spot exchange rate on such date). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Upon a sale, exchange, or retirement of a Class A Note or Class B Note, a U.S. Holder will generally recognise gain or loss equal to the difference between the U.S. dollar value of the amount realised on the sale, exchange, or retirement (less any accrued and unpaid interest, which will be taxable as described above) and the holder's tax basis in such Note. In the case of a Class A Note or Class B Note, any such gain or loss will be foreign currency exchange gain or loss to the extent that the U.S. dollar value of the principal amount of the Note on the date of the sale, exchange, or retirement (based on the euro-to-U.S. dollar spot exchange rate on such date) differs from the U.S. Holder's basis in such Note. Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss. Any gain or loss in excess of foreign currency exchange gain or loss will be capital gain or loss, and generally will be treated as long-term capital gain or loss if the U.S. Holder held the Note for more than one year at the time of disposition. In certain circumstances, U.S. Holders who are individuals may be entitled to preferential tax rates for net long-term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited.

Class C Notes, Class D Notes, Class E Notes and Class F Notes

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

A U.S. Holder of Class C Notes, Class D Notes, Class E Notes, or Class F Notes will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting) under a constant yield method. Accruals of any such OID will be based on the weighted average life of the applicable Class

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

U.S. Holders of Class C Notes, Class D Notes, Class E Notes, or Class F Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of the corresponding amounts of OID when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Sale, Exchange or Retirement. In general, a U.S. Holder of a Class C Note, Class D Note, Class E Note or Class F Note will have a basis in such Note equal to the U.S. dollar value of the cost of such Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired, or the settlement date for the purchase of the Note if the Note is treated under applicable Treasury regulations as a security traded on an established securities market and the U.S. Holder either uses the cash method of accounting, or uses the accrual method of accounting and so elects (which election must be applied consistently from year to year)), (i) increased by any amount includable in income by such U.S. Holder as OID (as described above), and (ii) reduced by the U.S. dollar value of any payments received on such Note (based on the euro-to-U.S. dollar spot exchange rate on the date any such payments were received). A U.S. Holder will generally recognise foreign currency exchange gain or loss on the receipt of any principal payments on a Class C Note, Class D Note, Class E Note or Class F Note prior to a sale, exchange, or retirement of such Note to the extent that the U.S. dollar value of each such principal payment (based on the euro-to-U.S. dollar spot exchange rate on the date any such payment was received) differs from the U.S. dollar value of the equivalent principal amount of the Note on the date that the Note was acquired (based on the euro-to-U.S. dollar spot exchange rate on such date). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

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

Alternative Characterisation

It is possible that the Rated Notes could be treated as "contingent payment debt instruments" for U.S. federal income tax purposes. In this event, the timing of a U.S. Holder's OID inclusions could differ from that described above and any gain recognised on the sale, exchange, or retirement of such Notes would be treated as ordinary income and not as capital gain.

Receipt of Euro

U.S. Holders will have a tax basis in any euro received in respect of the Notes on a sale, redemption, or other disposition of the Notes equal to the U.S. dollar value of the euro on that date. Any gain or loss recognised on a sale, exchange, or other disposition of those euro generally will be ordinary income or loss. A U.S. Holder that converts the euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

Possible Treatment of Class E Notes and Class F Notes as Equity for U.S. Federal Tax Purposes

As described above under "*U.S. Federal Tax Treatment of the Notes*", the Issuer intends to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes, and the Trust Deed requires Noteholders to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that the Class E Notes and Class F Notes are equity in the Issuer for U.S. federal income tax purposes.

If the Class E Notes or Class F Notes are treated as equity in the Issuer, because the Issuer will be a passive foreign investment company (a "**PFIC**") for U.S. federal income tax purposes, the U.S. dollar value of gain on the sale of the Class E Notes and/or the Class F Notes could be treated as ordinary income and subject to an additional tax in the nature of interest, and the U.S. dollar value of certain interest on such Notes could be subject to the additional tax. A U.S. Holder of such Notes might be able to avoid the ordinary income treatment and additional tax by writing "Protective QEF Election" on the top of an IRS Form 8621, filling out the form, checking Box A (Election to Treat the PFIC as a QEF) and filing the form with the IRS with respect to their Class E Notes and the Class F Notes, or by filing a protective statement with the IRS preserving the U.S. Holder's ability to elect retroactively to treat the Issuer as a "qualified electing fund" (a "**QEF**") and so electing at the appropriate time. The Issuer will provide, upon request, all information and documentation that a U.S. Holder making a QEF election with respect to the Issuer is required to obtain for U.S. federal income tax purposes. If the Class E Notes or Class F Notes are treated as equity, a U.S. Holder will also be required to file an annual PFIC report.

If the Issuer holds any Collateral Debt Obligations that are treated as equity in a foreign corporation for U.S. federal income tax purposes, and if the Class E Notes or Class F Notes are treated as equity in the Issuer, U.S. Holders of Class E Notes or Class F Notes could be treated as owning an indirect equity interest in a PFIC or a controlled foreign corporation ("**CFC**") and could be subject to certain adverse tax consequences. In particular, a U.S. Holder of an indirect equity interest in a PFIC is treated as owning the PFIC directly. The U.S. Holder, and not the Issuer, would be required to make a QEF election with respect to each indirect interest in a PFIC. However, certain PFIC information statements are necessary for U.S. Holders that have made QEF elections, and there can be no assurance that the Issuer can obtain such statements from a PFIC. Thus, there can be no assurance that a U.S. Holder would be able to make the election with respect to any indirectly held PFIC.

In addition, if the Class E Notes or Class F Notes represent equity in the Issuer for U.S. federal income tax purposes, a U.S. Holder of such Notes would be required to file an IRS Form 926 with the IRS if (i) such person is treated as owning, directly or by attribution, immediately after the U.S. Holder's purchase of Notes, at least 10 per cent. by value of the Issuer or (ii) the amount of cash transferred by such person (or any related person) to the Issuer during the 12-month period ending on the date of such purchase exceeds $100,000. U.S. Holders may wish to file a "protective" IRS Form 926 with respect to their Class E Notes and Class F Notes.

Finally, if the Class E Notes or Class F Notes represent equity in the Issuer, a U.S. Holder of such Notes will be required to file an IRS Form 5471 with the IRS if the U.S. Holder is treated as owning (actually or constructively) at least 10 per cent. by value of the equity of the Issuer for U.S. federal income tax purposes, and may be required to provide additional information regarding the Issuer annually on IRS Form 5471 if the U.S. Holder is treated as owning (actually or constructively) more than 50 per cent. by value of the equity of the Issuer for U.S. federal income tax purposes. U.S. Holders may wish to file a "protective" IRS Form 5471 with respect to their Class E Notes and Class F Notes.

Prospective U.S. Holders of Class E Notes and Class F Notes should consult with their tax advisers regarding whether to make protective filings of IRS Forms 8621, 926 and 5471 with respect to such Notes and the consequences to them if the Class E Notes or Class F Notes are treated as equity in the Issuer.

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

Investment in a Passive Foreign Investment Company. The Issuer will constitute a PFIC for U.S. federal income tax purposes, and, except to the extent that the Issuer is also a CFC and a U.S. Holder is a 10 per cent. United States shareholder in the Issuer (as described below under "*Investment in a Controlled Foreign Corporation*"), U.S. Holders of Subordinated Notes will be subject to the PFIC rules. U.S. Holders should consider making an election to treat the Issuer as a QEF. Generally, a U.S. Holder makes a QEF

election on IRS Form 8621, attaching a copy of that form to its U.S. federal income tax return for the first taxable year for which it held its Subordinated Notes. If a U.S. Holder makes a timely QEF election with respect to the Issuer, the electing U.S. Holder will be required in each taxable year to include in gross income (i) as ordinary income, the U.S. dollar value of the U.S. Holder's *pro rata* share of the Issuer's ordinary earnings and (ii) as long-term capital gain, the U.S. dollar value of the U.S. Holder's *pro rata* share of the Issuer's net capital gain, whether or not distributed. A U.S. Holder will not be eligible for the dividends received deduction in respect of such income or gain. In addition, any losses of the Issuer in a taxable year will not be available to the U.S. Holder and may not be carried back or forward in computing the Issuer's ordinary earnings and net capital gain in other taxable years. If applicable, the rules pertaining to a CFC, discussed below generally override those pertaining to a PFIC with respect to which a QEF election is in effect.

In certain cases in which a QEF does not distribute all of its earnings in a taxable year, the electing U.S. Holder may also be permitted to elect to defer payment of some or all of the taxes on the QEF's income, subject to a nondeductible interest charge on the deferred amount. In this respect, prospective purchasers of Subordinated Notes should be aware that it is expected that the Collateral Debt Obligations will include high-yield debt obligations and such instruments may have substantial OID, the cash payment of which may be deferred, perhaps for a substantial period of time. In addition, the Issuer may use proceeds from the sale of Collateral Debt Obligations to retire other classes of Notes. As a result, in any given year, the Issuer may have substantial amounts of earnings for U.S. federal income tax purposes that are not distributed on the Subordinated Notes. Thus, absent an election to defer payment of taxes, U.S. Holders that make a QEF election with respect to the Issuer may owe tax on significant "phantom" income.

The Issuer will provide, upon request, all information and documentation that a U.S. Holder making a QEF election with respect to the Issuer is required to obtain for U.S. federal income tax purposes.

A U.S. Holder of Subordinated Notes (other than certain U.S. Holders that are subject to the rules pertaining to a CFC, described below) that does not make a timely QEF election will be required to report the U.S. dollar value of any gain on the disposition of its Subordinated Notes as ordinary income, rather than capital gain, and to compute the tax liability on such gain and any "Excess Distribution" (as defined below) received in respect of the Subordinated Notes as if such items had been earned ratably over each day in the U.S. Holder's holding period (or a certain portion thereof) for the Subordinated Notes. The U.S. Holder will be subject to tax on such gain or Excess Distributions at the highest ordinary income tax rate for each taxable year in which such gain or Excess Distributions are treated as having been earned, other than the current year (for which the U.S. Holder's regular ordinary income tax rate will apply), regardless of the rate otherwise applicable to the U.S. Holder. Further, such U.S. Holder will also be liable for a nondeductible interest charge as if such income tax liabilities had been due with respect to each such prior year. For purposes of these rules, gifts, exchanges pursuant to corporate reorganisations and use of the Subordinated Notes as security for a loan may be treated as taxable dispositions of such Subordinated Notes. In addition, a stepped-up basis in the Subordinated Notes will not be available upon the death of an individual U.S. Holder who has not made a timely QEF election with respect to the Issuer.

An "**Excess Distribution**" is the amount by which the U.S. dollar value of distributions during a taxable year in respect of a Note exceeds 125 per cent. of the average amount of distributions in respect thereof during the three preceding taxable years (or, if shorter, the U.S. Holder's holding period for the Note).

In many cases, the U.S. federal income tax on any gain on disposition or receipt of Excess Distributions is likely to be substantially greater than the tax if a timely QEF election is made. A U.S. HOLDER OF A SUBORDINATED NOTE SHOULD STRONGLY CONSIDER MAKING A QEF ELECTION WITH RESPECT TO THE ISSUER.

Investment in a Controlled Foreign Corporation. The Issuer will be a CFC if more than 50 per cent. of the equity interests in the Issuer, measured by reference to combined voting power or value, are owned directly, indirectly, or constructively by 10 per cent. United States shareholders for 30 or more consecutive days during the Issuer's taxable year. For this purpose, a "**10 per cent. United States shareholder**" is any United States person that possesses directly, indirectly, or constructively 10 per cent. or more of the combined voting power of all classes of equity in the Issuer. It is likely that the Subordinated Notes will be treated as voting securities. In this case, a U.S. Holder of Subordinated Notes possessing directly, indirectly, or constructively 10 per cent. or more of the sum of the aggregate outstanding principal

amount of the Subordinated Notes would be treated as a 10 per cent. United States shareholder. If more than 50 per cent. of the Subordinated Notes (and any Secured Notes that are treated as equity in the Issuer for U.S. federal income tax purposes), determined with respect to aggregate value or aggregate outstanding principal amount, are owned directly, indirectly, or constructively by such 10 per cent. United States shareholders, the Issuer will be treated as a CFC. If, for any given taxable year, the Issuer is treated as a CFC, a 10 per cent. United States shareholder of the Issuer will be required to include as ordinary income an amount equal to the U.S. dollar value of that person's *pro rata* share of the Issuer's "subpart F income" at the end of such taxable year. Among other items, and subject to certain exceptions, "subpart F income" includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is likely that, if the Issuer were to constitute a CFC, all of its income would be subpart F income.

If the Issuer is treated as a CFC and a U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, the Issuer will not be treated as a PFIC with respect to the U.S. Holder for the period during which the Issuer remains a CFC and the U.S. Holder remains a 10 per cent. United States shareholder of the Issuer (the "qualified portion" of the U.S. Holder's holding period for the Subordinated Notes). As a result, to the extent the Issuer's subpart F income includes net capital gains, such gains will be treated as ordinary income to the 10 per cent. United States shareholder under the CFC rules, notwithstanding the fact that the character of such gains generally would otherwise be preserved under the QEF rules. If the qualified portion of the U.S. Holder's holding period for the Subordinated Notes subsequently ceases (either because the Issuer ceases to be a CFC or the U.S. Holder ceases to be a 10 per cent. United States shareholder), then solely for purposes of the PFIC rules, the U.S. Holder's holding period for the Subordinated Notes will be treated as beginning on the first day following the end of such qualified portion, unless the U.S. Holder has owned any Subordinated Notes for any period of time prior to such qualified portion and has not made a QEF election with respect to the Issuer. In that case, the Issuer will again be treated as a PFIC which is not a QEF with respect to the U.S. Holder and the beginning of the U.S. Holder's holding period for the Subordinated Notes will continue to be the date upon which the U.S. Holder acquired the Subordinated Notes, unless the U.S. Holder makes an election to recognise gain with respect to the Subordinated Notes and a QEF election with respect to the Issuer. In the event that the Issuer is a CFC, then, at the request and expense of any U.S. Holder that is a 10 per cent. United States shareholder with respect to the Issuer, the Issuer will provide the information necessary for the U.S. Holder to comply with any filing requirements that arise as a result of the Issuer's classification as a CFC.

Indirect Interests in PFICs and CFCs. If the Issuer owns a Collateral Debt Obligation that is treated as equity in a foreign corporation for U.S. federal income tax purposes, U.S. Holders of Subordinated Notes could be treated as owning an indirect equity interest in a PFIC or a CFC and could be subject to certain adverse tax consequences.

In particular, a U.S. Holder of an indirect equity interest in a PFIC is treated as owning the PFIC directly. The U.S. Holder, and not the Issuer, would be required to make a QEF election with respect to each indirect interest in a PFIC. However, certain PFIC information statements are necessary for U.S. Holders that have made QEF elections, and there can be no assurance that the Issuer can obtain such statements from a PFIC. Thus, there can be no assurance that a U.S. Holder will be able to make the election with respect to any indirectly held PFIC.

Accordingly, if the U.S. Holder has not made a QEF election with respect to the indirectly held PFIC, the U.S. Holder would be subject to the adverse consequences described above under "Investment in a Passive Foreign Investment Company" with respect to any Excess Distributions of such indirectly held PFIC, any gain indirectly realised by such U.S. Holder on the sale by the Issuer of such PFIC, and any gain indirectly realised by such U.S. Holder with respect to the indirectly held PFIC on the sale by the U.S. Holder of its Subordinated Notes (which may arise even if the U.S. Holder realises a loss on such sale). Moreover, if the U.S. Holder has made a QEF election with respect to the indirectly held PFIC, the U.S. Holder will be required to include in income the U.S. dollar value of its *pro rata* share of the indirectly held PFIC's ordinary earnings and net capital gain as if the indirectly held PFIC were held directly (as described above), and the U.S. Holder will not be permitted to use any losses or other expenses of the Issuer to offset such ordinary earnings and/or net capital gains. Accordingly, if any of the Collateral Debt Obligations are treated as equity interests in a PFIC, U.S. Holders could experience significant amounts of "phantom" income with respect to such interests.

If a Collateral Debt Obligation is treated as an indirect equity interest in a CFC and a U.S. Holder owns directly, indirectly, or constructively 10 per cent. or more of the CFC's voting power for U.S. federal income tax purposes, the U.S. Holder generally will be required to include the U.S. dollar value of its *pro rata* share of the CFC's "subpart F income" as ordinary income at the end of each taxable year, as described above under "Investment in a Controlled Foreign Corporation," regardless of whether the CFC distributed any amounts to the Issuer during such taxable year or whether the U.S. Holder made a QEF election with respect to the indirectly held CFC. In addition, the U.S. dollar value of gain realised by the U.S. Holder on the sale by the Issuer of the CFC, and the U.S. dollar value of gain realised by the U.S. Holder on the sale by the U.S. Holder of its Subordinated Notes (as described below), generally will be treated as ordinary income to the extent of the U.S. Holder's *pro rata* share of the CFC's current and accumulated earnings and profits, reduced by any amounts previously taxed pursuant to the CFC rules. U.S. Holders should consult their own tax advisors regarding the tax issues associated with such investments in light of their own individual circumstances.

Phantom Income. U.S. Holders may be subject to U.S. federal income tax on the amounts that exceed the distributions they receive on the Subordinated Notes. For example, if the Issuer is a CFC and a U.S. Holder is a 10 per cent. United States shareholder with respect to the Issuer, or a U.S. Holder makes a QEF election with respect to the Issuer, the U.S. Holder will be subject to federal income tax with respect to its share of the Issuer's income and gain (to the extent of the Issuer's "earnings and profits"), which may exceed the Issuer's distributions. It is expected that the Issuer's income and gain (and earnings and profits) will exceed cash distributions with respect to (i) debt instruments that were issued with OID and are held by the Issuer, and (ii) the acquisition at a discount of the Rated Notes by the Issuer (including by reason of a Refinancing or any deemed exchange that occurs for U.S. federal income tax purposes as a result of a modification of the Trust Deed). U.S. Holders should consult their tax advisors regarding the timing of income and gain on the Subordinated Notes.

Distributions. The treatment of actual distributions of cash on the Subordinated Notes will vary depending on whether a U.S. Holder has made a timely QEF election with respect to the Issuer (as described above). See "*Investment in a Passive Foreign Investment Company*." If a timely QEF election has been made, distributions should be allocated first to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) and to this extent will not be taxable to such U.S. Holder. Distributions in excess of such previously taxed amounts will be taxable to U.S. Holders as ordinary income upon receipt, to the extent of any remaining amounts of untaxed current and accumulated earnings and profits of the Issuer. Distributions in excess of previously taxed amounts and any remaining current and accumulated earnings and profits of the Issuer will be treated first as a nontaxable return of capital, to the extent of the U.S. Holder's adjusted tax basis in the Subordinated Notes (as described below under "*Sale, Redemption, or Other Disposition*"), and then as a disposition of a portion of the Subordinated Notes. In addition, a U.S. Holder will recognise exchange gain or loss with respect to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) equal to the difference, if any, between the U.S. dollar value of the distribution on the date received and the U.S. dollar value of the previously taxed amount. Any exchange gain or loss will generally be treated as ordinary income or loss.

If a U.S. Holder has not made a timely QEF election with respect to the Issuer then, except to the extent that distributions are attributable to amounts previously taxed pursuant to the CFC rules, some or all of any distributions with respect to the Subordinated Notes may constitute Excess Distributions, taxable as described above under the heading "*Investment in a Passive Foreign Investment Company*." In addition, distributions in excess of a U.S. Holder's adjusted tax basis in the Subordinated Notes would be treated as a disposition of a portion of the Subordinated Notes and subject to an additional tax reflecting a deemed interest charge, as described below under "*—Sale, Redemption, or Other Disposition*".

Distributions on the Subordinated Notes will not be eligible for the dividends received deduction, and will not qualify as "qualified dividend income."

Sale, Redemption, or Other Disposition. In general, a U.S. Holder of Subordinated Notes will recognise gain or loss upon the sale, redemption, or other disposition of the Subordinated Notes (including a distribution that is treated as a disposition of the Subordinated Notes, as described above under "*Distributions*") equal to the difference between the U.S. dollar value of the amount realised and the U.S. Holder's adjusted tax basis in the Subordinated Notes. The U.S. dollar value of the amount realised generally is based on the euro-to-U.S. dollar spot exchange rate on the date of the disposition. However,

if the Subordinated Notes are treated under applicable Treasury regulations as stock or securities traded on an established securities market and the U.S. Holder uses the cash method of accounting, then the U.S. dollar value of the amount realised is based instead on the euro-to-U.S. dollar spot exchange rate on the settlement date for the sale. U.S. Holders that use the accrual method of accounting also may elect to use the settlement date valuation, provided that they apply it consistently from year to year.

A U.S. Holder's tax basis in its Subordinated Notes initially will equal the U.S. dollar value of the amount paid by the U.S. Holder for the Subordinated Notes, determined under rules analogous to the rules for determining the U.S. dollar value of the amount realised. The U.S. Holder's tax basis in the Subordinated Notes will be increased by amounts taxable to the U.S. Holder by reason of any QEF election, or by reason of the CFC rules, as applicable, and decreased by the U.S. dollar value of actual distributions by the Issuer that are deemed to consist of such previously taxed amounts or are treated as a nontaxable return of capital, as described above under "*Distributions*".

If the U.S. Holder has made a timely QEF election with respect to the Issuer, then, except to the extent that the Issuer is treated as a CFC and the U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, gain or loss upon the sale, redemption, or other disposition of the Subordinated Notes generally will be treated as foreign currency exchange gain or loss, and taxable as ordinary income or loss, to the extent of the positive or negative change in the U.S. dollar value of any amounts previously taxed pursuant to the QEF election from the date of each deemed distribution pursuant to the election (based on the euro-to-U.S. dollar spot exchange rate on that date) to the date of the disposition. Any gain or loss in excess of foreign currency exchange gain or loss will be capital gain or loss, and generally will be long-term capital gain or loss if the U.S. Holder has held the Subordinated Notes for more than one year at the time of the disposition. In certain circumstances, U.S. Holders who are individuals may be entitled to preferential tax rates for net long-term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited.

If a U.S. Holder does not make a timely QEF election with respect to the Issuer as described above and is not subject to the CFC rules, any gain realised on the sale, redemption, or other disposition of a Subordinated Note (or any gain deemed to accrue prior to the time a non-timely QEF election is made) will be taxed as ordinary income and subject to an additional tax reflecting a deemed interest charge under the special tax rules described above. See "*Investment in a Passive Foreign Investment Company*."

If the Issuer is treated as a CFC and a U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, then any gain or loss realised by the U.S. Holder upon a sale, redemption, or other disposition of the Subordinated Notes, other than gain or loss subject to the PFIC rules, if applicable, generally will be treated as foreign currency exchange gain or loss, and taxable as ordinary income or loss, to the extent of the positive or negative change in the U.S. dollar value of any amounts previously taxed pursuant to the CFC rules from the date of each deemed distribution pursuant to the CFC rules (based on the euro-to-U.S. dollar spot exchange rate on that date) to the date of the disposition. Any gain in excess of foreign currency exchange gain will be treated as ordinary income to the extent of the U.S. dollar value of the U.S. Holder's *pro rata* share of the Issuer's previously untaxed earnings and profits.

In addition, as described above under "*Indirect Interests in PFICs and CFCs*," the U.S. dollar value of any gain attributable to interests in PFICs or CFCs owned by the Issuer may be treated as ordinary income to a U.S. Holder upon the sale, redemption, or other disposition of the U.S. Holder's Subordinated Notes.

Receipt of Euro. U.S. Holders will have a tax basis in any euro received in respect of the Notes on a sale, redemption, or other disposition of the Notes equal to the U.S. dollar value of the euro on that date. Any gain or loss recognised on a sale, exchange, or other disposition of those euro generally will be ordinary income or loss. A U.S. Holder that converts the euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

Transfer and Information Reporting Requirements. A U.S. Holder that purchases the Subordinated Notes for cash will be required to file an IRS Form 926 or similar form with the IRS if (i) such person is treated as owning, directly or by attribution, immediately after the transfer, at least 10 per cent. by vote or value of the Issuer or (ii) the amount of cash transferred by such person (or any related person) to the Issuer during the 12-month period ending on the date of such transfer exceeds $100,000.

A U.S. Holder that is treated as owning (actually or constructively) at least 10 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes may be required to file an information return

on IRS Form 5471, and provide additional information regarding the Issuer annually on IRS Form 5471 if it is treated as owning (actually or constructively) more than 50 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes.

In addition, U.S. Holders generally will be required to file an annual PFIC report.

U.S. Holders that fail to comply with these reporting requirements may be subject to adverse tax consequences, including a "tolling" of the statute of limitations with respect to their U.S. tax returns. U.S. Holders should consult their tax advisors with respect to these and any other reporting requirements that may apply with respect to their acquisition or ownership of the Subordinated Notes.

Specified Foreign Financial Asset Reporting

Certain U.S. Holders may be subject to reporting obligations with respect to their Notes if they do not hold their Notes in an account maintained by a financial institution and the aggregate value of their Notes and certain other "specified foreign financial assets" exceeds $50,000. Significant penalties can apply if a U.S. Holder is required to disclose its Notes and fails to do so.

3.8 per cent. Medicare Tax on "Net Investment Income"

U.S. Holders that are individuals or estates and certain trusts are subject to an additional 3.8 per cent. tax on all or a portion of their "net investment income," or "undistributed net investment income" in the case of an estate or trust, which may include any income or gain with respect to the Notes, to the extent of their net investment income or undistributed net investment income (as the case may be) that, when added to their other modified adjusted gross income, exceeds $200,000 for an unmarried individual, $250,000 for a married taxpayer filing a joint return (or a surviving spouse), $125,000 for a married individual filing a separate return, or the dollar amount at which the highest tax bracket begins for an estate or trust (which, in 2015, is $12,300). The 3.8 per cent. Medicare tax is determined in a different manner than the regular income tax and special rules apply with respect to the PFIC and CFC rules described above. U.S. Holders should consult their advisers with respect to the 3.8 per cent. Medicare tax.

FBAR Reporting

A U.S. Holder of Subordinated Notes (or any Class of Notes that are treated as equity in the Issuer for U.S. federal income tax purposes) may be required to file FinCEN Form 114 with respect to foreign financial accounts in which the Issuer has a financial interest if the U.S. Holder holds more than 50 per cent. of the aggregate outstanding principal amount of such Notes or is otherwise treated as owning more than 50 per cent. of the total value or voting power of the Issuer's outstanding equity.

Reportable Transactions

A participant in a "reportable transaction" is required to disclose its participation in such a transaction on IRS Form 8886. Any foreign currency exchange loss in excess of $50,000 recognised by a U.S. Holder may be subject to this disclosure requirement. Failure to comply with this disclosure requirement can result in substantial penalties. U.S. Holders should consult their advisers with respect to the requirement to disclose reportable transactions.

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

In general, payments on the Notes to a Non-U.S. Holder that provides appropriate tax certifications to the Issuer and gain realised on the sale, exchange or retirement of the Notes by the Non-U.S. Holder will not be subject to U.S. federal income or withholding tax unless (i) such income is effectively connected with a trade or business conducted by such Non-U.S. Holder in the United States, or (ii) in the case of gain, such Non-U.S. Holder is a nonresident alien individual who holds the Notes as a capital asset and is present in the United States for more than 182 days in the taxable year of the sale and certain other conditions are satisfied.

Information Reporting and Backup Withholding

Under certain circumstances, the Code requires "information reporting" annually to the IRS and to each holder, and "backup withholding", with respect to certain payments made on or with respect to the Notes. Backup withholding will apply to a U.S. Holder only if the U.S. Holder (i) fails to furnish its Taxpayer Identification Number ("**TIN**") which, for an individual, would be his or her Social Security Number, (ii) furnishes an incorrect TIN, (iii) is notified by the IRS that it has failed to properly report payments of interest and dividends, or (iv) under certain circumstances, fails to certify, under penalties of perjury, that it has furnished a correct TIN and has not been notified by the IRS that it is subject to backup withholding for failure to report interest and dividend payments. The exemption generally is available to U.S. Holders that provide a properly completed IRS Form W-9.

A Non-U.S. Holder that provides an applicable IRS Form W-8, together with all appropriate attachments, signed under penalties of perjury, identifying the Non-U.S. Holder and stating that the Non-U.S. Holder is not a United States person, will not be subject to IRS reporting requirements and U.S. backup withholding.

Information reporting and backup withholding may apply to the proceeds of a sale of Notes made within the United States or conducted through certain U.S. related financial intermediaries, unless the payor receives the statement described above or the Non-U.S. Holder otherwise establishes an exemption.

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

FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income, and on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and Ireland, the Issuer will not be subject to withholding under FATCA if it complies with Irish implementing legislation that is expected to require the Issuer to provide the name, address, and taxpayer identification number of, and certain other information with respect to, certain holders of Notes to the Office of Revenue Commissioners of Ireland, which would then provide this information to the IRS. The Issuer expects to comply with the intergovernmental agreement and the Irish implementing legislation; however, there can be no assurance that the Issuer will be able to do so. Moreover, FATCA could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

If a Noteholder fails to provide the Issuer or its agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer, or if the Noteholder's ownership of any Notes would otherwise cause the Issuer to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the Noteholder, to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 10 business days after notice from the Issuer, to sell the Noteholder's Notes on behalf of the Noteholder.

Future Legislation and Regulatory Changes Affecting Noteholders

Future legislation, regulations, rulings or other authority could affect the federal income tax treatment of the Issuer and Noteholders. The Issuer cannot predict whether and to what extent any such legislative or administrative changes could change the tax consequences to the Issuer and to the Noteholders. Prospective Noteholders should consult their tax advisers regarding possible legislative and administrative changes and their effect on the federal tax treatment of the Issuer and their investment in the Notes.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR NOTEHOLDER. EACH PROSPECTIVE NOTEHOLDER IS STRONGLY URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE NOTEHOLDER'S OWN CIRCUMSTANCES.

4. EU Directive on the Taxation of Savings Income

Under Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income (the "**EU Savings Directive**"), each member state is required to provide to the tax authorities of another member state details of payments of interest or other similar income paid by a paying agent within its jurisdiction to, or collected by such a person for, an individual resident in that other member state; however for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments. The end of this transitional period depends on the conclusion of certain other agreements relating to exchange of information with certain other countries.

A number of non EU countries, including Switzerland ("**Third Countries**") and certain dependent or associated territories of certain member states ("**Dependent and Associated Territories**") have adopted similar measures in relation to payments of interest or other similar income paid by a paying agent within its jurisdiction to, or collected by such a person for, an individual resident in another member state, or certain Third Countries or Dependent and Associated Territories.

The Council of the European Union adopted certain changes to the EU Savings Directive on 24 March 2014. EU Member States will have until 1 January 2016 to adopt national laws to implement these changes. The changes, when implemented, will broaden the scope of the requirements described above.

CERTAIN ERISA CONSIDERATIONS

ERISA imposes certain requirements on "employee benefit plans" subject thereto including entities (such as collective investment funds, insurance company separate accounts and some insurance company general accounts) the underlying assets of which include the assets of such plans (collectively, "**ERISA Plans**"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of prudence, diversification investments being made in accordance with the documents governing the plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment.

Section 406 of ERISA and section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan, as well as assets of those plans that are not subject to ERISA but which are subject to section 4975 of the Code, such as individual retirement accounts and Keogh plans, and entities the underlying assets of which include the assets of such plans (together with ERISA Plans, "**Plans**") and certain persons (referred to as "parties in interest" under ERISA or "disqualified persons" under the Code (collectively, "**Parties in Interest**")) having certain relationships to such Plans, unless a statutory or administrative exception or exemption is applicable to the transaction. A Party in Interest who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and the transaction may have to be rescinded at significant cost to the Issuer.

Governmental plans, certain church plans and certain non-U.S. plans, while not subject to the fiduciary responsibility or prohibited transaction provisions of ERISA or the provisions of section 4975 of the Code, may nevertheless be subject to substantially similar rules under Federal, state, local or non-U.S. laws or regulations, and may be subject to the prohibited transaction rules of section 503 of the Code.

Under ERISA and a regulation issued by the United States Department of Labor (29 C.F.R. section 2510.3 101, the "**Plan Asset Regulation**"), as modified by section 3(42) of ERISA, if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act of 1940, the Plan's assets are deemed to include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established (a) that the entity is an "operating company" as that term is defined in the Plan Asset Regulation, or (b) that less than 25 per cent. of the total value of each class of equity interest in the entity, disregarding the value of any equity interests held by persons (other than Benefit Plan Investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee (direct or indirect) with respect to such assets (such as the Investment Manager), and their respective Affiliates (each a "**Controlling Person**"), is held by Benefit Plan Investors (the "**25 per cent. Limitation**"). A "Benefit Plan Investor" means (1) an employee benefit plan (as defined in section 3(3) of ERISA), subject to the provisions of part 4 of Subtitle B of Title I of ERISA, (2) a plan to which section 4975 of the Code applies, or (3) any entity whose underlying assets include plan assets by reason of such an employee benefit plan's or plan's investment in such entity.

If the underlying assets of the Issuer are deemed to be Plan assets, the obligations and other responsibilities of Plan sponsors, Plan fiduciaries and Plan administrators, and of Parties in Interest, under Parts 1 and 4 of Subtitle B of Title I of ERISA and section 4975 of the Code, as applicable, may be expanded, and there may be an increase in their liability under these and other provisions of ERISA and the Code. In addition, various providers of fiduciary or other services to the entity, and any other parties with authority or control with respect to the Issuer, could be deemed to be Plan fiduciaries or otherwise parties in interest or disqualified persons by virtue of their provision of such services (and there could be an improper delegation of authority to such providers).

The Plan Asset Regulation defines an "equity interest" as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and that has no substantial equity features. Although it is not free from doubt, the Class A Notes, the Class B Notes, the Class C Notes and Class D Notes offered hereby will be treated by the Issuer as indebtedness with no substantial equity features for purposes of ERISA. The treatment of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes as not being equity interests in the Issuer could, however, be affected, subsequent to their issuance, by certain changes in the structure or financial condition of the Issuer. However, the characteristics of the Class E Notes, the Class F Notes and the Subordinated Notes for purposes of the

Plan Asset Regulation are less certain. The Class E Notes and Class F Notes may and the Subordinated Notes will likely be considered "equity interests" for purposes of the Plan Asset Regulation. Accordingly, the Issuer intends to limit investments by Benefit Plan Investors in such Class E Notes, Class F Notes and Subordinated Notes. In reliance on representations made by investors in the Class E Notes, Class F Notes and the Subordinated Notes, the Issuer intends to limit investment by Benefit Plan Investors in Class E Notes, Class F Notes and Subordinated Notes to less than 25 per cent. of the total value of the Class E Notes, Class F Notes or the Subordinated Notes (determined separately by class) at all times (excluding for purposes of such calculation Class E Notes, Class F Notes and Subordinated Notes held by Controlling Persons). Each prospective purchaser (including a transferee) of a Class E Note, Class F Note or a Subordinated Note will be required to or deemed to make certain representations regarding its status as a Benefit Plan Investor or Controlling Person and other ERISA matters as described under "*Transfer Restrictions*" below. No Class E Note, Class F Note or Subordinated Note will be sold or transferred to purchasers that have represented that they are Benefit Plan Investors or Controlling Persons to the extent that such sale may result in Benefit Plan Investors owning 25 per cent. or more of the Class E Notes, Class F Notes or the Subordinated Notes (determined separately by class in accordance with Section 3(42) of ERISA, the Plan Asset Regulation and the Trust Deed). Except as otherwise provided by the Plan Asset Regulation, each Class E Note, Class F Note and Subordinated Note held by persons that have represented that they are Controlling Persons will be disregarded and will not be treated as outstanding for purposes of determining compliance with such 25 per cent. Limitation.

Even if the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes would not be treated as equity interests in the Issuer for purposes of ERISA, it is possible that an investment in such Notes by a Benefit Plan Investor (or with the use of the assets of a Benefit Plan Investor) could be treated as a prohibited transaction under ERISA and/or section 4975 of the Code. Such a prohibited transaction, however, may be subject to a statutory or administrative exemption. Even if an exemption were to apply, such exemption may not, however, apply to all of the transactions that could be deemed prohibited transactions in connection with an investment in the Notes by a Benefit Plan Investor.

Each of the Issuer, the Placement Agent, the Investment Manager, or their respective Affiliates may be the sponsor of, or investment adviser with respect to one, or more Plans. Because such parties may receive certain benefits in connection with the sale of the Notes to such Plans, whether or not the Notes are treated as equity interests in the Issuer, the purchase of such Notes using the assets of a Plan over which any of such parties has investment authority might be deemed to be a violation of the prohibited transaction rules of ERISA and/or section 4975 of the Code for which no exemption may be available. Accordingly, the Notes may not be acquired using the assets of any Plan if any of the Issuer, the Placement Agent, the Investment Manager or their respective affiliates has investment authority with respect to such assets (except to the extent (if any) that a favourable statutory or administrative exemption or exception applies or the transaction is not otherwise prohibited).

It should be noted that an insurance company's general account may be deemed to include assets of Plans under certain circumstances, e.g., where a Plan purchases an annuity contract issued by such an insurance company, based on the reasoning of the United States Supreme Court in *John Hancock Mutual Life Ins. Co. v Harris Trust and Savings Bank*, 510 U.S. 86 (1993). An insurance company considering the purchase of Notes with assets of its general account should consider such purchase and the insurance company's ability to make the representations described above in light of *John Hancock Mutual Life Ins. Co. v. Harris Trust and Savings Bank*, section 401(c) of ERISA and a regulation promulgated by the U.S. Department of Labor under that section of ERISA, 29 C.F.R. section 2550.401c 1.

Each purchaser and transferee of a Class A Note, Class B Note, Class C Note or Class D Note or any interest in such Note will be required or deemed to have represented, warranted and agreed that (i) either (A) it is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of section 406 of ERISA and/or section 4975 of the Code ("**Other Plan Law**"), and no part of the assets to be used by it to acquire or hold such Notes or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan, or (B) its acquisition, holding or disposition of such Notes (or interests therein) will not constitute or result in a non-exempt prohibited transaction under section 406 of ERISA or section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other Plan, a non-exempt violation of any Other Plan Law, and (ii) it will not sell or transfer such Notes (or interests therein) to a transferee acquiring such

Notes (or interests therein) unless the transferee makes the foregoing representations, warranties and agreements described in clause (i) hereof.

On the Issue Date, each purchaser of a Class E Note, Class F Note or Subordinated Note in the form of a Regulation S Global Certificate or a Rule 144A Global Certificate will be deemed to represent, warrant and agree that: (i) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer and provides an ERISA certificate (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person; (ii) (A) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (B) if it is a governmental, church, non-U.S. or other plan, (1) it is not, and for so long as it holds such Notes or interest therein will not be, subject to any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer or the Investment Manager (or other persons responsible for the investment and operation of the Issuer's assets) to Other Plan Law ("**Similar Law**") and (2) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law; and (iii) it will agree to certain transfer restrictions regarding its interest in such Notes. Other than on the Issue Date, each purchaser of a Class E Note, Class F Note or Subordinated Note in the form of a Regulation S Global Certificate or a Rule 144A Global Certificate will be deemed to represent, warrant and agree that: (i) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer, provides an ERISA certificate (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person and, other than with respect to Retention Notes, holds such Class E Note, Class F Note or Subordinated Note, as applicable, in the form of a Definitive Certificate; (ii) (A) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (B) if it is a governmental, church, non-U.S. or other plan, (1) it is not, and for so long as it holds such Notes or interest therein will not be, subject to any Similar Law and (2) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law; and (iii) it will agree to certain transfer restrictions regarding its interest in such Notes. Any purported transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Subordinated Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

Each purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate will be required to: (i) represent and warrant in writing to the Issuer (A) whether or not, for so long as it holds such Notes or interest herein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) whether or not, for so long as it holds such Notes or interest therein, it is a Controlling Person and (C) that (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such 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 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 any Similar Law and (y) its acquisition, holding and disposition of such Notes or interest therein will not constitute or result in a non-exempt violation of any Other Plan Law; (ii) agree to certain transfer restrictions regarding its interest in such Notes; and (iii) provide a completed ERISA Certificate in or substantially in the form set out at Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed to the Issuer and a Transfer Agent. Any purported transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Subordinated Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

No purchase or transfer of an interest in Class E Notes, Class F Notes or Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation described above to be exceeded with respect to the Class E Notes, Class F Notes or Subordinated Notes (determined separately by class).

Any Plan fiduciary considering whether to acquire a Note on behalf of a Plan or an employee benefit plan not subject to ERISA or section 4975 of the Code should consult with its counsel regarding the potential consequences of such investment, the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code and/or similar provisions of Other Plan Law, and the scope of any available exemption relating to such investment.

The sale of Notes to a Plan or an employee benefit plan not subject to ERISA or section 4975 of the Code is in no respect a representation or warranty by the Issuer, or any other person that this investment meets all relevant legal requirements with respect to investments by Plans or such other plans generally or any particular plan, that any prohibited transaction exemption would apply to the acquisition, holding, or disposition of this investment by such plans in general or any particular plan, or that this investment is appropriate for such plans generally or any particular plan.

PLAN OF DISTRIBUTION

J.P. Morgan Securities plc, in its capacity as Placement Agent, has agreed with the Issuer, subject to the satisfaction of certain conditions, to facilitate the sale by the Issuer of each Class of the Notes other than the Retention Notes (the "**J.P. Morgan Placed Notes**") pursuant to the Placement Agency Agreement. The Placement Agency Agreement entitles the Placement Agent to terminate it in certain circumstances prior to payment being made to the Issuer.

The Retention Holder has agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe for the Retention Notes pursuant to a note purchase agreement. Such note purchase agreement entitles the Retention Holder to terminate it in certain circumstances prior to payment being made to the Issuer.

The Placement Agent may offer the J.P. Morgan Placed Notes at prices as may be negotiated at the time of sale which may vary among different purchasers and which may be different to the issue price of the Notes.

It is a condition of the issue of the Notes of each Class that the Notes of each Class be issued in the following principal amounts: Class A-1 Notes: €200,500,000, Class A-2 Notes: €5,000,000, Class B-1 Notes: €39,200,000, Class B-2 Notes: €7,000,000, Class C Notes: €18,000,000, Class D Notes: €18,600,000, Class E Notes: €25,200,000, Class F Notes: €11,700,000 and Subordinated Notes: €37,100,000.

The Issuer has agreed to indemnify the Placement Agent, the Investment Manager, the Collateral Administrator, the Trustee and certain other participants against certain liabilities or to contribute to payments they may be required to make in respect thereof.

Certain of the Collateral Debt Obligations may have been originally underwritten or placed by the Placement Agent or its Affiliates. In addition, the Placement Agent or its Affiliates may have in the past performed and may in the future perform investment banking services or other services for issuers of the Collateral Debt Obligations. In addition, the Placement Agent and its Affiliates may from time to time, as a principal or through one or more investment funds that it or they manage, make investments in the equity securities of one or more of the issuers of the Collateral Debt Obligations, with a result that one or more of such issuers may be or may become controlled by the Placement Agent or its Affiliates.

In addition, in the ordinary course of their business activities, the Placement Agent and its Affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments (including the Notes) of the Issuer. The Placement Agent and its Affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

No action has been or will be taken by the Issuer or the Placement Agent that would permit a public offering of the Notes or possession or distribution of this Prospectus or any other offering material in relation to the Notes in any jurisdiction where action for the purpose is required. No offers, sales or deliveries of any Notes, or distribution of this Prospectus or any other offering material relating to the Notes, may be made in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or the Placement Agent.

The Notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. Persons or to U.S. Residents except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and in the manner so as not to require the registration of the Issuer as an "investment company" pursuant to the Investment Company Act.

The Issuer has been advised that the Placement Agent proposes to resell the J.P. Morgan Placed Notes: (a) outside the United States to non-U.S. Persons in offshore transactions in reliance on Regulation S and in accordance with applicable law; and (b) in the United States (directly or through its U.S. broker dealer

Affiliate) in reliance on Rule 144A only to or for the accounts of QIBs, where each of such purchasers or accountholders is also a QP.

The Notes sold in reliance on Rule 144A will be issued in minimum denominations of €250,000 each and integral multiples of €1,000 in excess thereof. Any offer or sale of Rule 144A Notes in reliance on Rule 144A will be made by broker dealers who are registered as such under the Exchange Act. After the Notes are released for sale, the offering price and other selling terms may from time to time be varied by the Placement Agent (or its broker dealer Affiliates).

The Placement Agent has acknowledged and agreed that it will not offer, sell or deliver any Regulation S Notes to, or for the account or benefit of, any U.S. Person or U.S. Resident as part of their distribution at any time and that it will send to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Regulation S Notes a confirmation or other notice setting forth the prohibition on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, any U.S. Person or U.S. Resident.

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

The Placement Agent has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 ("**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

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

The Placement Agent has also agreed to comply with the following selling restrictions:

(a) ***European Economic Area***: In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") the Placement Agent has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Notes to the public in that Relevant Member State at any time:

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

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

(iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall require the publication by the Issuer or any other entity of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an 'offer of the Notes to the public' in relation to any Notes in any Relevant Member State means the communication in any form and by any

means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU and includes any relevant implementing measure in each Relevant Member State).

(b) ***Ireland***: The Placement Agent has represented and agreed that:

(i) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended), including, without limitation, Regulations 7 and 152 thereof or any codes of conduct used in connection therewith and the provisions of the Investor Compensation Act 1998;

(ii) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Companies Acts 2014 of Ireland, with the provisions of the Central Bank Acts 1942 to 2014 (as amended) and with any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989; and

(iii) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under Section 34 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 or section 1370 of the Companies Act 2014 by the Central Bank of Ireland.

(c) ***Korea***: The Notes 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 Notes may not be re-sold to Korean Residents unless the purchaser of the Notes complies with all applicable regulatory requirements for such purchase of Notes (including but not limited to government approval or reporting requirements under the FETL and its subordinate decrees and regulations). The Notes 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 Notes have been or will be listed on the Korea Exchange. In the case of a transfer of the Notes to any person in Korea during a period ending one year from the issuance date, a holder of the Notes may transfer the Notes only by transferring its entire holdings of Notes to only "accredited investors" in Korea as referred to in Article 11(1) of the Enforcement Decree of the FSCMA.

(d) ***The Netherlands***: The Notes may not be offered, sold or delivered in The Netherlands to anyone other than qualified investors (as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), as amended from time to time).

(e) ***Singapore***: This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes 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 or Section 304 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**") or (ii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

(f) ***Taiwan***: No person or entity in Taiwan is authorised to distribute or otherwise intermediate the offering of the Notes or the provision of information relating to the Notes, including, but not limited to, this Prospectus. The Notes 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 Notes 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 Notes signed by the investors.

TRANSFER RESTRICTIONS

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

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

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

Rule 144A Notes

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

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

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

2. The purchaser understands that such Rule 144A Notes have not been and will not be registered under the Securities Act, and may be reoffered, resold or pledged or otherwise transferred only (a)(i) to a person whom the purchaser reasonably believes is a QIB purchasing for its own account or for the account of a QIB as to which the purchaser exercises sole investment discretion in a transaction meeting the requirements of Rule 144A; or (ii) to a non-U.S. Person in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S; and (b) in accordance with all applicable securities laws including the securities laws of any state of the United States. The purchaser understands that the Issuer has not been registered under the Investment Company Act. The purchaser understands that before any interest in a Rule 144A Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Notes, the Registrar is required to receive a written certification from the purchaser (in the form provided in the Trust Deed) as to compliance with the transfer restrictions described herein. The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (2) shall be null and void *ab initio*.

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

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

4. In connection with the purchase of the Rule 144A Notes: (a) none of the Issuer, the Placement Agent, the Trustee, the Investment Manager or the Collateral Administrator is acting as a fiduciary or financial or investment manager for the purchaser; (b) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Placement Agent, the Trustee, the Investment Manager or the Collateral Administrator other than in this Prospectus for such Notes and any representations expressly set forth in a written agreement with such party; (c) none of the Issuer, the Placement Agent, the Trustee, the Investment Manager or the Collateral Administrator has given to the purchaser (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Rule 144A Notes; (d) the purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Trust Deed) based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer, the Placement Agent, the Trustee, the Investment Manager or the Collateral Administrator; (e) the purchaser has evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Rule 144A Notes with a full understanding of all of the risks thereof (economic and otherwise), and it is capable of assuming and willing to assume (financially and otherwise) those risks; and (f) the purchaser is a sophisticated investor.

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

6. (a) With respect to the purchase, holding and disposition of any Class A Note, Class B Note, Class C Note or Class D Note or any interest in such Notes (i) either (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any Other Plan Law, and no part of the assets to be used by it to acquire or hold such Notes or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-

U.S. or other plan, or (B) its acquisition, holding or disposition of such Notes (or interests therein) will not constitute or result in a non-exempt prohibited transaction under section 406 of ERISA or section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other Plan, a non-exempt violation of any Other Plan Law, and (ii) it will not sell or transfer such Notes (or interests therein) to an acquirer acquiring such Notes (or interests therein) unless the acquirer makes the foregoing representations, warranties and agreements described in clause (i) hereof. Any purported transfer of the Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the acquirer understands that the Issuer will have the right to cause the sale of such Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

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

(ii) With respect to Class E Notes, Class F Notes or Subordinated Notes in the form of a Definitive Certificate, each purchaser or transferee of a Class E Note, Class F

Note or Subordinated Note in the form of a Definitive Certificate will be required to: (A) represent and warrant in writing to the Issuer (1) whether or not, for so long as it holds such Notes or interest herein, it is, or is acting on behalf of, a Benefit Plan Investor, (2) whether or not, for so long as it holds such Notes or interest therein, it is a Controlling Person and (3) that (x) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (y) if it is a governmental, church, non-U.S. or other plan, (i) it is not, and for so long as it holds such Notes or interest therein will not be, subject to Similar Law and (ii) its acquisition, holding and disposition of such Notes or interest therein will not constitute or result in a non-exempt violation of any Other Plan Law; (B) agree to certain transfer restrictions regarding its interest in such Notes; and (C) provide a completed ERISA Certificate in or substantially in the form set out at Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed to the Issuer and a Transfer Agent. Any purported transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Subordinated Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(c) The purchaser acknowledges that the Issuer, the Placement Agent, the Trustee, the Investment Manager and the Collateral Administrator and their Affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

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

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

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL

BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IF A VIOLATION OF (V) TO (Z) OCCURS, THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF) AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD SUCH NOTES OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING OR DISPOSITION OF SUCH NOTES (OR INTERESTS THEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER SUCH NOTES (OR INTERESTS THEREIN) TO AN ACQUIRER ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIRER MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT

THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND THE SUBORDINATED NOTES IN THE FORM OF RULE 144A GLOBAL CERTIFICATES ONLY*] [ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES OR INTEREST THEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE INVESTMENT MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE FEDERAL, STATE, LOCAL, OR NON-U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). OTHER THAN ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND, OTHER THAN WITH RESPECT TO THE RETENTION NOTES, HOLDS SUCH CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE, AS APPLICABLE, IN THE FORM OF A DEFINITIVE CERTIFICATE; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES OR INTEREST THEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OT INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN TO WHICH SECTION 4975 OF THE CODE APPLIES OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "CONTROLLING PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF

SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND THE SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE TRANSFER AGENTS (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (3) THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR AN INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE INVESTMENT MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR AN INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN TO WHICH SECTION 4975 OF THE CODE APPLIES OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A

CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

[*LEGEND TO BE INCLUDED IN RELATION TO CLASS C NOTES, CLASS D NOTES, CLASS E NOTES AND CLASS F NOTES ONLY*] [THE CLASS C NOTES, CLASS D NOTES, CLASS E NOTES, AND CLASS F NOTES WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE COLLATERAL ADMINISTRATOR AT THE BANK OF NEW YORK MELLON S.A./N.V, DUBLIN BRANCH, 4TH FLOOR HANOVER BUILDING, WINDMILL LANE, DUBLIN 2, IRELAND.]

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

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

The purchaser will not, at any time, offer to buy or offer to sell the Notes by any form of general solicitation or advertising, including, but not limited to, any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium or broadcast over television or radio or seminar or meeting whose attendees have been invited by general solicitations or advertising.

8. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A.

9. Each holder and beneficial owner of a Rule 144A Note, by acceptance of its Rule 144A Note or its interest in a Note, shall be deemed to understand and acknowledge that failure to provide the Issuer or any Paying Agent with the applicable U.S. federal income tax certifications (generally, a U.S. Internal Revenue Service Form W 9 (or successor applicable 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 an appropriate U.S. Internal Revenue Service Form W 8 (or successor applicable 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) may result in U.S. federal back up withholding from payments in respect of such Note.

10. The purchaser will treat the Issuer and the Notes as described in the "*Tax Considerations – United States Federal Income Taxation*" section of the Prospectus for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

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

12. The purchaser will provide the Issuer or its agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer. In the event the purchaser fails to provide such information or documentation, or to the extent that its ownership of Notes would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer or its agents are authorised to withhold amounts otherwise distributable to the purchaser as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the purchaser to sell its Notes and, if the purchaser does not sell its Notes within 10 Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any taxes incurred by the Issuer in connection with such sale) to such purchaser as payment in full for such Notes. The Issuer may assign each such Note, or procure that each such Note is assigned, a separate ISIN in the Issuer's sole discretion. The purchaser agrees that the Issuer, the Trustee or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to the Office of Revenue Commissioners of Ireland, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA.

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

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

    (b) (x) after giving effect to its purchase of Notes, it will not directly or indirectly own more than 33-1/3 per cent., by value, of the aggregate of the Notes within such Class and any other Notes that are ranked *pari passu* with or are subordinated to such Notes, and will not otherwise be related to the Issuer (within the meaning of Treasury regulations section 1.881 3) and (y) it has not purchased the Notes in whole or in part to avoid any U.S. federal tax liability (including, without limitation, any U.S. withholding tax that would be imposed on payments on the Collateral Debt Obligations if the Collateral Debt Obligations were held directly by the purchaser); or

(c) it has provided an IRS Form W-8ECI representing that all payments received or to be received by it from the Issuer are effectively connected with the conduct of a trade or business in the United States and includible in its gross income.

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

15. No purchaser of Subordinated Notes will treat any income with respect to its Subordinated Notes as derived in connection with the Issuer's active conduct of a banking, financing, insurance, or other similar business for purposes of Section 954(h)(2) of the Code.

16. If the purchaser is acquiring its Notes in definitive form, it has accurately completed the FATCA Self-Certification attached hereto, and will update any information contained therein in the event that any such information becomes incorrect.

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

Regulation S Notes

Each purchaser of Regulation S Notes will be deemed to have made the representations set forth in clauses (4), (6) and (10) to (17) (inclusive) above (except that references to Rule 144A Notes shall be deemed to be references to Regulation S Notes) and to have further represented and agreed as follows:

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

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

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

   ANY LOSSES IN THE ISSUER WILL BE BORNE SOLELY BY INVESTORS IN THE ISSUER AND NOT BY THE INVESTMENT MANAGER OR ITS AFFILIATES; THEREFORE, THE INVESTMENT MANAGER'S LOSSES IN THE ISSUER WILL BE LIMITED TO LOSSES ATTRIBUTABLE TO THE "OWNERSHIP INTERESTS" (AS DEFINED IN THE VOLCKER RULE) IN THE ISSUER HELD BY THE INVESTMENT

MANAGER AND ANY AFFILIATE IN ITS CAPACITY AS INVESTOR IN THE ISSUER. PROSPECTIVE INVESTORS IN THE ISSUER SHOULD READ THE FINAL PROSPECTUS BEFORE INVESTING IN THE ISSUER. THE OWNERSHIP INTERESTS IN THE COVERED FUND ARE NOT INSURED BY THE UNITED STATES FEDERAL DEPOSIT INSURANCE CORPORATION AND ARE NOT DEPOSITS, OBLIGATIONS OF, OR ENDORSED OR GUARANTEED IN ANY WAY, BY ANY BANKING ENTITY. THE ROLE OF THE INVESTMENT MANAGER AND ITS AFFILIATES AND EMPLOYEES IN SPONSORING AND PROVIDING SERVICES TO THE COVERED FUND IS DESCRIBED HEREIN.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IF A VIOLATION OF (V) TO (Z) OCCURS, THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

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

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF) AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED

("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD SUCH NOTES OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING OR DISPOSITION OF SUCH NOTES (OR INTERESTS THEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER SUCH NOTES (OR INTERESTS THEREIN) TO AN ACQUIRER ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIRER MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

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

AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES OR INTEREST THEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN TO WHICH SECTION 4975 OF THE CODE APPLIES OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND THE SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE TRANSFER AGENTS (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (3) THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE INVESTMENT MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR

SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN TO WHICH SECTION 4975 OF THE CODE APPLIES OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

[*LEGEND TO BE INCLUDED IN RELATION TO CLASS C NOTES, CLASS D NOTES, CLASS E NOTES AND CLASS F NOTES ONLY*] [THE CLASS C NOTES, CLASS D NOTES, CLASS E NOTES, AND CLASS F NOTES WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE COLLATERAL ADMINISTRATOR AT THE BANK OF NEW YORK MELLON S.A./N.V. , DUBLIN BRANCH, 4TH FLOOR HANOVER BUILDING, WINDMILL LANE, DUBLIN 2, IRELAND.]

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

[*LEGEND TO BE INCLUDED IN RELATION TO CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF IM VOTING NOTES ONLY*] [EACH PERSON ACQUIRING

OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

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

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

GENERAL INFORMATION

Clearing Systems

The Notes of each Class have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The Common Code and International Securities Identification Number ("ISIN") for the Notes of each Class:

	Regulation S Notes		Rule 144 A Notes	
	ISIN	Common Code	ISIN	Common Code
Class A-1 IM Voting Notes	XS1117292638	111729263	XS1117292125	111729212
Class A-1 IM Non-Voting Exchangeable Notes	XS1117291408	111729140	XS1117292711	111729271
Class A-1 IM Non-Voting Notes	XS1117292398	111729239	XS1117291747	111729174
Class A-2 IM Voting Notes	XS1117291234	111729123	XS1117292471	111729247
Class A-2 IM Non-Voting Exchangeable Notes	XS1117291820	111729182	XS1117290269	111729026
Class A-2 IM Non-Voting Notes	XS1117290699	111729069	XS1117290939	111729093
Class B-1 IM Voting Notes	XS1117289923	111728992	XS1117292042	111729204
Class B-1 IM Non-Voting Exchangeable Notes	XS1117289097	111728909	XS1117289337	111728933
Class B-1 IM Non-Voting Notes	XS1117289683	111728968	XS1117291580	111729158
Class B-2 IM Voting Notes	XS1117291317	111729131	XS1117291663	111729166
Class B-2 IM Non-Voting Exchangeable Notes	XS1117288446	111728844	XS1117291077	111729107
Class B-2 IM Non-Voting Notes	XS1117288792	111728879	XS1117291150	111729115
Class C IM Voting Notes	XS1117290855	111729085	XS1117288107	111728810
Class C IM Non-Voting Exchangeable Notes	XS1117287554	111728755	XS1117290343	111729034
Class C IM Non-Voting Notes	XS1117290772	111729077	XS1117287802	111728780
Class D IM Voting Notes	XS1117290426	111729042	XS1117287125	111728712
Class D IM Non-Voting Exchangeable Notes	XS1117289840	111728984	XS1117290186	111729018
Class D IM Non-Voting Notes	XS1117289766	111728976	XS1117290004	111729000
Class E Notes	XS1117289501	111728950	XS1117289410	111728941
Class F Notes	XS1117288875	111728887	XS1117289170	111728917
Subordinated Notes	XS1117289253	111728925	XS1117288362	111728836

Listing

Application will be made to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on its Global Exchange Market which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of Directive 2004/39/EC. There can be no assurance that any such approval will be granted or, if granted that such listing will be maintained. It is expected that the total expenses related to admission to trading will be approximately €11,000.

Listing Agent

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on its Global Exchange Market for the purposes of the Prospectus Directive.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Ireland (if any) in connection with the issue and performance of the Notes. The issue of the Notes was authorised by resolutions of the board of Directors of the Issuer passed on or about 4 September 2015.

No Significant or Material Change

There has been no significant change in the financial or trading position or prospects of the Issuer since its incorporation on 8 April 2015 and there has been no material adverse change in the financial position or prospects of the Issuer since its incorporation on 8 April 2015.

No Litigation

The Issuer is not involved, and has not been involved, in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had since the date of its incorporation a significant effect on the Issuer's financial position or profitability.

Accounts

Since the date of its incorporation, other than entering into certain documentation, without any net assets or liabilities for the Issuer relating to a transaction which did not proceed, the Issuer has not commenced operations other than (if applicable) in respect of any warehouse agreements, any asset/forward sale or purchase agreements or trade confirmations which may be entered into in respect of the acquisition of (or commitment to acquire) certain assets to be comprised in the Portfolio on or prior to the Issue Date and has not produced accounts.

So long as any Note remains outstanding, copies of the most recent annual audited financial statements of the Issuer can be obtained at the specified offices of the Issuer during normal business hours. The first financial statements of the Issuer will be in respect of the period from incorporation to 31 December 2015. The annual accounts of the Issuer will be audited. The Issuer will not prepare interim financial statements.

The Trust Deed requires the Issuer to provide written confirmation to the Trustee on an annual basis and otherwise promptly on request that no Event of Default or Potential Event of Default (as defined in the Trust Deed) or other matter which is required to be brought to the Trustee's attention has occurred.

Documents Available

Copies of the following documents may be inspected in electronic format (and, in the case of each of (e) and (g) below, will be available for collection free of charge) at the registered offices of Issuer during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes:

(a) the Constitution of the Issuer;

(b) the Trust Deed (which includes the form of each Note of each Class);

(c) the Agency Agreement;

(d) the Investment Management and Collateral Administration Agreement;

(e) each Monthly Report;

(f) the Risk Retention Letter;

(g) each Payment Date Report;

(h) the Issuer Corporate Services Agreement; and

(i) each Hedge Agreement.

Enforceability of Judgments

The Issuer is a private limited company incorporated under the laws of Ireland. None of the Directors are residents of the United States, and all or a substantial portion of the assets of the Issuer and such persons are located outside of the United States. As a result, it may not be possible for investors to effect service

of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon civil liability provisions of the securities laws of the United States or any State or territory within the United States.

Foreign Language

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

INDEX OF DEFINED TERMS

ANNEX A

FORM OF ERISA CERTIFICATE

The purpose of this ERISA Certificate (this "**Certificate**") is, among other things, to (i) endeavour to ensure that less than 25 per cent. of the total value of the [Class E Notes] [Class F Notes] [Subordinated Notes] (determined separately by class) issued by Adagio IV CLO Limited (the "**Issuer**") is held by (a) an employee benefit plan that is subject to the fiduciary responsibility provisions of Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), (b) a plan to which Section 4975 of the Internal Revenue Code of 1986 (the "**Code**") applies or (c) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in the entity (collectively, "**Benefit Plan Investors**"), (ii) obtain from you certain representations and agreements and (iii) provide you with certain related information with respect to your acquisition, holding or disposition of [Class E Notes] [Class F Notes] [Subordinated Notes]. By signing this Certificate, you agree to be bound by its terms.

Please be aware that the information contained in this Certificate is not intended to constitute advice and the examples given below are not intended to be, and are not, comprehensive. You should contact your own counsel if you have any questions in completing this Certificate. Capitalised terms not defined in this Certificate shall have the meanings ascribed to them in the Trust Deed.

By checking a box, you are representing, warranting and agreeing as to your status for so long as you hold a Note or interest therein.

If a box is not checked, you are representing and agreeing that the applicable Section does not, and will not, apply to you.

1. ☐ **Employee Benefit Plans Subject to ERISA or the Code**. We, or the entity on whose behalf we are acting, are an "employee benefit plan" within the meaning of Section 3(3) of ERISA that is subject to the fiduciary responsibility provisions of Title I of ERISA or a "plan" within the meaning of Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code.

   Examples: (i) tax qualified retirement plans such as pension, profit sharing and section 401(k) plans, (ii) welfare benefit plans such as accident, life and medical plans, (iii) individual retirement accounts or "IRAs" and "Keogh" plans and (iv) certain tax-qualified educational and savings trusts.

2. ☐ **Entity Holding Plan Assets**. We, or the entity on whose behalf we are acting, are an entity or fund whose underlying assets include "plan assets" by reason of a Benefit Plan Investor's investment in such entity.

   Examples: (i) an insurance company separate account, (ii) a bank collective trust fund and (iii) a hedge fund or other private investment vehicle where 25 per cent. or more of the value of any class of its equity is held by Benefit Plan Investors.

   If you check Box 2, please indicate the maximum percentage of the entity or fund that will constitute "plan assets" for purposes of Title I of ERISA or Section 4975 of the Code: _____ per cent.

   AN ENTITY OR FUND THAT CANNOT PROVIDE THE FOREGOING PERCENTAGE HEREBY ACKNOWLEDGES THAT FOR PURPOSES OF DETERMINING WHETHER BENEFIT PLAN INVESTORS OWN LESS THAN 25 PER CENT. OF THE TOTAL VALUE OF [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES], 100 PER CENT. OF THE ASSETS OF THE ENTITY OR FUND WILL BE TREATED AS "PLAN ASSETS".

   ERISA and the regulations promulgated thereunder are technical. Accordingly, if you have any questions regarding whether you may be an entity described in this Section 2, you should consult with your counsel.

3. ☐ **Insurance Company General Account**. We, or the entity on whose behalf we are acting, are an insurance company purchasing the [Class E Notes] [Class F Notes] [Subordinated Notes] with funds from our or their general account (i.e., the insurance company's corporate investment portfolio), whose assets, in whole or in part, constitute "plan assets" under Section 401(a) of ERISA for purposes of 29 C.F.R. Section 2510.3-101 as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**").

If you check Box 3, please indicate the maximum percentage of the insurance company general account that will constitute "plan assets" under Section 401(a) of ERISA for purposes of conducting the 25 per cent. test under the Plan Asset Regulations: ____ per cent. **IF YOU DO NOT INCLUDE ANY PERCENTAGE IN THE BLANK SPACE, YOU WILL BE COUNTED AS IF YOU FILLED IN 100 PER CENT. IN THE BLANK SPACE.**

4. ☐ **None of Sections (1) Through (3) Above Apply**. We, or the entity on whose behalf we are acting, are a person that does not fall into any of the categories described in Sections (1) to (3) above. If, after the date hereof, any of the categories described in Sections (1) to (3) above would apply, we will promptly notify the Issuer of such change.

5. **No Prohibited Transaction**. If we checked any of the boxes in Sections (1) to (3) above, we represent, warrant and agree that our acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes] or interest therein do not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

6. **Not Subject to Similar Law and No Violation of Other Plan Law**. If we are a governmental, church, non-U.S. or other plan, we represent, warrant and agree that (a) we are not subject to any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer and the Investment Manager (or other persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code, and (b) our acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes] or interest therein do not and will not constitute or result in a non-exempt violation of any law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code.

7. ☐ **Controlling Person**. We are, or we are acting on behalf of any of: (i) the Investment Manager, (ii) any person that has discretionary authority or control with respect to the assets of the Issuer, (iii) any person who provides investment advice for a fee (direct or indirect) with respect to such assets or (iv) any "affiliate" of any of the above persons. "**Affiliate**" shall have the meaning set forth in the Plan Asset Regulations. Any of the persons described in the first sentence of this Section 7 is referred to in this Certificate as a "Controlling Person."

Note: We understand that, for purposes of determining whether Benefit Plan Investors hold less than 25 per cent. of the value of the [Class E Notes] [Class F Notes] [Subordinated Notes], the [Class E Notes] [Class F Notes] [Subordinated Notes] held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

Compelled Disposition. We acknowledge and agree that:

(i) if any representation that we made hereunder is subsequently shown to be false or misleading or our beneficial ownership otherwise causes a violation of the 25 per cent. Limitation, the Issuer shall, promptly after such discovery, send notice to us demanding that we transfer our interest to a person that is not a Non-Permitted ERISA Holder within [ten] calendar days after the date of such notice;

(ii) if we fail to transfer our [Class E Notes] [Class F Notes] [Subordinated Notes], the Issuer shall have the right, without further notice to us, to sell our [Class E Notes] [Class F Notes] [Subordinated Notes] or our interest in the [Class E Notes] [Class F Notes] [Subordinated Notes] to a purchaser 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 [Class E Notes] [Class F Notes] [Subordinated Notes] and selling such securities to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion;

(iv) by our acceptance of an interest in the [Class E Notes] [Class F Notes] [Subordinated Notes], we agree to cooperate with the Issuer to effect such transfers;

(v) the proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to us; and

(vi) the terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to us as a result of any such sale or the exercise of such discretion.

8. **Continuing Representation; Reliance**. We acknowledge and agree that the representations, warranties and agreements contained in this Certificate shall be deemed made on each day from the date we make such representations, warranties and agreements through and including the date on which we dispose of our interests in the [Class E Notes] [Class F Notes] [Subordinated Notes]. We understand and agree that the information supplied in this Certificate will be used and relied upon by the Issuer to determine that Benefit Plan Investors own or hold less than 25 per cent. of the total value of the [Class E Notes] [Class F Notes] [Subordinated Notes] upon any subsequent transfer of the [Class E Notes] [Class F Notes] [Subordinated Notes] in accordance with the Trust Deed.

9. **Further Acknowledgement and Agreement**. We acknowledge and agree that (i) all of the representations, warranties and assurances contained in this Certificate are for the benefit of the Issuer, the Trustee, J.P. Morgan Securities plc and the Investment Manager as third party beneficiaries hereof, (ii) copies of this Certificate and any information contained herein may be provided to the Issuer, the Trustee, J.P. Morgan Securities plc, the Investment Manager, affiliates of any of the foregoing parties and to each of the foregoing parties' respective counsel for purposes of making the determinations described above and (iii) any acquisition or transfer of [Class E Notes] [Class F Notes] [Subordinated Notes] by us that is not in accordance with the provisions of this Certificate shall be null and void from the beginning, and of no legal effect.

10. **Future Transfer Requirements**.

Transferee Letter and its Delivery. We acknowledge and agree that we may not transfer any [Class E Notes] [Class F Notes] [Subordinated Notes] to any person unless the Issuer has received a certificate substantially in the form of this Certificate. Any attempt to transfer in violation of this section will be null and void from the beginning, and of no legal effect.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate.

_____ [Insert Purchaser's Name]
By:
Name:
Title:
Dated:

This Certificate relates to EUR_____ of [Class E Notes] [Class F Notes] [Subordinated Notes]

Based upon the representations and certifications contained herein, the Issuer by countersigning this certificate, hereby consents to the purchase by [Insert Purchaser's Name] of EUR _____ of [Class E Notes] [Class F Notes] [Subordinated Notes].

_____
By:
Name:
Title:
Dated:

ADAGIO IV CLO LIMITED

ANNEX B

MOODY'S RECOVERY RATES

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

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

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

Number of Moody's Ratings Sub-categories Difference Between the Moody's Rating and the Moody's Default Probability Rating	Moody's Secured Senior Loans	Secured Senior Bonds; Second Lien Loans; Mezzanine Obligations*	All other Collateral Debt Obligations
+2 or more	60%	55%	45%
+1	50%	45%	35%
0	45%	35%	30%
-1	40%	25%	25%
-2	30%	15%	15%
-3 or less	20%	5%	5%

(c) if the Collateral Debt Obligation is a Corporate Rescue Loan (other than a Corporate Rescue Loan which has been specifically assigned a recovery rate by Moody's), 50 per cent.

* If such Collateral Debt Obligation is publicly rated by Moody's and does not have both a CFR and an Assigned Moody's Rating, such Collateral Debt Obligation will be deemed to be an Unsecured Senior Obligation or High-Yield Bond for purposes of this table.

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United States

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TRUSTEE

BNY Mellon Corporate Trustee Services Limited
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London
E14 5AL

REGISTRAR and TRANSFER AGENT

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L-2453 Luxembourg

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IRISH LISTING AGENT

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Earlsfort Centre
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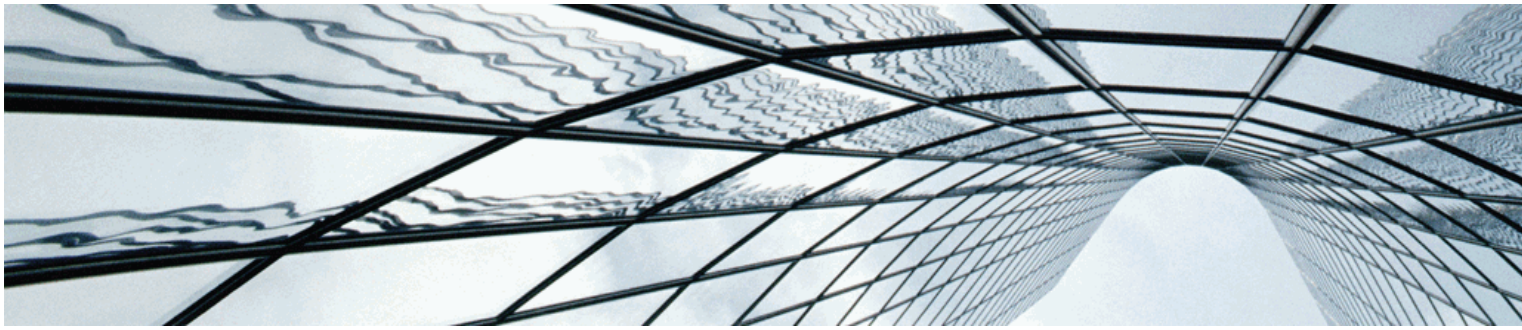
ANNEX B
MONTHLY REPORT



Investor Report

Adagio IV CLO Limited

Client Services Manag

THE BANK OF NEW YORK MELLON

Table of Contents

Adagio IV CLO Limited **20-Sep-2017 12:00:00AM**

Compliance Tests

Adagio IV CLO Limited 20-Sep-2017

Test Name	Maximum/Minimum
Collateral Quality	
Fitch Maximum Weighted Average Rating Factor Test	Maximum
Fitch Minimum Weighted Average Recovery Rate Test	Minimum
Maximum Weighted Average Life Test	Maximum
Minimum Weighted Average Fixed Coupon Test	Minimum
Minimum Weighted Average Spread Test	
Moody's Maximum Weighted Average Rating Factor Test	Maximum
Moody's Minimum Diversity Test	Minimum
Moody's Minimum Weighted Average Recovery Rate Test	Minimum
Coverage Tests	
Class A/B Interest Coverage Test	Minimum
Class A/B Par Value Test	Minimum
Class C Interest Coverage Test	Minimum
Class C Par Value Test	Minimum
Class D Interest Coverage Test	Minimum
Class D Par Value Test	Minimum
Class E Interest Coverage Test	Minimum
Class E Par Value Test	Minimum
Class F Par Value Test	Minimum
Reinvestment Overcollateralisation Test	Minimum
Frequency Switch Event	
Class A/B Interest Coverage Test for Frequency Switch Event determination	Minimum
Collateral Debt Obligations that reset so as to become Semi-Annual Obligations in the previous Due Period	Maximum
Portfolio Profile Test	
(a) Senior Secured Loans & Bonds	Minimum
(b) Senior Secured Loans	Minimum
(c) Unsecured Senior Obligations, Mezzanine Obligations, Second Lien Loans and High Yield Bonds	Maximum
(d) Highest Single Obligor	Maximum
(d-ii) 6th Highest Single Obligor - No Longer required per the OC	Maximum
(e) Highest Single Obligor of Secured Senior Loans and Bonds	Maximum
(e-ii) 6th Highest Single Obligor of Secured Senior Loans and Bonds - No Longer required per the OC	Maximum
(f-i) Highest Single Obligor - Unsecured Senior Obligations, Mezzanine Obligations, Second Lien Loans and High Yield Bonds	Maximum

Compliance Tests

Adagio IV CLO Limited 20-Sep-2017

Test Name	Maximum/Minimum
(f-ii) 4th Highest Single Obligor - Unsecured Senior Obligations, Mezzanine Obligations, Second Lien Loans and High Yield Bonds	Maximum
(g) Participations	Maximum
(h) CCC Obligations - Fitch	Maximum
(i) Caa Obligations - Moody	Maximum
(j) Fixed Rate Collateral Debt Obligations	Maximum
(k) Current Pay Obligations	Maximum
(l) Revolving Obligations and/or Delayed Drawdown Collateral Obligations	Maximum
(m-i) Corporate Rescue Loans	Maximum
(m-ii) Highest Single Obligor of Corporate Rescue Loans	Maximum
(n-i) PIK Securities that are Restructured	Maximum
(o) Cov-Lite Loans	Maximum
(p) Obligors - Domiciled in country rated below A- By Fitch	Maximum
(q-i) Obligors - Domiciled in country rated below Aa3 By Moody	Maximum
(q-ii) Obligors - Domiciled in country rated below A3 By Moody	Maximum
(q-iii) Obligors - Domiciled in country rated below Baa3 By Moody	Maximum
(r-i) Top Fitch Industry Classification	Maximum
(r-ii) Top 3 Fitch Industry Classifications	Maximum
(s-i) Top Moody's Industry Classification	Maximum
(s-ii) Top 3 Moody's Industry Classifications	Maximum
(t)(i) Fitch Individual Third Party Credit Exposure Rated AAA	Maximum
(t)(i)(i) Fitch Aggregate Third Party Credit Exposure Rated AAA or Lower	Maximum
(t)(i)(ii) Fitch Aggregate Third Party Credit Exposure Rated AA+ or Lower	Maximum
(t)(i)(ii) Fitch Individual Third Party Credit Exposure Rated AA+	Maximum
(t)(i)(iii) Fitch Aggregate Third Party Credit Exposure Rated AA or Lower	Maximum
(t)(i)(iii) Fitch Individual Third Party Credit Exposure Rated AA	Maximum
(t)(i)(iv) Fitch Aggregate Third Party Credit Exposure Rated AA- or Lower	Maximum
(t)(i)(iv) Fitch Individual Third Party Credit Exposure Rated AA-	Maximum
(t)(i)(v) Fitch Aggregate Third Party Credit Exposure Rated A+ or Lower	Maximum
(t)(i)(v) Fitch Individual Third Party Credit Exposure Rated A+	Maximum
(t)(i)(vi) Fitch Aggregate Third Party Credit Exposure Rated A or Lower	Maximum
(t)(i)(vi) Fitch Individual Third Party Credit Exposure Rated A	Maximum
(t)(i)(vii) Fitch Aggregate Third Party Credit Exposure Rated A- or Lower	Equivalent
(t)(i)(vii) Fitch Individual Third Party Credit Exposure Rated A-	Equivalent
(t)(ii)(i) Moody Individual Third Party Credit Exposure Rated Aaa	Maximum

Compliance Tests

Adagio IV CLO Limited 20-Sep-2017

Test Name	Maximum/Minimum
(t)(ii)(i) Moody's Aggregate Third Party Credit Exposure Rated Aaa or Lower	Maximum
(t)(ii)(ii) Moody Aggregate Third Party Credit Exposure Rated Aa1 or Lower	Maximum
(t)(ii)(ii) Moody Individual Third Party Credit Exposure Rated Aa1	Maximum
(t)(ii)(iii) Moody Aggregate Third Party Credit Exposure Rated Aa2 or Lower	Maximum
(t)(ii)(iii) Moody Individual Third Party Credit Exposure Rated Aa2	Maximum
(t)(ii)(iv) Moody Aggregate Third Party Credit Exposure Rated Aa3 or Lower	Maximum
(t)(ii)(iv) Moody Individual Third Party Credit Exposure Rated Aa3	Maximum
(t)(ii)(v) Moody Aggregate Third Party Credit Exposure Rated A1 or Lower	Maximum
(t)(ii)(v) Moody Individual Third Party Credit Exposure Rated A1	Maximum
(t)(ii)(vi) Moody Aggregate Third Party Credit Exposure Rated A2 or Lower	Maximum
(t)(ii)(vi) Moody Aggregate Third Party Credit Exposure rated A2/P1	Maximum
(t)(ii)(vi) Moody Individual Third Party Credit Exposure Rated A2	Maximum
(t)(ii)(vi) Moody Individual Third Party Credit Exposure rated A2/P1	Maximum
(t)(ii)(vii) Moody Aggregate Third Party Credit Exposure rated A2 and not short term rating of P-1 or lower	Maximum
(t)(ii)(vii) Moody Individual Third Party Credit Exposure rated A2 and not short term rating of P-1 or lower	Maximum
(u) Obligations whose Moody's Rating is derived from an S&P Rating	Maximum
(v) Non-Euro Obligations	Maximum
(w) Bridge Loans	Maximum
(x) Aggregate Collateral Balance of Obligations issued by Obligors with total potential indebtedness < 200m	Maximum

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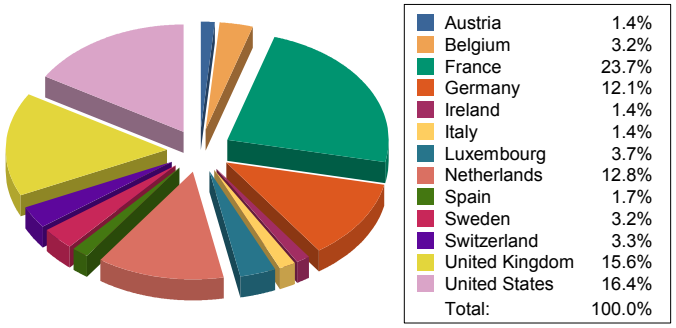
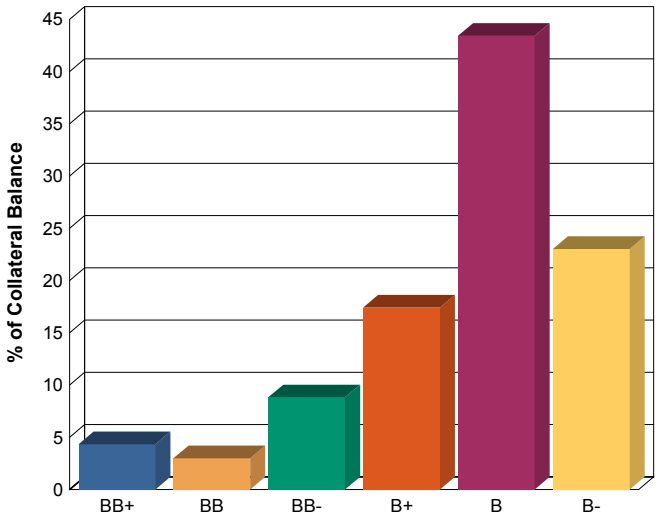
22. Statistical Summary

Adagio IV CLO Limited 20-Sep-2017

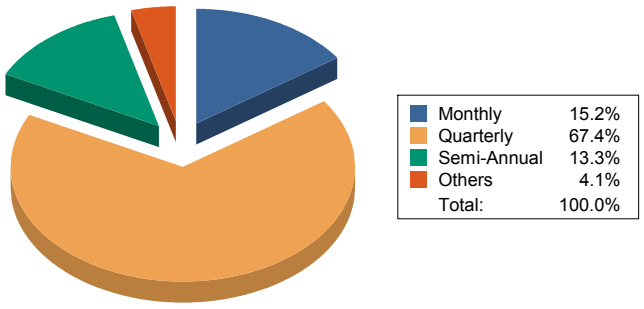
Collateral Amount by Country of Operation



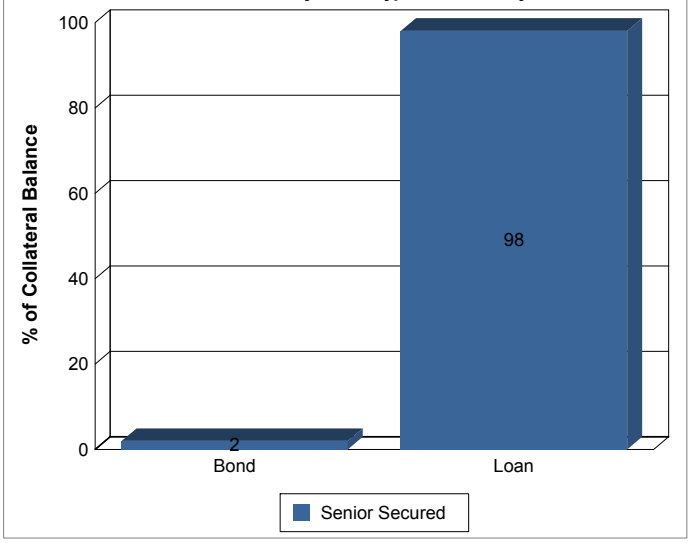
Fitch Rating Distribution



Payment Frequency Distribution



Notional Distribution by Asset Type and Security Level



Account Summary

Adagio IV CLO Limited 20-Sep-2017

Account Name	Account Number	Opening Traded Balance	Closing Traded Balance
General			
ADAGIO IV CLO FIRST PERIOD RESERVE ACC - EUR	5214099788	0.00	0.00
ADAGIO IV CLO LIMITED CSH - EUR	5214099780	0.00	0.00
ADAGIO IV CLO LIMITED CSH - USD	5214098400	0.18	0.18
ADAGIO IV CLO LIMITED CUSTODIAL ACC - EUR	5912259780	0.00	0.00
ADAGIO IV CLO LTD CASH ACCOUNTS CSH 1 - EUR	7310329783	0.00	0.00
ADAGIO IV CLO LTD CASH ACCOUNTS CSH 2 - EUR	7310329782	0.00	0.00
ADAGIO IV CLO LTD CASH ACCOUNTS CSH 3 - EUR	7310329780	0.00	0.00
ADAGIO IV CLO LTD CASH ACCOUNTS CSH - EUR	7310329781	0.00	0.00
ADAGIO IVCLO CNTYDOWNGRDCOLACC JPM - EUR	4474329780	0.00	0.00
ADAGIO IVCLO CNTYDOWNGRDCOLACC JPM - GBP	4474328260	0.00	0.00
ADAGIO IVCLO CNTYDOWNGRDCOLACC JPM - USD	4474328400	0.00	0.00
ADAGIO IVCLO ESCROW ACCOUNT - EUR	5214099784	1.88	1.88
ADAGIO IVCLO EXPENSE RESERVE ACC - EUR	5214099787	0.00	0.00
ADAGIO IVCLO INTEREST SMOOTHING ACC - EUR	5214099789	0.00	0.00
ADAGIO IVCLO MV CURE DEPOSIT ACCOUNT - EUR	5214099783	0.00	0.00
ADAGIO IVCLO PAYMENT ACC - EUR	5214099786	0.00	0.00
Interest			
ADAGIO IV CLO LIMITED CSH INTEREST - USD	5214098401	0.00	0.00
ADAGIO IV CLO LIMITED INTEREST- GBP	5214098261	12,214.63	12,214.63
ADAGIO IVCLO INTEREST COLLECTION ACCOUNT - EUR	5214099781	45,392.43	35,245.24
ADAGIO IVCLO EUR STIF INTEREST A/C	5214099781I	1,204,688.34	1,770,271.87
Principal			
ADAGIO IV CLO LIMITED CSH PRINCIPAL - USD	5214098402	0.00	0.00
ADAGIO IV CLO LIMITED PRINCIPAL - GBP	5214098260	0.00	0.00
ADAGIO IVCLO EUR STIF PRINCIPAL A/C	5214099782P	6,040,980.08	9,400,128.87
ADAGIO IVCLO Limited EUR UNUSED PROCEEDS STIF A/C	5214099785P	0.00	0.00
ADAGIO IVCLO PRINCIPAL COLLECTION ACCOUNT - EUR	5214099782	(3,146,668.23)	10,505.58
ADAGIO IVCLO UNUSED PROCEEDS ACC - EUR	5214099785	0.00	0.01

Notes and Asset Summary Information

Adagio IV CLO Limited 20-Sep-2017

Class	Balance (EUR)	All-In Rate	Spread	Interest (EUR)
Class A1 Senior Secured Floating Rate Notes	200,500,000.00	1.3500%	1.3500%	684,206.25
Class A2 Senior Secured Fixed Rate Notes	5,000,000.00	1.7400%	1.7400%	21,508.33
Class B1 Senior Secured Floating Rate Notes	39,200,000.00	2.1500%	2.1500%	213,041.11
Class B2 Senior Secured Fixed Rate Notes	7,000,000.00	2.7400%	2.7400%	47,417.22
Class C Deferrable Mezzanine Floating Rate Notes	18,000,000.00	2.9000%	2.9000%	131,950.00
Class D Deferrable Mezzanine Floating Rate Notes	18,600,000.00	3.5500%	3.5500%	166,909.17
Class E Deferrable Junior Floating Rate Notes	25,200,000.00	5.3500%	5.3500%	340,795.00
Class F Deferrable Junior Floating Rate Notes	11,700,000.00	6.6500%	6.6500%	196,673.75
Subordinated Notes	37,100,000.00	0.0000%	0.0000%	Residual
	362,300,000.00			**1,802,500.83**

EURIBOR Rate	**-0.0032%**
Previous Payment Date	**17-Jul-2017**
Next Payment Date	**16-Oct-2017**

Assets Summary (EUR)

Senior Secured Loans	339,401,746.03
Senior Unsecured Loans	3,000,000.00
Senior Secured Bonds	6,750,000.00
Senior Unsecured Bonds	0.00
Other Obligations (Non-Loan, Non-Bond)	0.00
Collateral Value of Defaulted Obligations	0.00
Total CDO Par Amount	349,151,746.03
Total Cash	2,681,747.87
TOTAL:	351,833,493.90

Test Type

Collateral Quality

Coverage Tests

Frequency Switch Event

Portfolio Profile Test

Asset Information I

Adagio IV CLO Limited 20-Sep-2017

Issuer Name	Asset	LXID / ISIN	Rate Option	Payment Frequency	Maturity Date	Net Spread	Euribor Floor	Seniorit
1908 Acquisition BV	Facility B	LX139672	Float	Semi-Annual	27-Sep-2021	4.00%	100.00%	Senior Se
ACTA Holding BV	Term Loan B	LX145013	Float	Quarterly	09-Jun-2022	4.75%	100.00%	Senior Se
AI Robin Finco Limited	First Lien Term Loan B	LX165619	Float	Quarterly	03-Jul-2024	4.50%	100.00%	Senior Se
Albea Beauty Holdings SA	Facility B (EUR)	LX162335	Float	Semi-Annual	22-Apr-2024	4.00%	100.00%	Senior Se
Allnex SARL	Tranche B-1 Term Loan	LX152755	Float	Quarterly	13-Sep-2023	3.25%	100.00%	Senior Se
Alpha Bidco SAS	Facility B1	LX159934	Float	Quarterly	30-Jan-2023	3.50%	100.00%	Senior Se
Alpha BidCo SAS - Dutch Topco	Facility B2	LX160654	Float	Quarterly	30-Jan-2023	3.50%	100.00%	Senior Se
Amaya Gaming Group Inc - Amaya Holdings BV	Initial 2017 Euro Term Loan	LX160897	Float	Quarterly	01-Aug-2021	3.75%	100.00%	Senior Se
Antin Aude Bidco GMBH	First Lien Term B Loan	LX146944	Float	Quarterly	19-Aug-2022	4.75%	100.00%	Senior Se
Archroma Finance Sarl	Term Loan B1 Eur	LX166298	Float	Quarterly	12-Aug-2024	4.00%	100.00%	Senior Se
AS Adventure BV	Facility B	LX143652	Float	Quarterly	14-Apr-2022	5.00%	100.00%	Senior Se
Assystem SA	First Lien Term Loan B	LX165539	Float	Quarterly	12-Jul-2024	4.75%	100.00%	Senior Se
Auris Luxembourg III SARL	Facility B6	LX160224	Float	Quarterly	17-Jan-2022	3.50%	100.00%	Senior Se
Axalta Coating Systems US Holdings Inc	Term B-1 Euro Loan	LX134952	Float	Quarterly	01-Feb-2023	2.25%	0.75%	Senior Se
Azelis Finance SA	2016 Refinancing Euro Term Loan	LX149550	Float	Quarterly	16-Dec-2022	4.00%	1.00%	Senior Se
Baring Private Equity Asia VI Holding (1) Limited - Stiphout Finance BV	First Lien Initial Euro Term Loan	LX146618	Float	Quarterly	26-Oct-2022	3.00%	1.00%	Senior Se
BMC Software Finance Inc	Initial B-1 Foreign Euro Term Loans	LX162466	Float	Quarterly	12-Sep-2022	4.50%	100.00%	Senior Se
Cab & Bio Lam LCD	Facility B	LX164386	Float	Quarterly	14-Jun-2024	3.50%	100.00%	Senior Se
CDS Holdco III BV	Facility B Commitment	LX145356	Float	Monthly	30-Jun-2021	3.25%	100.00%	Senior Se
Ceva Sante Animale	Facility B2	LX135736	Float	Quarterly	30-Jun-2021	3.00%	0.75%	Senior Se
Claudius Finance SARL	Facility B5	LX162213	Float	Quarterly	16-Sep-2023	4.00%	100.00%	Senior Se
Claudius Finance SARL	Facility B6	LX162214	Float	Quarterly	16-Sep-2023	3.50%	100.00%	Senior Se
Colouroz Investment 1 GMBH	New First Lien Initial Term Loan	LX136879	Float	Quarterly	07-Sep-2021	3.00%	0.75%	Senior Se
Colouroz Investment 1 GMBH	Second Lien Initial Euro Term Loan	LX136884	Float	Quarterly	06-Sep-2022	7.25%	1.00%	Senior Se
Colouroz Investmnet 1 Gmbh	Euro Term B4	LX149864	Float	Quarterly	07-Sep-2021	3.00%	100.00%	Senior Se
Comete Holding	Term B Facility	LX156801	Float	Quarterly	29-Jul-2022	4.50%	100.00%	Senior Se
Constantia Flexibles Gmbh	Facility B1A (EUR)	LX143296	Float	Quarterly	30-Apr-2022	3.00%	1.00%	Senior Se
Constantia Flexibles Gmbh	Facility B2A (EUR)	LX143893	Float	Quarterly	30-Apr-2022	3.00%	1.00%	Senior Se
Coty Inc	New Term B-1 Euro Loan	LX155917	Float	Monthly	27-Oct-2022	2.75%	100.00%	Senior Se
Delachaux S.A. - Railtech International S.A.	Facility B1	LX141055	Float	Quarterly	28-Oct-2021	3.75%	100.00%	Senior Se
Delachaux S.A. - Sodelho S.A.	Incremental Term Loan B-1	LX141055	Float	Quarterly	28-Oct-2021	3.75%	100.00%	Senior Se
Diaverum Sarl	Facility B	LX164119	Float	Bi-monthly	10-Jun-2024	3.25%	100.00%	Senior Se
Diebold Nixdorf Incorporated	New Euro Term B Loan	LX162900	Float	Quarterly	06-Nov-2023	3.00%	100.00%	Senior Se
Dorna Sports SL	B2 Euro Term Loan	LX161739	Float	Semi-Annual	12-Apr-2024	3.25%	100.00%	Senior Se
Eagle Eschborn GmbH	Facility B	LX161040	Float	Quarterly	19-Jul-2024	3.25%	100.00%	Senior Se
Eircom Finco S.a.r.l	2017 Term Loan B	LX161434	Float	Monthly	19-Apr-2024	3.25%	100.00%	Senior Se
Elsan SAS	Facility B2	LX146849	Float	Monthly	31-Oct-2022	3.75%	100.00%	Senior Se
Equinix Inc	Term B-2 Commitment	LX168018	Float	Quarterly	05-Jan-2024	2.50%	100.00%	Senior Se
EUSKALTEL SA	Term Loan B3	LX148798	Float	Quarterly	28-Nov-2022	3.75%	100.00%	Senior Se

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Issuer Name	Asset	LXID / ISIN	Rate Option	Payment Frequency	Maturity Date	Net Spread	Euribor Floor	Seniorit
Financiere Lully C - Lully Finance Sarl	Term B-4 Loan	LX157357	Float	Monthly	14-Oct-2022	3.75%	100.00%	Senior Se
Financiere Storage SAS	Facility B	LX166536	Float	Quarterly	25-Jul-2024	3.75%	100.00%	Senior Se
Financiere Sun SAS	Term Loan B	LX160115	Float	Quarterly	14-Mar-2022	4.00%	100.00%	Senior Se
Financiere Verdi I SAS	New Facility B	LX160780	Float	Quarterly	21-Jul-2023	3.50%	100.00%	Senior Se
Flamingo LUX II	Senior Facility B	LX153737	Float	Quarterly	07-Sep-2023	3.50%	100.00%	Senior Se
Fugue Finance B. V.	Initial Euro Term Loan	LX165624	Float		02-Sep-2024	3.25%	100.00%	Senior Se
Gates Global LLC	Initial B-1 Euro Term Loan	LX161939	Float	Quarterly	01-Apr-2024	3.50%	100.00%	Senior Se
Global Blue Acquisition BV	Facility D	LX160394	Float	Monthly	12-Dec-2022	3.25%	1.00%	Senior Se
Greenbird Holding B V	Facility B	LX145274	Float	Quarterly	09-Apr-2021	3.50%	100.00%	Senior Se
Greenrock Midco Limited	Initial Euro Term Loan B	LX164898	Float	Monthly	28-Jun-2024	3.25%	100.00%	Senior Se
GVC Holdings Plc	Facility B	LX161094	Float	Quarterly	02-Mar-2023	3.25%	100.00%	Senior Se
HNVR Holdco Limited	Facility B	LX152965	Float	Quarterly	12-Sep-2023	5.00%	100.00%	Senior Se
Horizon Holdings II SAS	Facility B4	LX164316	Float	Semi-Annual	28-Oct-2022	2.75%	100.00%	Senior Se
HRA Pharma	First Lien Term Loan	LX167460	Float	Quarterly	31-Jul-2024	3.75%	100.00%	Senior Se
Ineos Finance PLC	New 2022 Euro Term Loan	LX160309	Float	Bi-monthly	31-Mar-2022	2.50%	7.50%	Senior Se
Informatica Corporation	Euro Term Loan	LX144873	Float	Quarterly	05-Aug-2022	3.50%	1.00%	Senior Se
Inovyn Finance PLC	2024 Tranche B Euro Term Loan	LX162963	Float	Quarterly	10-May-2024	3.00%	100.00%	Senior Se
Intervias Finco Ltd	Facility D2	LX163533	Float	Quarterly	30-Jan-2023	4.00%	100.00%	Senior Se
Jade Germany GmbH	Initial Euro Term Loan	LX162763	Float	Quarterly	31-May-2023	4.75%	100.00%	Senior Se
Keter Group BV	Facility B1	LX155222	Float	Quarterly	31-Oct-2023	4.25%	1.00%	Senior Se
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B1	LX159199	Float	Quarterly	12-Aug-2022	3.50%	100.00%	Senior Se
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B2	LX160534	Float	Quarterly	12-Aug-2022	3.50%	100.00%	Senior Se
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B3	LX160535	Float	Quarterly	12-Aug-2022	3.50%	100.00%	Senior Se
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B4	LX160536	Float	Quarterly	12-Aug-2022	3.50%	100.00%	Senior Se
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B5	LX160537	Float	Quarterly	12-Aug-2022	3.50%	100.00%	Senior Se
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B6	LX160538	Float	Quarterly	12-Aug-2022	3.50%	100.00%	Senior Se
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B7	LX160539	Float	Quarterly	12-Aug-2022	3.50%	100.00%	Senior Se
MacDermid Agricultural Solutions Holdings BV	Euro Tranche C-5 Term Loan	LX162203	Float	Monthly	07-Jun-2023	2.75%	100.00%	Senior Se
Macdermid Funding LLC	Euro Tranche C-4 Term Loan	LX157015	Float	Monthly	07-Jun-2020	3.25%	1.00%	Senior Se
Misys Limited	First Lien Euro Term Loan	LX163229	Float	Quarterly	13-Jun-2024	3.25%	100.00%	Senior Se
NEP Europe Finco BV	Euro Term Loan (First Lien)	LX157878	Float	Quarterly	03-Jan-2024	3.50%	1.00%	Senior Se
NetInvest Limited	Facility A	LX145741	Float	Monthly	10-Aug-2020	2.75%	100.00%	Senior Se
NetInvest Limited	Facility B	LX145020	Float	Quarterly	10-Aug-2022	3.75%	100.00%	Senior Se
New Look Secured Issuer	Float - 07/2022	XS1248517341	Float	Quarterly	01-Jul-2022	4.50%	100.00%	Senior Se
NewCo Sab Bidco	Facility B	LX161320	Float	Quarterly	22-Apr-2024	3.00%	100.00%	Senior Se
Nomad Foods Europe Midco Limited	Facility B1 Loan	LX162902	Float	Monthly	15-May-2024	3.00%	100.00%	Senior Se
Novacap Group Bidco	Facility B	LX166914	Float	Quarterly	22-Jun-2023	3.50%	100.00%	Senior Se
Oberthur Technologies SA	Facility B1 - Euro	LX157594	Float	Quarterly	10-Jan-2024	3.75%	100.00%	Senior Se
Oberthur Technologies SA	Facility B2 - Euro	LX158095	Float	Quarterly	10-Jan-2024	3.75%	100.00%	Senior Se
Obol France 3 SAS	Facility B	LX161834	Float	Semi-Annual	11-Apr-2023	3.75%	100.00%	Senior Se

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Issuer Name	Asset	LXID / ISIN	Rate Option	Payment Frequency	Maturity Date	Net Spread	Euribor Floor	Seniorit
Onex Eagle Acquisition Company Limited	Facility B Tranche 2 Loan	LX143312	Float	Quarterly	12-Mar-2022	4.25%	100.00%	Senior Se
Peer Holdings BV	Facility B	LX150838	Float	Quarterly	25-Feb-2022	3.25%	100.00%	Senior Se
PlusServer GmbH	Term Loan	LX167687	Float	Quarterly	13-Sep-2024	3.75%	100.00%	Senior Se
PQ Corporation	Second Amendment Tranche B-2 Term Loans	LX167801	Float	Quarterly	04-Nov-2022	3.25%	100.00%	Senior Se
Quintiles IMS Incorporated	TERM B-1 EUR	LX160895	Float	Monthly	07-Mar-2024	2.00%	7.50%	Senior Se
R&R Ice Cream PLC	Facility B1	LX154933	Float	Monthly	29-Sep-2023	3.00%	100.00%	Senior Se
Redtop Acquisitions Limited	Initial Euro Term Loan (First Lien)	LX133726	Float	Quarterly	03-Dec-2020	3.00%	1.00%	Senior Se
SFR Group SA	Refinancing Term Loan B11	LX162008	Float	Quarterly	31-Jul-2025	3.00%	100.00%	Senior Se
Shilton Bidco Limited	Facility B1	LX166008	Float	Quarterly	13-Jul-2024	3.25%	100.00%	Senior Se
SIG Combibloc PurchaseCo Sarl	Initial Euro Term Loan	LX143111	Float	Monthly	11-Mar-2022	3.75%	100.00%	Senior Se
Sitel Worldwide Corporation	First Lien Euro Term B-2 Loan	LX147442	Float	Quarterly	17-Sep-2021	5.50%	1.00%	Senior Se
Solenis International LP	Tranche C Term Loan	LX152444	Float	Quarterly	31-Jul-2021	4.00%	1.00%	Senior Se
Solera LLC	Euro Term Loan	LX151195	Float	Quarterly	03-Mar-2023	3.00%	100.00%	Senior Se
Soppa Holdings Sarl	First Lien Facility B	LX139700	Float	Quarterly	29-Dec-2023	3.75%	100.00%	Senior Se
Springer Science & Business Media Deutschland GMBH	Initial B11 Term Loan	LX161998	Float	Quarterly	14-Aug-2020	3.25%	0.50%	Senior Se
SWISSPORT FINANCING S.A R.L.	New Euro Term Loan	LX167747	Float	Quarterly	09-Feb-2022	3.75%	100.00%	Senior Se
Synlab Bondco Plc	Float 3.5% - 07/2022	XS1516322200	Float	Quarterly	01-Jul-2022	3.50%	100.00%	Senior Se
Synlab Bondco Plc	Term Loan	LX168426	Float	Quarterly	12-Jul-2022	3.25%	100.00%	Senior Se
Tackle Sarl	New Facility B	LX161574	Float	Quarterly	08-Aug-2022	3.50%	100.00%	Senior Se
Techem Gmbh	Term Loan B	LX167234	Float		02-Oct-2024	3.00%	100.00%	Senior Se
Technicolor S.A.	First Incremental Euro Term Loan	LX162153	Float	Quarterly	06-Dec-2023	3.00%	100.00%	Senior Se
Technicolor S.A.	Term Loan	LX157075	Float	Quarterly	06-Dec-2023	3.50%	100.00%	Senior Se
Tele Columbus AG	2017 New Facility A	LX162004	Float	Semi-Annual	15-Oct-2024	3.25%	100.00%	Senior Se
Telenet International Finance Sarl	Term Loan AH Facility	LX162328	Float	Quarterly	31-Mar-2026	3.00%	100.00%	Senior Se
Thom Europe	Facility B	LX166774	Float	Quarterly	07-Aug-2024	4.50%	100.00%	Senior Se
TMF Group Holding BV	Facility B	LX162575	Float	Semi-Annual	13-Oct-2023	3.50%	100.00%	Senior Se
Trionista Holdco GMBH - Ista Holding Netherlands BV	Facility B1B3	LX144052	Float	Quarterly	30-Apr-2020	3.00%	100.00%	Senior Se
Trionista Holdco GMBH - Ista International GMBH	Facility B1A3	LX143931	Float	Quarterly	30-Apr-2020	3.00%	100.00%	Senior Se
Trionista Holdco GMBH - Meter Acquisition SAS	Facility B1C3	LX143932	Float	Quarterly	30-Apr-2020	3.00%	100.00%	Senior Se
Trionista Holdco GMBH - VES HOLDING APS	Facility B1E3	LX144054	Float	Quarterly	30-Apr-2020	3.00%	100.00%	Senior Se
Unilabs Diagnostics AB	New Euro Term Loan B2	LX161584	Float	Semi-Annual	19-Apr-2024	3.00%	100.00%	Senior Se
Unit 4 Sweden Holding AB	Facility B1 (EUR)	LX141580	Float	Monthly	17-Mar-2021	4.25%	100.00%	Senior Se
Univar USA Inc	Initial Euro Term Loan	LX145475	Float	Quarterly	01-Jul-2022	3.25%	1.00%	Senior Se
Verisure Holding AB	Facility B1E	LX164262	Float	Semi-Annual	10-Oct-2022	3.00%	100.00%	Senior Se
VWR Funding Inc	Tranche B-2 Term Loan	LX157040	Float	Quarterly	15-Jan-2022	3.00%	100.00%	Senior Se
Watson Bidco BV	Facility B	LX164355	Float	Quarterly	20-May-2024	3.50%	100.00%	Senior Se
Western Digital Corporation	Euro Term Loan B2	LX161282	Float	Monthly	29-Apr-2023	2.00%	100.00%	Senior Se
Wind Telecommunicazioni S.P.A	B1 Term Loan Facility	LX143627	Float	Semi-Annual	26-Nov-2019	4.25%	100.00%	Senior Se
ZF Bidco	Senior Facility B	LX162576	Float	Quarterly	26-Apr-2024	4.00%	100.00%	Senior Se
Ziggo Secured Finance Partnership	Term Loan F	LX159376	Float	Semi-Annual	15-Apr-2025	3.00%	100.00%	Senior Se

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Issuer Name	Asset	LXID / ISIN	Rate Option	Payment Frequency	Maturity Date	Net Spread	Euribor Floor	Seniorit

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Issuer Name	Facility	LXID / ISIN	Restructured	Cov-Lite	Corporate Rescue Loan	PIK Security	Defe Sec
1908 Acquisition BV	Facility B	LX139672	-	-	-	-	
ACTA Holding BV	Term Loan B	LX145013	-	-	-	-	
AI Robin Finco Limited	First Lien Term Loan B	LX165619	-	-	-	-	
Albea Beauty Holdings SA	Facility B (EUR)	LX162335	-	-	-	-	
Allnex SARL	Tranche B-1 Term Loan	LX152755	Yes	-	-	-	
Alpha Bidco SAS	Facility B1	LX159934	Yes	-	-	-	
Alpha BidCo SAS - Dutch Topco	Facility B2	LX160654	Yes	-	-	-	
Amaya Gaming Group Inc - Amaya Holdings BV	Initial 2017 Euro Term Loan	LX160897	Yes	-	-	-	
Antin Aude Bidco GMBH	First Lien Term B Loan	LX146944	-	-	-	-	
Archroma Finance Sarl	Term Loan B1 Eur	LX166298	-	-	-	-	
AS Adventure BV	Facility B	LX143652	-	-	-	-	
Assystem SA	First Lien Term Loan B	LX165539	-	-	-	-	
Auris Luxembourg III SARL	Facility B6	LX160224	Yes	-	-	-	
Axalta Coating Systems US Holdings Inc	Term B-1 Euro Loan	LX134952	Yes	-	-	-	
Azelis Finance SA	2016 Refinancing Euro Term Loan	LX149550	Yes	-	-	-	
Baring Private Equity Asia VI Holding (1) Limited - Stiphout Finance BV	First Lien Initial Euro Term Loan	LX146618	-	Yes	-	-	
BMC Software Finance Inc	Initial B-1 Foreign Euro Term Loans	LX162466	Yes	-	-	-	
Cab & Bio Lam LCD	Facility B	LX164386	-	Yes	-	-	
CDS Holdco III BV	Facility B Commitment	LX145356	Yes	-	-	-	
Ceva Sante Animale	Facility B2	LX135736	Yes	-	-	-	
Claudius Finance SARL	Facility B5	LX162213	Yes	-	-	-	
Claudius Finance SARL	Facility B6	LX162214	Yes	-	-	-	
Colouroz Investment 1 GMBH	New First Lien Initial Term Loan	LX136879	Yes	-	-	-	
Colouroz Investment 1 GMBH	Second Lien Initial Euro Term Loan	LX136884	Yes	-	-	-	
Colouroz Investmnet 1 Gmbh	Euro Term B4	LX149864	Yes	-	-	-	
Comete Holding	Term B Facility	LX156801	-	-	-	-	
Constantia Flexibles Gmbh	Facility B1A (EUR)	LX143296	Yes	-	-	-	
Constantia Flexibles Gmbh	Facility B2A (EUR)	LX143893	Yes	-	-	-	
Coty Inc	New Term B-1 Euro Loan	LX155917	Yes	-	-	-	
Delachaux S.A. - Railtech International S.A.	Facility B1	LX141055	Yes	-	-	-	
Delachaux S.A. - Sodelho S.A.	Incremental Term Loan B-1	LX141055	-	-	-	-	
Diaverum Sarl	Facility B	LX164119	Yes	Yes	-	-	
Diebold Nixdorf Incorporated	New Euro Term B Loan	LX162900	Yes	-	-	-	
Dorna Sports SL	B2 Euro Term Loan	LX161739	Yes	-	-	-	
Eagle Eschborn GmbH	Facility B	LX161040	-	-	-	-	
Eircom Finco S.a.r.l	2017 Term Loan B	LX161434	Yes	-	-	-	
Elsan SAS	Facility B2	LX146849	Yes	-	-	-	
Equinix Inc	Term B-2 Commitment	LX168018	Yes	-	-	-	

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Issuer Name	Facility	LXID / ISIN	Restructured	Cov-Lite	Corporate Rescue Loan	PIK Security	Defe Sec
EUSKALTEL SA	Term Loan B3	LX148798	Yes	-	-	-	
Financiere Lully C - Lully Finance Sarl	Term B-4 Loan	LX157357	Yes	-	-	-	
Financiere Storage SAS	Facility B	LX166536	-	-	-	-	
Financiere Sun SAS	Term Loan B	LX160115	Yes	-	-	-	
Financiere Verdi I SAS	New Facility B	LX160780	Yes	Yes	-	-	
Flamingo LUX II	Senior Facility B	LX153737	-	-	-	-	
Fugue Finance B. V.	Initial Euro Term Loan	LX165624	-	-	-	-	
Gates Global LLC	Initial B-1 Euro Term Loan	LX161939	Yes	-	-	-	
Global Blue Acquisition BV	Facility D	LX160394	Yes	-	-	-	
Greenbird Holding B V	Facility B	LX145274	Yes	-	-	-	
Greenrock Midco Limited	Initial Euro Term Loan B	LX164898	-	-	-	-	
GVC Holdings Plc	Facility B	LX161094	-	-	-	-	
HNVR Holdco Limited	Facility B	LX152965	-	Yes	-	-	
Horizon Holdings II SAS	Facility B4	LX164316	Yes	Yes	-	-	
HRA Pharma	First Lien Term Loan	LX167460	-	-	-	-	
Ineos Finance PLC	New 2022 Euro Term Loan	LX160309	Yes	Yes	-	-	
Informatica Corporation	Euro Term Loan	US009A2R0ZI7	-	-	-	-	
Inovyn Finance PLC	2024 Tranche B Euro Term Loan	LX162963	Yes	-	-	-	
Intervias Finco Ltd	Facility D2	LX163533	Yes	-	-	-	
Jade Germany GmbH	Initial Euro Term Loan	LX162763	-	-	-	-	
Keter Group BV	Facility B1	LX155222	-	-	-	-	
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B1	LX159199	Yes	-	-	-	
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B2	LX160534	Yes	-	-	-	
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B3	LX160535	Yes	-	-	-	
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B4	LX160536	Yes	-	-	-	
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B5	LX160537	Yes	-	-	-	
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B6	LX160538	Yes	-	-	-	
Kirk Beauty One Gmbh - Douglas Gmbh	Facility B7	LX160539	Yes	-	-	-	
MacDermid Agricultural Solutions Holdings BV	Euro Tranche C-5 Term Loan	LX162203	Yes	-	-	-	
Macdermid Funding LLC	Euro Tranche C-4 Term Loan	LX157015	Yes	-	-	-	
Misys Limited	First Lien Euro Term Loan	LX163229	-	-	-	-	
NEP Europe Finco BV	Euro Term Loan (First Lien)	US62908UAH95	-	Yes	-	-	
NetInvest Limited	Facility A	LX145741	-	-	-	-	
NetInvest Limited	Facility B	LX145020	-	-	-	-	
New Look Secured Issuer	Float - 07/2022	XS1248517341	-	-	-	-	
NewCo Sab Bidco	Facility B	LX161320	-	-	-	-	
Nomad Foods Europe Midco Limited	Facility B1 Loan	LX162902	Yes	-	-	-	
Novacap Group Bidco	Facility B	LX166914	Yes	-	-	-	
Oberthur Technologies SA	Facility B1 - Euro	LX157594	-	-	-	-	
Oberthur Technologies SA	Facility B2 - Euro	LX158095	-	-	-	-	

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Issuer Name	Facility	LXID / ISIN	Restructured	Cov-Lite	Corporate Rescue Loan	PIK Security	Defe Sec
Obol France 3 SAS	Facility B	LX161834	Yes	-	-	-	
Onex Eagle Acquisition Company Limited	Facility B Tranche 2 Loan	LX143312	-	-	-	-	
Peer Holdings BV	Facility B	LX150838	Yes	-	-	-	
PlusServer GmbH	Term Loan	LX167687	-	-	-	-	
PQ Corporation	Second Amendment Tranche B-2 Term Loans	LX167801	Yes	-	-	-	
Quintiles IMS Incorporated	TERM B-1 EUR	LX160895	Yes	-	-	-	
R&R Ice Cream PLC	Facility B1	LX154933	-	-	-	-	
Redtop Acquisitions Limited	Initial Euro Term Loan (First Lien)	LX133726	-	-	-	-	
SFR Group SA	Refinancing Term Loan B11	LX162008	-	Yes	-	-	
Shilton Bidco Limited	Facility B1	LX166008	-	-	-	-	
SIG Combibloc PurchaseCo Sarl	Initial Euro Term Loan	LX143111	-	-	-	-	
Sitel Worldwide Corporation	First Lien Euro Term B-2 Loan	LX147442	-	-	-	-	
Solenis International LP	Tranche C Term Loan	US83420LAG68	-	-	-	-	
Solera LLC	Euro Term Loan	LX151195	Yes	-	-	-	
Soppa Holdings Sarl	First Lien Facility B	LX139700	Yes	-	-	-	
Springer Science & Business Media Deutschland GMBH	Initial B11 Term Loan	LX161998	Yes	-	-	-	
SWISSPORT FINANCING S.A R.L.	New Euro Term Loan	LX167747	Yes	-	-	-	
Synlab Bondco Plc	Float 3.5% - 07/2022	XS1516322200	-	-	-	-	
Synlab Bondco Plc	Term Loan	LX168426	-	-	-	-	
Tackle Sarl	New Facility B	LX161574	Yes	-	-	-	
Techem Gmbh	Term Loan B	LX167234	-	-	-	-	
Technicolor S.A.	First Incremental Euro Term Loan	LX162153	-	-	-	-	
Technicolor S.A.	Term Loan	LX157075	-	-	-	-	
Tele Columbus AG	2017 New Facility A	LX162004	Yes	-	-	-	
Telenet International Finance Sarl	Term Loan AH Facility	LX162328	-	-	-	-	
Thom Europe	Facility B	LX166774	-	-	-	-	
TMF Group Holding BV	Facility B	LX162575	Yes	-	-	-	
Trionista Holdco GMBH - Ista Holding Netherlands BV	Facility B1B3	LX144052	Yes	-	-	-	
Trionista Holdco GMBH - Ista International GMBH	Facility B1A3	LX143931	Yes	-	-	-	
Trionista Holdco GMBH - Meter Acquisition SAS	Facility B1C3	LX143932	Yes	-	-	-	
Trionista Holdco GMBH - VES HOLDING APS	Facility B1E3	LX144054	Yes	-	-	-	
Unilabs Diagnostics AB	New Euro Term Loan B2	LX161584	Yes	-	-	-	
Unit 4 Sweden Holding AB	Facility B1 (EUR)	LX141580	Yes	-	-	-	
Univar USA Inc	Initial Euro Term Loan	LX145475	-	-	-	-	
Verisure Holding AB	Facility B1E	LX164262	Yes	Yes	-	-	
VWR Funding Inc	Tranche B-2 Term Loan	LX157040	Yes	Yes	-	-	
Watson Bidco BV	Facility B	XAN9435HAB95	-	Yes	-	-	
Western Digital Corporation	Euro Term Loan B2	LX161282	Yes	-	-	-	
Wind Telecommunicazioni S.P.A	B1 Term Loan Facility	LX143627	Yes	-	-	-	

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Issuer Name	Facility	LXID / ISIN	Restructured	Cov-Lite	Corporate Rescue Loan	PIK Security	Defe Sec
ZF Bidco	Senior Facility B	LX162576	-	-	-	-	
Ziggo Secured Finance Partnership	Term Loan F	LX159376	-	-	-	-	

Asset Information III

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Maturity Date	Long Dated	Moody's Rating	Moody's DPR	Fitch Rating	Moody's Industry Name	Fitch I
1908 Acquisition BV Term Loan	LX139672	27-Sep-2021	-	***	***	***	Transportation: Cargo	transpo distribu
ACTA Holding BV Term Loan	LX145013	09-Jun-2022	-	***	***	***	Services: Business	busines
AI Robin Finco Limited Term Loan	LX165619	03-Jul-2024	-	B2	B3	***	Wholesale	transpo distribu
Albea Beauty Holdings SA Term Loan	LX162335	22-Apr-2024	-	B2	B2	***	Containers, Packaging and Glass	packag
Allnex SARL Term Loan	LX152755	13-Sep-2023	-	B1	B1	***	Chemicals, Plastics and Rubber	chemic
Alpha BidCo SAS - Dutch Topco Term Loan	LX160654	30-Jan-2023	-	***	***	***	Healthcare & Pharmaceuticals	pharma
Alpha Bidco SAS Term Loan	LX159934	30-Jan-2023	-	***	***	***	Healthcare & Pharmaceuticals	pharma
Amaya Gaming Group Inc - Amaya Holdings BV Term Loan	LX160897	01-Aug-2021	-	B1	B2	***	Hotel, Gaming & Leisure	gaming entertai
Antin Aude Bidco GMBH Term Loan	LX146944	19-Aug-2022	-	***	***	***	Healthcare & Pharmaceuticals	industri manufa
Archroma Finance Sarl Term Loan	LX166298	12-Aug-2024	-	B1	B2	B-	Chemicals, Plastics and Rubber	chemic
AS Adventure BV Term Loan	LX143652	14-Apr-2022	-	***	***	***	Retail	retail
Assystem SA Term Loan	LX165539	12-Jul-2024	-	***	***	***	Construction & Building	industri manufa
Auris Luxembourg III SARL Term Loan	LX160224	17-Jan-2022	-	B1	B2	***	Healthcare & Pharmaceuticals	healthc
Axalta Coating Systems US Holdings Inc Term Loan	LX134952	01-Feb-2023	-	Ba1	Ba3	***	Chemicals, Plastics and Rubber	chemic
Azelis Finance SA Term Loan	LX149550	16-Dec-2022	-	B2	B3	***	Chemicals, Plastics and Rubber	transpo distribu
Baring Private Equity Asia VI Holding (1) Limited - Stiphout Finance BV Term Loan	LX146618	26-Oct-2022	-	B2	B1	***	Services: Business	banking
BMC Software Finance Inc Term Loan	LX162466	12-Sep-2022	-	B1	B3	***	High Tech Industries	utilities
Cab & Bio Lam LCD Term Loan	LX164386	14-Jun-2024	-	***	***	***	Healthcare & Pharmaceuticals	healthc
CDS Holdco III BV Term Loan	LX145356	30-Jun-2021	-	***	***	***	Telecommunications	cable
Ceva Sante Animale Term Loan	LX135736	30-Jun-2021	-	B1	B1	***	Healthcare & Pharmaceuticals	pharma
Claudius Finance SARL Term Loan	LX162213	16-Sep-2023	-	***	***	***	Services: Business	comput
Claudius Finance SARL Term Loan	LX162214	16-Sep-2023	-	***	***	***	Services: Business	comput
Colouroz Investment 1 GMBH Term Loan	LX136879	07-Sep-2021	-	B2	B2	***	Chemicals, Plastics and Rubber	chemic
Colouroz Investment 1 GMBH Term Loan	LX136884	06-Sep-2022	-	Caa1	B2	***	Chemicals, Plastics and Rubber	chemic
Colouroz Investmnet 1 Gmbh Term Loan	LX149864	07-Sep-2021	-	B2	B2	***	Chemicals, Plastics and Rubber	chemic
Comete Holding Term Loan	LX156801	29-Jul-2022	-	***	***	***	Media: Advertising, Printing & Publishing	busines
Constantia Flexibles Gmbh Term Loan	LX143296	30-Apr-2022	-	B1	B1	***	Containers, Packaging and Glass	aerospa
Constantia Flexibles Gmbh Term Loan	LX143893	30-Apr-2022	-	B1	B1	***	Containers, Packaging and Glass	aerospa
Coty Inc Term Loan	LX155917	27-Oct-2022	-	Ba1	Ba1	***	Consumer Goods: Non-durable	consum

Asset Information III

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Maturity Date	Long Dated	Moody's Rating	Moody's DPR	Fitch Rating	Moody's Industry Name	Fitch I
Delachaux S.A. - Railtech International S.A. Term Loan	LX141055	28-Oct-2021	-	***	***	***	Transportation: Cargo	automo
Delachaux S.A. - Sodelho S.A. Term Loan	LX141055	28-Oct-2021	-	***	***	***	Transportation: Cargo	automo
Diaverum Sarl Term Loan	LX164119	10-Jun-2024	-	***	***	***	Healthcare & Pharmaceuticals	healthc
Diebold Nixdorf Incorporated Term Loan	LX162900	06-Nov-2023	-	Ba2	Ba3	***	High Tech Industries	environ
Dorna Sports SL Term Loan	LX161739	12-Apr-2024	-	***	***	***	Hotel, Gaming & Leisure	gaming entertai
Eagle Eschborn GmbH Term Loan	LX161040	19-Jul-2024	-	***	***	***	Services: Consumer	consum
Eircom Finco S.a.r.l Term Loan	LX161434	19-Apr-2024	-	B1	B1	***	Telecommunications	telecom
Elsan SAS Term Loan	LX146849	31-Oct-2022	-	***	***	***	Healthcare & Pharmaceuticals	healthc
Equinix Inc Term Loan	LX168018	05-Jan-2024	-	Ba2	Ba3	BB	High Tech Industries	environ
EUSKALTEL SA Term Loan	LX148798	28-Nov-2022	-	B1	B1	***	Telecommunications	cable
Financiere Lully C - Lully Finance Sarl Term Loan	LX157357	14-Oct-2022	-	B1	B2	***	High Tech Industries	comput
Financiere Storage SAS Term Loan	LX166536	25-Jul-2024	-	***	***	***	Capital Equipment	industri manufa
Financiere Sun SAS Term Loan	LX160115	14-Mar-2022	-	***	***	***	Hotel, Gaming & Leisure	lodging
Financiere Verdi I SAS Term Loan	LX160780	21-Jul-2023	-	***	***	***	Healthcare & Pharmaceuticals	healthc
Flamingo LUX II Term Loan	LX153737	07-Sep-2023	-	B2	B3	***	Services: Business	real est
Fugue Finance B. V. Term Loan	LX165624	02-Sep-2024	-	B1	B1	***	Banking, Finance, Insurance & Real Estate	banking
Gates Global LLC Term Loan	LX161939	01-Apr-2024	-	B2	B3	***	Consumer Goods: Durable	industri manufa
Global Blue Acquisition BV Term Loan	LX160394	12-Dec-2022	-	B1	B1	***	Services: Consumer	environ
Greenbird Holding B V Term Loan	LX145274	09-Apr-2021	-	***	***	***	High Tech Industries	busines
Greenrock Midco Limited Term Loan	LX164898	28-Jun-2024	-	B1	B2	***	Aerospace and Defense	aerospa
GVC Holdings Plc Term Loan	LX161094	02-Mar-2023	-	***	***	***	Hotel, Gaming & Leisure	gaming entertai
HNVR Holdco Limited Term Loan	LX152965	12-Sep-2023	-	***	***	***	Hotel, Gaming & Leisure	lodging
Horizon Holdings II SAS Term Loan	LX164316	28-Oct-2022	-	B1	B1	***	Containers, Packaging and Glass	packag
HRA Pharma Term Loan	LX167460	31-Jul-2024	-	***	***	***	Consumer Goods: Non-durable	pharma
Ineos Finance PLC Term Loan	LX160309	31-Mar-2022	-	Ba2	Ba3	***	Chemicals, Plastics and Rubber	chemic
Informatica Corporation Term Loan	LX144873	05-Aug-2022	-	B2	B3	***	High Tech Industries	utilities
Inovyn Finance PLC Term Loan	LX162963	10-May-2024	-	B2	B2	***	Chemicals, Plastics and Rubber	chemic
Intervias Finco Ltd Term Loan	LX163533	30-Jan-2023	-	B2	B2	***	Retail	food an tobacco
Jade Germany GmbH Term Loan	LX162763	31-May-2023	-	B1	B1	***	Chemicals, Plastics and Rubber	chemic
Keter Group BV Term Loan	LX155222	31-Oct-2023	-	B2	B2	***	Chemicals, Plastics and Rubber	consum
Kirk Beauty One Gmbh - Douglas Gmbh Term Loan	LX159199	12-Aug-2022	-	***	***	***	Retail	retail
Kirk Beauty One Gmbh - Douglas Gmbh Term Loan	LX160534	12-Aug-2022	-	B1	B2	***	Retail	retail
Kirk Beauty One Gmbh - Douglas Gmbh Term Loan	LX160535	12-Aug-2022	-	***	***	***	Retail	retail

Asset Information III

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Maturity Date	Long Dated	Moody's Rating	Moody's DPR	Fitch Rating	Moody's Industry Name	Fitch I
Kirk Beauty One Gmbh - Douglas Gmbh Term Loan	LX160536	12-Aug-2022	-	B1	B2	***	Retail	retail
Kirk Beauty One Gmbh - Douglas Gmbh Term Loan	LX160537	12-Aug-2022	-	B1	B2	***	Retail	retail
Kirk Beauty One Gmbh - Douglas Gmbh Term Loan	LX160538	12-Aug-2022	-	B1	B2	***	Retail	retail
Kirk Beauty One Gmbh - Douglas Gmbh Term Loan	LX160539	12-Aug-2022	-	B1	B2	***	Retail	retail
MacDermid Agricultural Solutions Holdings BV Term Loan	LX162203	07-Jun-2023	-	B2	B2	***	Chemicals, Plastics and Rubber	chemic
Macdermid Funding LLC Term Loan	LX157015	07-Jun-2020	-	B2	B2	***	Chemicals, Plastics and Rubber	chemic
Misys Limited Term Loan	LX163229	13-Jun-2024	-	B2	B2	***	Services: Business	comput
NEP Europe Finco BV Term Loan	LX157878	03-Jan-2024	-	B1	B3	***	Media: Broadcasting & Subscription	broadca
NetInvest Limited Term Loan	LX145020	10-Aug-2022	-	Ba3	Ba2	***	Services: Business	busines
NetInvest Limited Term Loan	LX145741	10-Aug-2020	-	Ba3	Ba2	***	Services: Business	busines
New Look Secured Issuer	XS1248517341	01-Jul-2022	Yes	B2	B2	***	Retail	retail
NewCo Sab Bidco Term Loan	LX161320	22-Apr-2024	-	B1	B2	***	Healthcare & Pharmaceuticals	environ
Nomad Foods Europe Midco Limited Term Loan	LX162902	15-May-2024	-	B1	B2	***	Beverage, Food and Tobacco	food an tobacc
Novacap Group Bidco Term Loan	LX166914	22-Jun-2023	-	B1	B1	***	Chemicals, Plastics and Rubber	chemic
Oberthur Technologies SA Term Loan	LX157594	10-Jan-2024	-	B2	B2	***	High Tech Industries	energy
Oberthur Technologies SA Term Loan	LX158095	10-Jan-2024	-	B2	B2	***	High Tech Industries	energy
Obol France 3 SAS Term Loan	LX161834	11-Apr-2023	-	B2	B2	***	Services: Business	utilities
Onex Eagle Acquisition Company Limited Term Loan	LX143312	12-Mar-2022	-	***	***	***	Aerospace and Defense	aerospa
Peer Holdings BV Term Loan	LX150838	25-Feb-2022	-	B1	B1	***	Retail	retail fo
PlusServer GmbH Term Loan	LX167687	13-Sep-2024	-	***	***	B	Telecommunications	comput
PQ Corporation Term Loan	LX167801	04-Nov-2022	-	B2	B3	***	Chemicals, Plastics and Rubber	chemic
Quintiles IMS Incorporated Term Loan	LX160895	07-Mar-2024	-	Ba1	Ba2	***	Healthcare & Pharmaceuticals	healthc
R&R Ice Cream PLC Term Loan	LX154933	29-Sep-2023	-	***	***	***	Beverage, Food and Tobacco	food an tobacc
Redtop Acquisitions Limited Term Loan	LX133726	03-Dec-2020	-	B1	B1	***	Services: Business	busines
SFR Group SA Term Loan	LX162008	31-Jul-2025	-	B1	B1	***	Telecommunications	broadca
Shilton Bidco Limited Term Loan	LX166008	13-Jul-2024	-	***	***	***	Metals & Mining	metals
SIG Combibloc PurchaseCo Sarl Term Loan	LX143111	11-Mar-2022	-	B1	B2	***	Containers, Packaging and Glass	packag
Sitel Worldwide Corporation Term Loan	LX147442	17-Sep-2021	-	B1	B3	***	Services: Business	busines
Solenis International LP Term Loan	LX152444	31-Jul-2021	-	B2	B3	***	Chemicals, Plastics and Rubber	chemic
Solera LLC Term Loan	LX151195	03-Mar-2023	-	Ba3	B2	***	Automotive	automo
Soppa Holdings Sarl Term Loan	LX139700	29-Dec-2023	-	B2	B2	***	Beverage, Food and Tobacco	food an tobacc
Springer Science & Business Media Deutschland GMBH Term Loan	LX161998	14-Aug-2020	-	B2	B2	***	Media: Advertising, Printing & Publishing	broadca
SWISSPORT FINANCING S.A R.L. Term Loan	LX167747	09-Feb-2022	-	B3	Caa2	***	Transportation: Consumer	aerospa

Asset Information III

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Maturity Date	Long Dated	Moody's Rating	Moody's DPR	Fitch Rating	Moody's Industry Name	Fitch I
Synlab Bondco Plc	XS1516322200	01-Jul-2022	Yes	B2	B2	***	Healthcare & Pharmaceuticals	metals
Synlab Bondco Plc Term Loan	LX168426	12-Jul-2022	-	***	***	B+	Healthcare & Pharmaceuticals	metals
Tackle Sarl Term Loan	LX161574	08-Aug-2022	-	***	***	***	Hotel, Gaming & Leisure	gaming entertai
Techem Gmbh Term Loan	LX167234	02-Oct-2024	-	Ba3	Ba3	***	Energy: Electricity	telecom
Technicolor S.A. Term Loan	LX157075	06-Dec-2023	-	Ba3	Ba3	***	Media: Diversified & Production	consum
Technicolor S.A. Term Loan	LX162153	06-Dec-2023	-	Ba3	Ba3	***	Media: Diversified & Production	consum
Tele Columbus AG Term Loan	LX162004	15-Oct-2024	-	B2	B2	***	Telecommunications	broadca
Telenet International Finance Sarl Term Loan	LX162328	31-Mar-2026	-	Ba3	Ba3	***	Telecommunications	telecom
Thom Europe Term Loan	LX166774	07-Aug-2024	-	B2	B2	***	Retail	retail
TMF Group Holding BV Term Loan	LX162575	13-Oct-2023	-	B2	B2	***	Services: Business	busines
Trionista Holdco GMBH - Ista Holding Netherlands BV Term Loan	LX144052	30-Apr-2020	-	Ba2	B1	***	Energy: Electricity	utilities
Trionista Holdco GMBH - Ista International GMBH Term Loan	LX143931	30-Apr-2020	-	Ba2	B1	***	Energy: Electricity	utilities
Trionista Holdco GMBH - Meter Acquisition SAS Term Loan	LX143932	30-Apr-2020	-	Ba2	B1	***	Energy: Electricity	utilities
Trionista Holdco GMBH - VES HOLDING APS Term Loan	LX144054	30-Apr-2020	-	Ba2	B1	***	Energy: Electricity	utilities
Unilabs Diagnostics AB Term Loan	LX161584	19-Apr-2024	-	B2	B3	***	Healthcare & Pharmaceuticals	healthc
Unit 4 Sweden Holding AB Term Loan	LX141580	17-Mar-2021	-	B2	B2	***	High Tech Industries	comput
Univar USA Inc Term Loan	LX145475	01-Jul-2022	-	B1	B2	***	Chemicals, Plastics and Rubber	chemic
Verisure Holding AB Term Loan	LX164262	10-Oct-2022	-	Ba3	B1	***	Services: Consumer	consum
VWR Funding Inc Term Loan	LX157040	15-Jan-2022	-	***	***	***	Healthcare & Pharmaceuticals	pharma
Watson Bidco BV Term Loan	LX164355	20-May-2024	-	***	***	***	Environmental Industries - Region 1	paper a
Western Digital Corporation Term Loan	LX161282	29-Apr-2023	-	Ba1	Ba1	***	High Tech Industries	comput
Wind Telecommunicazioni S.P.A Term Loan	LX143627	26-Nov-2019	-	Ba3	B1	***	Telecommunications	telecom
ZF Bidco Term Loan	LX162576	26-Apr-2024	-	***	***	***	Retail	retail
Ziggo Secured Finance Partnership Term Loan	LX159376	15-Apr-2025	-	Ba3	B1	***	Media: Broadcasting & Subscription	cable

Interest Coverage Tests

Adagio IV CLO Limited 20-Sep-2017

Test	Formula	Numerator	Denominator	Actual
Class A/B Interest Coverage Test	[A]/([B]+[C]+[D]+[E])	2,859,547.70 EUR	966,172.92 EUR	295.97%
Class C Interest Coverage Test	[A]/([B]+[C]+[D]+[E]+[F])	2,859,547.70 EUR	1,098,122.92 EUR	260.40%
Class D Interest Coverage Test	[A]/([B]+[C]+[D]+[E]+[F]+[G])	2,859,547.70 EUR	1,265,032.08 EUR	226.05%
Class E Interest Coverage Test	[A]/([B]+[C]+[D]+[E]+[F]+[G]+[H])	2,859,547.70 EUR	1,605,827.08 EUR	178.07%

Interest Coverage Test Numerator Detail

Interest Accounts Balance	1,817,731.74 EUR	
Miscellaneous Interest Proceeds	0.00 EUR	
Subtotal:	1,817,731.74 EUR	
Projected:		
Scheduled Interest on Collateral Debt Obligations (excl Defaults)	1,228,264.85 EUR	
Reinvest. Income from Sched. Int. Pymnts	0.00 EUR	
Interest on Account Balances	**0.00 EUR**	
Scheduled Periodic Hedge Counterparty Payments	0.00 EUR	
Amounts payable from Expense Reserve Account, Interest Smoothing Account, First Period Reserve Account and/or Currency Account	0.00 EUR	
Subtotal:	1,228,264.85 EUR	
Less:		
Amounts Payable to Interest Smoothing Accounts	0.00 EUR	
Interest Priority of Payments paras (A) to (F)	186,448.89 EUR	
Subtotal:	186,448.89 EUR	
Plus:		
Defaulted Obligation Excess Amounts	0.00 EUR	
Interest Coverage Numerator:	**2,859,547.70 EUR**	**[A]**
Interest Coverage Denominator:	1,605,827.08 EUR	

Interest Coverage Test Denominators

Class A1 Senior Secured Floating Rate Not
Class A2 Senior Secured Fixed Rate Notes
Class B1 Senior Secured Floating Rate Not
Class B2 Senior Secured Fixed Rate Notes
Class C Deferrable Mezzanine Floating Rat
Class D Deferrable Mezzanine Floating Rat
Class E Deferrable Junior Floating Rate No
Class F Deferrable Junior Floating Rate No

Par Value Tests

Adagio IV CLO Limited 20-Sep-2017

Test Description	Formula	Numerator	Denominator	Actual
Class A/B Par Value Test	[A]/([B]+[C]+[D]+[E])	351,806,346.82 EUR	251,700,000.00 EUR	139.77%
Class C Par Value Test	[A]/([B]+[C]+[D]+[E]+[F])	351,806,346.82 EUR	269,700,000.00 EUR	130.44%
Class D Par Value Test	[A]/([B]+[C]+[D]+[E]+[F]+[G])	351,806,346.82 EUR	288,300,000.00 EUR	122.03%
Class E Par Value Test	[A]/([B]+[C]+[D]+[E]+[F]+[G]+[H])	351,806,346.82 EUR	313,500,000.00 EUR	112.22%
Class F Par Value Test	[A]/([B]+[C]+[D]+[E]+[F]+[G]+[H]+[I])	351,806,346.82 EUR	325,200,000.00 EUR	108.18%
Reinvestment Overcollateralisation Test	[A]/([B]+[C]+[D]+[E]+[F]+[G]+[H]+[I])	351,806,346.82 EUR	325,200,000.00 EUR	108.18%

Par Value Test Numerator Detail

Aggregate Principal Balance of CDO's (excl Defaulted, Discount, Deferring)	342,395,712.36 EUR	
Principal and Unused Proceeds Account	9,410,634.46 EUR	
Plus:		
Deferring and Defaulted Securities	0.00 EUR	
Discount Obligations	0.00 EUR	
Less:		
Excess CCC Adjustment Amount	0.00 EUR	
Adjusted Collateral Principal Amount:	351,806,346.82 EUR	**[A]**
Divided By:		
Principal Amount Outstanding of Notes	325,200,000.00 EUR	

Par Valu

Tranche

Class A1 Senior Secured Floating Rate Notes
Class A2 Senior Secured Fixed Rate Notes
Class B1 Senior Secured Floating Rate Notes
Class B2 Senior Secured Fixed Rate Notes
Class C Deferrable Mezzanine Floating Rate Notes
Class D Deferrable Mezzanine Floating Rate Notes
Class E Deferrable Junior Floating Rate Notes
Class F Deferrable Junior Floating Rate Notes

Current Pay Obligations

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Current Pay Obligation?	Fitch Rating	Moody's Rating	Principal Balance

There are no Current Pay Obligations to report on.

Current Pay Excess

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Is Current Pay Obligation?	Fitch Rating	Moody's Rating	Principal Balance

There are no Current Pay Obligations to report on.

Defaulted Obligations

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Default Date	Principal Balance	Market Price	Mo Rec

There are no Defaulted Obligations to report on.

Deferring Obligations

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Deferring Date	Principal Balance	Market Price	Fitch Recovery Rate

There are no Deferring Obligations to report on.

Discounted Obligations

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Trade Date	Price	Moody's Rating at Purchase	Fitch Rating at Purchase

There are no Discounted Obligations to report on.

Obligations forming CCC/Caa Excess

Adagio IV CLO Limited 20-Sep-2017

Aggregate Collateral Balance:	351,806,346.82 EUR
7.5% of Aggregate Collateral Balance	26,385,476.01 EUR
Principal Balance of All CCC Obligations in Excess	0.00 EUR
Market Value of All CCC Obligations in Excess	0.00 EUR
Excess CCC Adjusted Amount	0.00 EUR

Security	Security ID	Market Price	Market Value (EUR)	Market Value Excess (EUR)	CCC Excess (EUR)	Is Original CCC?

There are no Obligations forming CCC/Caa Excess to report on.

Swapped Non-Discount Obligations

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Is Swapped Non-Discount?	Is Discount?	Principa Balanc

There are no Swapped Non-Discount Obligations to report on.

Affiliated Issuers with Investment Manager

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Security Type

There are no Affiliated Issuers with Investment Manager to report on.

Asset Swap Transactions

Adagio IV CLO Limited 20-Sep-2017

Description	Asset Swap Counterparty Moody's Rating	Asset Swap Counterparty Fitch Rating	Initial Exchange Date	Final Exchange Date / Maturity Date

There are no Asset Swap Transactions to report on.

Collateral Debt Obligations that Pay Interest Semi-Annually

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Frequency
1908 Acquisition BV - Facility B	HEYSTA_TLB	Semi-Annual
Albea Beauty Holdings SA - Facility B (EUR)	ALBEABTY_FBUS	Semi-Annual
Albea Beauty Holdings SA - Facility B (EUR)	ALBEABTY_FBUS	Semi-Annual
Albea Beauty Holdings SA - Facility B (EUR)	ALBEABTY_FBUS	Semi-Annual
Albea Beauty Holdings SA - Facility B (EUR)	ALBEABTY_FBUS	Semi-Annual
Claudius Finance SARL - Facility B5	LX162213	Semi-Annual
Claudius Finance SARL - Facility B5	LX162213	Semi-Annual
Claudius Finance SARL - Facility B5	LX162213	Semi-Annual
Claudius Finance SARL - Facility B6	CLAUDIUSF_FB6	Semi-Annual
Dorna Sports SL - B2 Euro Term Loan	DORNASPOR_ETL	Semi-Annual
HNVR Holdco Limited - Facility B	HNVRHOL_FLTLB	Semi-Annual
Horizon Holdings II SAS - Facility B4	HORIZONHII_B4	Semi-Annual
Obol France 3 SAS - Facility B	OBOLFRAN3_FAB	Semi-Annual
Onex Eagle Acquisition Company Limited - Facility B Tranche 2 Loan	ONXEGLAQ_FBT2	Semi-Annual
Tele Columbus AG - 2017 New Facility A	TELECOLUMBUSA	Semi-Annual
Unilabs Diagnostics AB - New Euro Term Loan B2	UNILABSDIA_FTB	Semi-Annual
Wind Telecommunicazioni S.P.A - B1 Term Loan Facility	WINDTEL_B1TLF	Semi-Annual
Ziggo Secured Finance Partnership - Term Loan F	ZIGGO_SECURF	Semi-Annual

Collateral Enhancement Obligations

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Issuer	Country	Moody's Industry Group

There are no Collateral Enhancement Obligations to report on.

Committed Trades

Adagio IV CLO Limited 20-Sep-2017

Security	LX ID	Client ID	Security ID	Trade Date	Settle Date	Par Amount	Price	
Committed Purchases								
AI Robin Finco Limited - First Lien Term	LX165619		AIROFIL_FLTLB	03-Jul-2017		5,000,000.00	98.50	(
Allnex SARL - Tranche B-1 Term Loan	LX152755		ALNXSARL_TRB1	20-Sep-2017		1,815,421.58	100.50	(
Assystem SA - First Lien Term Loan B	LX165539		LX165539	12-Jul-2017		3,000,000.00	98.50	(
Dorna Sports SL - B2 Euro Term Loan	LX161739		DORNASPOR_ETL	12-May-2017		2,000,000.00	101.00	(
Fugue Finance B. V. - Initial Euro Term	LX165624		LX165624	26-Jun-2017		1,846,153.84	99.75	(
HRA Pharma - First Lien Term Loan	LX167460		HRAPHARM_FLTL	31-Jul-2017		2,555,556.00	99.50	(
Inovyn Finance PLC - 2024 Tranche B Euro	LX162963		INOVYNFIN_FLTB	12-May-2017		2,000,000.00	101.38	(
Novacap Group Bidco - Facility B	LX166914		NOVACAP_GFACB	20-Jul-2017		212,563.98	100.00	
Novacap Group Bidco - Facility B	LX166914		NOVACAP_GFACB	20-Jul-2017		787,436.02	100.00	
PlusServer GmbH - Term Loan	LX167687		PLUSSERGMH_TL	15-Sep-2017		1,583,333.33	99.75	(
Synlab Bondco Plc - Term Loan	LX168426		SYNLABBND_TL	12-Sep-2017		2,400,000.00	100.00	(
Techem Gmbh - Term Loan B	LX167234		TECHEMG_FLTLB	28-Jul-2017		3,960,630.00	100.00	(
					Committed Purchases subtotal:	**27,161,094.75**		**(2**
Committed Sales								
AS Adventure BV - Facility B	LX143652		ASADVNTURE_FB	15-Sep-2017		(1,375,000.00)	98.63	
					Committed Sales subtotal:	**(1,375,000.00)**		
					Grand Total:	**25,786,094.75**		**(2**

Cov-Lite Loans

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Asset Type	Cov-Lite?
Baring Private Equity Asia VI Holding (1) Limited - Stiphout Finance BV - First Lien Initial Euro Term Loan	BARINGSTIP_TL	Loan	Yes
Cab & Bio Lam LCD - Facility B	LX164386	Loan	Yes
Diaverum Sarl - Facility B	DIAVERUM_SARL	Loan	Yes
Financiere Verdi I SAS - New Facility B	FINANCIEV_FLT	Loan	Yes
HNVR Holdco Limited - Facility B	HNVRHOL_FLTLB	Loan	Yes
Horizon Holdings II SAS - Facility B4	HORIZONHII_B4	Loan	Yes
Ineos Finance PLC - New 2022 Euro Term Loan	INEOSFNC_EUTB	Loan	Yes
NEP Europe Finco BV - Euro Term Loan (First Lien)	NEP_EUROFINCO	Loan	Yes
SFR Group SA - Refinancing Term Loan B11	YPSOSFRGR_TLB	Loan	Yes
Verisure Holding AB - Facility B1E	VERISURE_FLT	Loan	Yes
VWR Funding Inc - Tranche B-2 Term Loan	VWRFUNDG_TLB2	Loan	Yes
Watson Bidco BV - Facility B	WATSNBIDCO_TL	Loan	Yes

Exchanged Securities

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Issuer	Country	Moody's Industry Group

There are no Exchanged Securities to report on.

Interest Rate Hedge Transactions

Adagio IV CLO Limited 20-Sep-2017

Hedge Counterparty	Notional Amount	Net Hedge Payment	Euribor	Spread

There are no Interest Rate Hedge Transactions to report on.

Market Value determined by Investment Manager

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Latest Market Value

There are no Securities which have their Market Value determined by the Investment Manager to report on.

Ratings Change Report

Adagio IV CLO Limited 20-Sep-2017

Description	Loan X ID	Previous Effective Rating	Current Effective Rating

There are no Ratings Changes to report on.

Securities which have been Upgraded or Downgraded

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Asset Type

There are no Securities which have been Upgraded or Downgraded to report on.

Substitute Collateral Debt Obligations

Adagio IV CLO Limited 20-Sep-2017

Security	Security ID	Issuer	Country	Moody's Industry Group

There are no Substitute Collateral Debt Obligations to report on.

Purchase and Sale Activity

Adagio IV CLO Limited 20-Sep-2017

Security	LXID/ISIN	Trade Date	Par Amount
Committed Purchases			
PlusServer GmbH - Term Loan	PLUSSERGMH_TL	15-Sep-2017	1,583,3
Synlab Bondco Plc - Term Loan	SYNLABBND_TL	12-Sep-2017	2,400,0
		Committed Purchases Subtotal:	**3,983,3**
Committed Sales			
AS Adventure BV - Facility B	ASADVNTURE_FB	15-Sep-2017	(1,375,0
		Committed Sales Subtotal:	**(1,375,0**
Paydown			
GD Finance Co Inc - Loan	GD_FINANBRILO	31-Aug-2017	(3,000,0
		Paydown Subtotal:	**(3,000,0**
Purchases			
Archroma Finance Sarl - Term Loan B1 Eur	ARCHROMA_FINB	11-Jul-2017	1,500,0
Shilton Bidco Limited - Facility B1	SHILTON_BIDB1	07-Jul-2017	1,000,0
		Purchases Subtotal:	**2,500,0**
Restructured			
Allnex SARL - Tranche B-1 Term Loan	ALNXSARL_TRB1	20-Sep-2017	1,815,4
SWISSPORT FINANCING S.A R.L. - New Euro	LX167747	26-Jul-2017	4,872,1
Verisure Holding AB - Facility B1E	VERISURE_FLT	23-May-2017	1,500,0
		Restructured Subtotal:	**8,187,0**
Sales			
Remedco B.V. & CO. KG - Facility B-1	REMEDC_FACLB1	27-Jun-2017	(1,283,5
		Sales Subtotal:	**(1,283,5**
Unscheduled Paydown			
ACTA Holding BV - Term Loan B	ACTAHOLDS_TLB	12-Sep-2017	(35,6
ACTA Holding BV - Term Loan B	ACTAHOLDS_TLB	12-Sep-2017	(20,8
ACTA Holding BV - Term Loan B	ACTAHOLDS_TLB	12-Sep-2017	(8
Antin Aude Bidco GMBH - First Lien Term	ANTINGM_FLTLB	01-Sep-2017	(3,8
Patheon Holdings I BV - Tranche B Euro T	DPX_HOLDTRLOB	29-Aug-2017	(3,284,8
UMV Global Foods Company Ltd. - Facility	UMVGLBLFD_FB2	04-Sep-2017	(4,621,1
		Unscheduled Paydown Subtotal:	**(7,967,2**
		Grand Total:	**1,045,2**

Securities Sold Detail

Adagio IV CLO Limited 20-Sep-2017

APB as of 12 months ago	Result	Requirement	
0.00 EUR	0.00%	>= 0.00%	PASS

Security	Sale Date	Original Purchase Price

There are no Securities Sold to report on.

Discretionary Reason for Sale

Adagio IV CLO Limited 20-Sep-2017

ACB at start of the year	Result	Requirement	
351,415,026.47 EUR	9.51%	<= 30.00%	PASS

Security	Reason for Sale	Sale Date
A Schulman Inc Initial Euro Term B Loan	Discretionary	06-Jun-2016
Alpha Bidco SAS Retired-Facility B Commitment	Discretionary	08-Jun-2016
BISOHO SAS 5.875% - 05/2023	Discretionary	21-Jun-2016
BISOHO SAS Float - 05/2022	Discretionary	21-Jun-2016
Capsugel FinanceCo SCA New Euro Term Loan	Discretionary	03-Mar-2016
Capsugel FinanceCo SCA New Euro Term Loan	Discretionary	11-May-2016
Capsugel FinanceCo SCA New Euro Term Loan	Discretionary	28-Apr-2016
Convatec Healthcare E S.A. New Term Loan 2015	Discretionary	03-Mar-2016
Convatec Inc New Euro Term Loan	Discretionary	03-Mar-2016
Coty Inc Retired - First Lien Term B	Discretionary	11-Jul-2016
Coty Inc Retired - Term B Euro	Discretionary	04-Mar-2016
IMS Health Incorporated Retired - Term B Euro Loan	Discretionary	11-Apr-2016
IMS Health Incorporated Retired - Term B Euro Loan	Discretionary	22-Apr-2016
Project Geyser II-Dossen Investissments Tranche B	Discretionary	19-Dec-2016
Project Geyser II-Kelenn Finance Facility B Retired 07/27/2017	Discretionary	19-Dec-2016
Project Geyser II-Sermeta Tranche B	Discretionary	19-Dec-2016
Redtop Acquisitions Limited Incremental Term Loan	Discretionary	29-Jan-2016
Spectrum Brands Inc Euro Term Loan Retired 05/24/2017	Discretionary	25-Feb-2016
SYNLAB BONDCO Float - 07/2022	Discretionary	03-Jun-2016
Telenet International Finance Sarl Term Loan AA Facility Retired 11/10/2016	Discretionary	30-Jun-2016
Trionista Holdco GMBH - Ista Holding Netherlands BV Facility B1B3	Discretionary	14-Apr-2016
Trionista Holdco GMBH - Ista International GMBH Facility B1A3	Discretionary	14-Apr-2016
Trionista Holdco GMBH - Ista International GMBH Facility B1A3	Discretionary	09-Jun-2016
Trionista Holdco GMBH - Meter Acquisition SAS Facility B1C3	Discretionary	14-Apr-2016
Trionista Holdco GMBH - Meter Acquisition SAS Facility B1C3	Discretionary	29-Apr-2016
Trionista Holdco GMBH - VES HOLDING APS Facility B1E3	Discretionary	14-Apr-2016
Valeo F1 Company Limited Retired - Facility B	Discretionary	10-Jun-2016
WEPA HYGIENEPRODUKTE GMB 3.75% - 05/2024	Discretionary	03-Jun-2016
Ziggo B.V. Retired-Eur B1 Facility	Discretionary	21-Apr-2016
Ziggo B.V. Retired-Eur B2 Facility (Funded)	Discretionary	21-Apr-2016
Ziggo B.V. Retired-Term Loan B2 Eur	Discretionary	21-Apr-2016
Ziggo B.V. Retired-Term Loan B3 Eur	Discretionary	21-Apr-2016

Purchased/Sold Accrued Interest

Adagio IV CLO Limited 20-Sep-2017

Security	Currency	Receive Date	Amount

There is no Purchased/Sold Accrued Interest to report on.

Restructures

Adagio IV CLO Limited 20-Sep-2017

Description	SecurityID	Trade Date	Par Amount

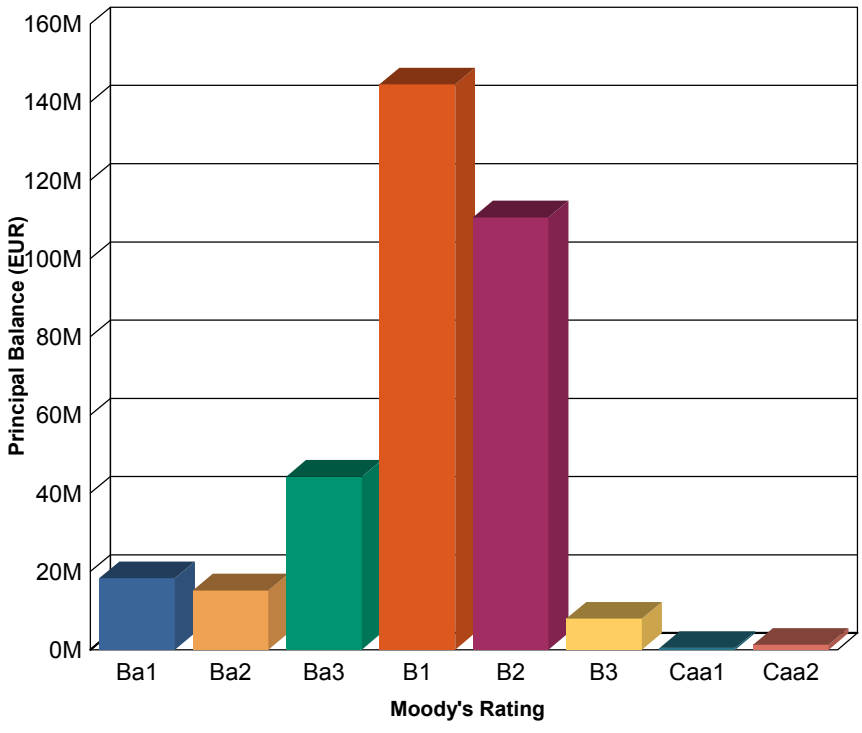
There are no Restructures to report on.

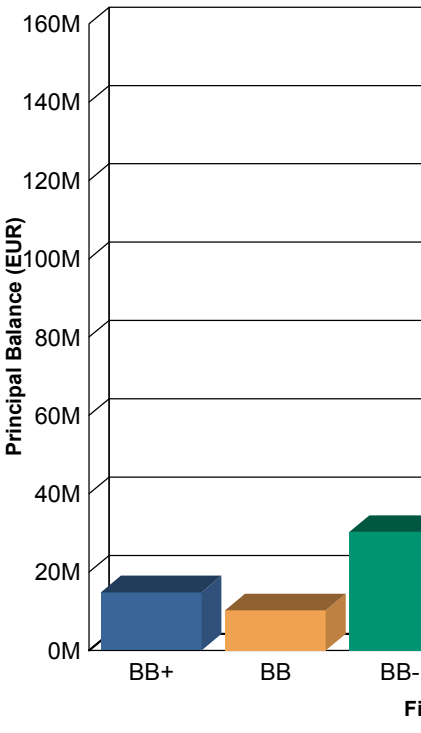
15. Ratings Stratification

Adagio IV CLO Limited 20-Sep-2017

Moody's Rating	Principal Balance (EUR)	% of APB
B1	144,538,218.88	42.21%
B2	110,527,842.65	32.28%
Ba3	44,227,691.75	12.92%
Ba1	18,294,966.49	5.34%
Ba2	15,151,001.70	4.42%
B3	7,934,680.45	2.32%
Caa2	1,250,000.00	0.37%
Caa1	471,310.44	0.14%
	342,395,712.36	

Fitch Rating
B
B-
B+
BB-
BB+
BB





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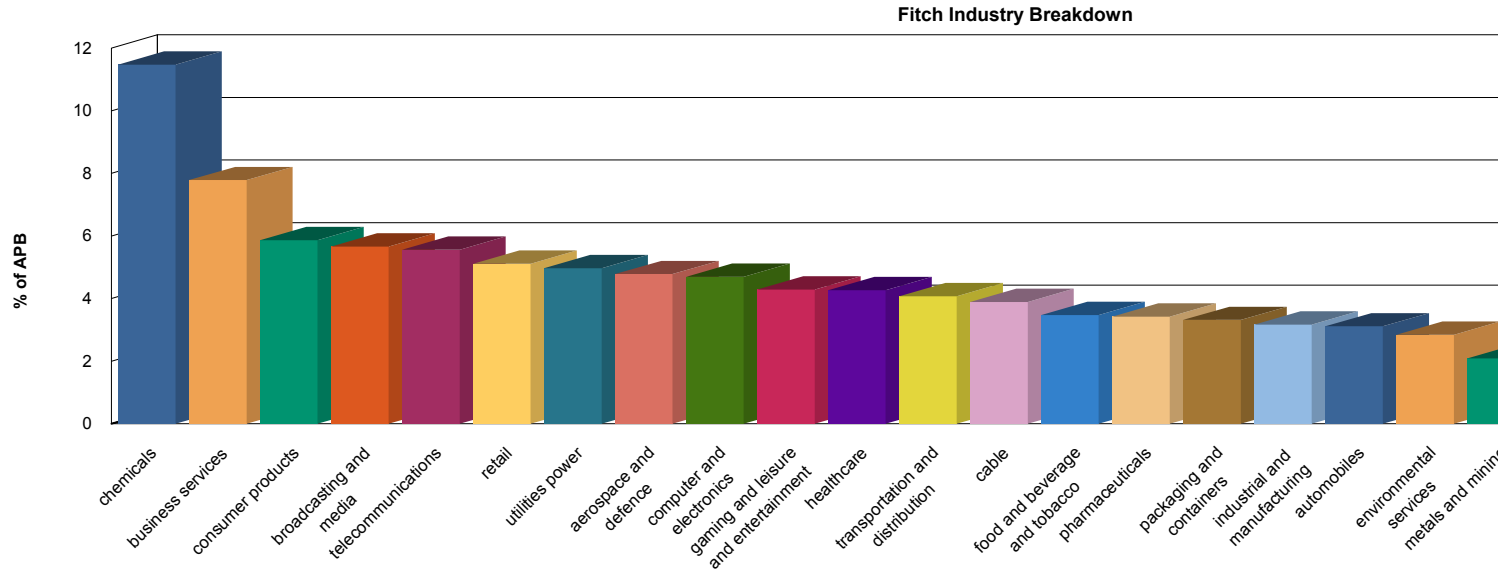
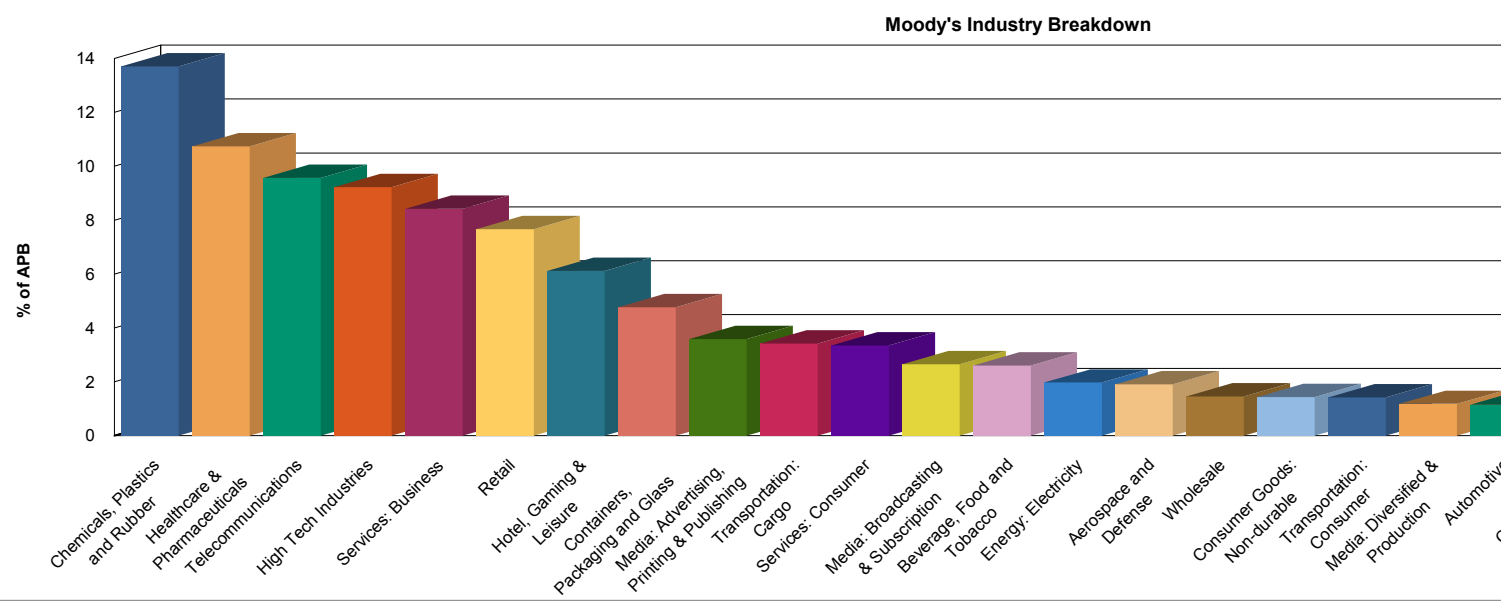
Industry Stratification - Fitch and Moody's

Adagio IV CLO Limited 20-Sep-2017





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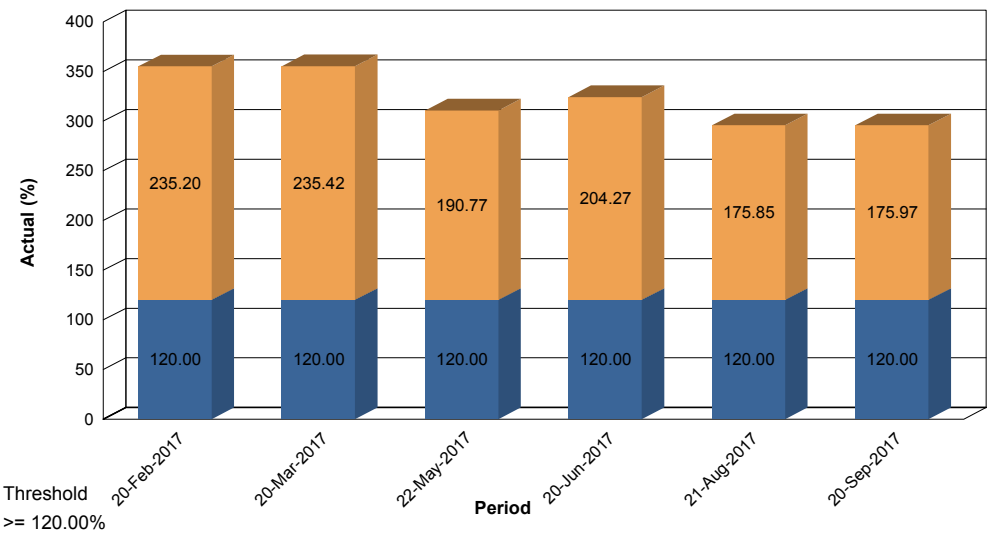
Statistical Highlights - Interest Coverage Tests

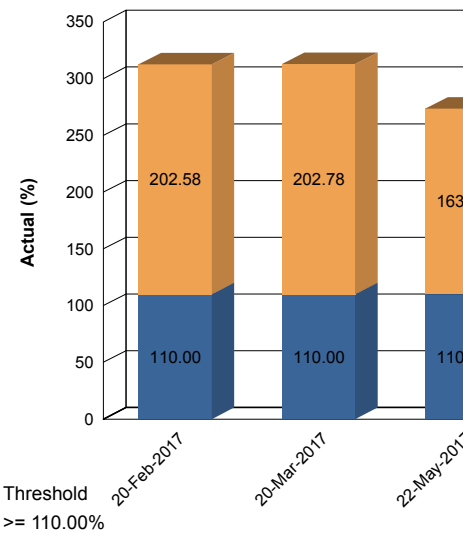
Adagio IV CLO Limited 20-Sep-2017

Class A/B Interest Coverage Test



Threshold
>= 120.00%

Class C Int



Threshold
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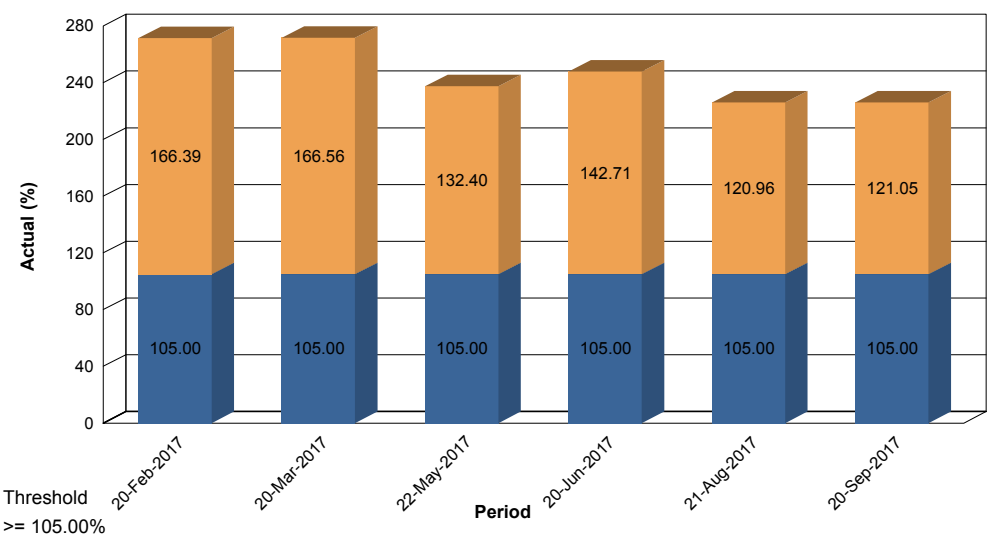
Class D Interest Coverage Test



Threshold
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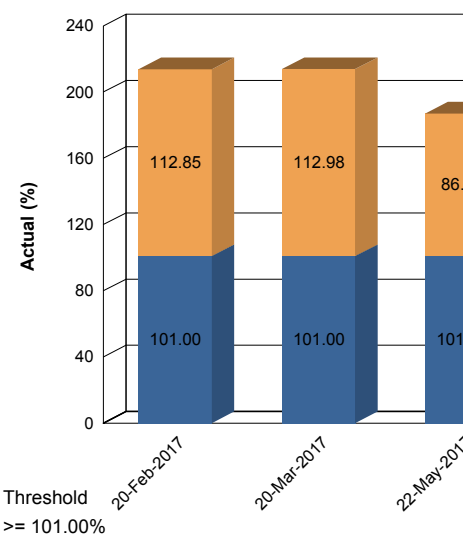
Class E Int



Threshold
>= 101.00%

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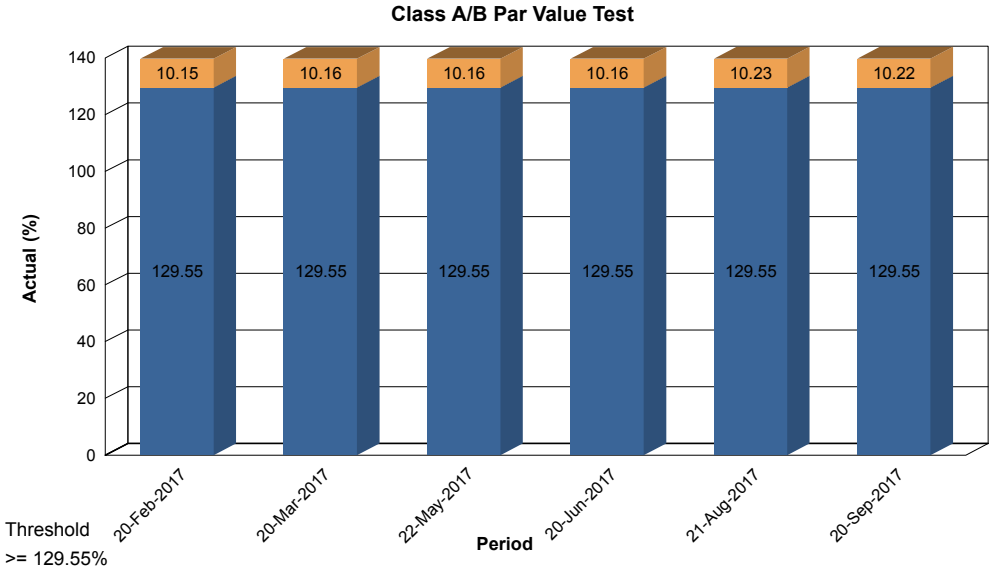
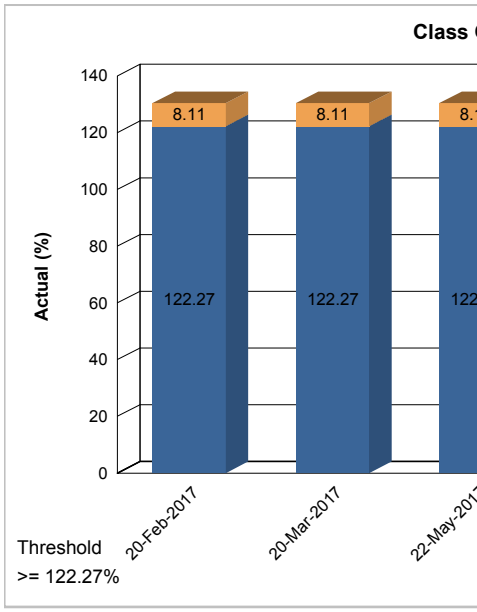
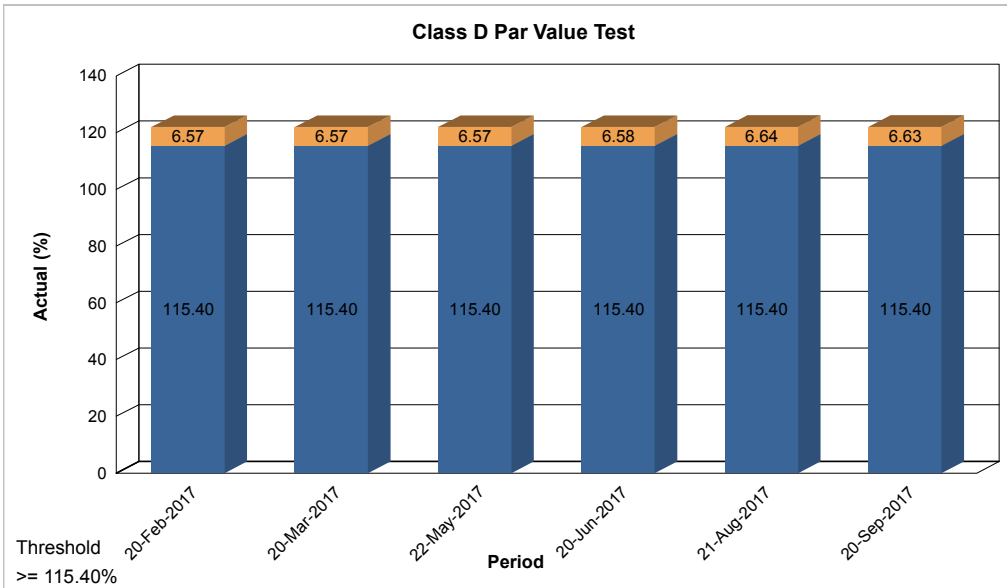
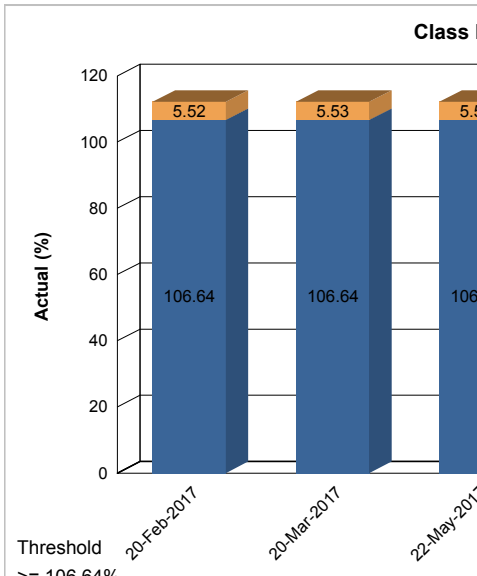
Statistical Highlights - Par Value Tests

Adagio IV CLO Limited 20-Sep-2017









Risk Retention Confirmation

Adagio IV CLO Limited 20-Sep-2017

We have received written confirmation from the Retention Holder that:

(a) it continues to hold, not less than 5 per cent. of the outstanding nominal value of each Class of Notes (the 'Retention'); and

(b) it has not transferred the Retention Notes nor has it sold, hedged or otherwise mitigated its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations,
except to the extent permitted in accordance with the Risk Retention Letter.

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United States

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