Attached please find an electronic copy of the offering circular (the "**Offering Circular**"), dated April 24, 2017, relating to the Class A-1-R Senior Secured Floating Rate Notes due 2026, the Class A-2-R Senior Secured Floating Rate Notes due 2026, the Class B-R Senior Secured Deferrable Floating Rate Notes due 2026 and the Class C-R Senior Secured Deferrable Floating Rate Notes due 2026 offered by BlueMountain CLO 2014-3 Ltd. (the "**Issuer**") and BlueMountain CLO 2014-3 LLC (the "**Co-Issuer**" and, together with the Issuer, the "**Co-Issuers**").

The Offering Circular shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

In order to be eligible to view this email and/or access the Offering Circular or make an investment decision with respect to the securities described therein, you must either (a) not be a "U.S. person" within the meaning of Regulation S under the Securities Act of 1933, as amended (the "**Securities Act**") or (b) be (1)(x) a "Qualified Institutional Buyer" within the meaning of Rule 144A under the Securities Act or (y) solely in the case of Refinancing Notes issued in the form of Certificated Secured Notes, an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act and (2) a "qualified purchaser" within the meaning of Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "**Investment Company Act**").

Distribution of this electronic transmission of the Offering Circular to any person other than (a) the person receiving this electronic transmission from the Refinancing Initial Purchaser on behalf of the Co-Issuers, and (b) any person retained to advise the person receiving this electronic transmission with respect to the offering contemplated by the Offering Circular (each, an "**Authorized Recipient**") is unauthorized. Any photocopying, disclosure or alteration of the contents of the Offering Circular, and any forwarding of a copy of the Offering Circular or any portion thereof by email or any other means to any person other than an Authorized Recipient, except as expressly authorized herein, is prohibited. By accepting delivery of the Offering Circular, each recipient hereof agrees to the foregoing.

NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, EACH RECIPIENT (AND EACH EMPLOYEE, REPRESENTATIVE, OR OTHER AGENT OF SUCH RECIPIENT) 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 CO-ISSUER, THE REFINANCING NOTES, OR THE TRANSACTION 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.

OFFERING CIRCULAR

BLUEMOUNTAIN CLO 2014-3 LTD.
BLUEMOUNTAIN CLO 2014-3 LLC.

U.S.$372,000,000 Class A-1-R Senior Secured Floating Rate Notes due 2026
U.S.$76,000,000 Class A-2-R Senior Secured Floating Rate Notes due 2026
U.S.$41,750,000 Class B-R Senior Secured Deferrable Floating Rate Notes due 2026
U.S.$31,700,000 Class C-R Senior Secured Deferrable Floating Rate Notes due 2026

The Issuer's investment portfolio consists primarily of interests in bank loans acquired by way of a sale or assignment and Participation Interests, in each case, generally rated below investment grade. The portfolio will be managed by BlueMountain CLO Management, LLC.

The Refinancing Notes will be sold at negotiated prices determined at the time of sale. See "Plan of Distribution" herein.

On April 17, 2017 (the "**Refinancing Date**"), BlueMountain CLO 2014-3 Ltd. (the "**Issuer**") and BlueMountain CLO 2014-3 LLC (the "**Co-Issuer**" and, together with the Issuer, the "**Co-Issuers**") refinanced the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes (collectively, the "**Refinanced Notes**") issued by the Co-Issuers on September 30, 2014 (the "**Original Closing Date**"), by the Co-Issuers issuing U.S.$372,000,000 Class A-1-R Senior Secured Floating Rate Notes due 2026 (the "**Class A-1-R Notes**"), U.S.$76,000,000 Class A-2-R Senior Secured Floating Rate Notes due 2026 (the "**Class A-2-R Notes**"), U.S.$41,750,000 Class B-R Senior Secured Deferrable Floating Rate Notes due 2026 (the "**Class B-R Notes**") and U.S.$31,700,000 Class C-R Senior Secured Deferrable Floating Rate Notes due 2026 (the "**Class C-R Notes**") (collectively, the "**Refinancing Notes**"). The Class D Notes, the Class E Notes and the Subordinated Notes are not being refinanced.

This offering circular (the "**Offering Circular**") must be read in conjunction with the final Offering Circular dated October 2, 2014 prepared by the Co-Issuers in connection with the offering of the Original Notes (the "**2014 Offering Circular**"), it being understood and agreed by each investor and prospective investor in the Refinancing Notes that the changes described herein supersede all statements which are inconsistent with those in the 2014 Offering Circular and that the Refinancing Initial Purchaser (i) makes no representation as to the accuracy or completeness of the information contained in the 2014 Offering Circular, (ii) is relying on representations from the Co-Issuers as to the accuracy and completeness of the information contained in the 2014 Offering Circular (other than the Original Portfolio Manager Information) and (iii) shall have no responsibility whatsoever for the contents of the 2014 Offering Circular. A copy of the 2014 Offering Circular is attached hereto as Annex A. Capitalized terms used herein and not otherwise defined shall have the meanings assigned in the 2014 Offering Circular.

See "Risk Factors" herein and in the 2014 Offering Circular for a discussion of certain factors to be considered in connection with an investment in the Refinancing Notes.

On the Original Closing Date, (i) the Co-Issuers issued U.S.$372,000,000 Class A-1 Senior Secured Floating Rate Notes due 2026 (the "**Class A-1 Notes**"), U.S.$76,000,000 Class A-2 Senior Secured Floating Rate Notes due 2026 (the "**Class A-2 Notes**"), U.S.$41,750,000 Class B Senior Secured Deferrable Floating Rate Notes due 2026 (the "**Class B Notes**") and U.S.$31,700,000 Class C Senior Secured Deferrable Floating Rate Notes due 2026 (the "**Class C Notes**") and (ii) the Issuer issued U.S.$25,700,000 Class D Senior Secured Deferrable Floating Rate Notes due 2026 (the "**Class D Notes**"), U.S.$13,700,000 Class E Senior Secured Deferrable Floating Rate Notes due 2026 (the "**Class E Notes**") and U.S.$51.200,000 Subordinated Notes due 2026 (the "**Subordinated Notes**").

The Refinancing Notes were issued concurrently and (i) the Class A-1-R Notes were rated "AAA (sf)" by S&P and "Aaa(sf)" by Moody's, (ii) the Class A-2-R Notes were rated "AA (sf)" by S&P, (iii) the Class B-R Notes were rated "A (sf)" by S&P and (iv) the Class C-R Notes were rated "BBB (sf)" by S&P.

THE PORTFOLIO MANAGER HAS INFORMED THE CO-ISSUERS AND THE REFINANCING INITIAL PURCHASER THAT IT DOES NOT INTEND TO RETAIN A RISK RETENTION INTEREST CONTEMPLATED BY THE U.S. RISK RETENTION RULES IN CONNECTION WITH THE REFINANCING TRANSACTION DESCRIBED IN THIS OFFERING CIRCULAR OR THE REFINANCING NOTES. SEE "CREDIT RISK RETENTION" BEGINNING ON PAGE 19 OF THIS OFFERING CIRCULAR.

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

The Refinancing Notes have not been registered under the Securities Act, and neither of the Co-Issuers has been registered under the Investment Company Act. The Refinancing Notes are being offered only (I) to non-U.S. persons outside the United States in reliance on Regulation S and (II) to, or for the account or benefit of, persons that are both (A) (i) Qualified Institutional Buyers and (ii) Qualified Purchasers or (B) solely in the case of Certificated Secured Notes, (i) Institutional Accredited Investors and (ii) Qualified Purchasers. For a description of certain restrictions on transfer, see "Transfer Restrictions" beginning on page 134 of the 2014 Offering Circular.

The Refinancing Notes were delivered to investors in book-entry form through The Depository Trust Company and its participants and indirect participants, including, without limitation, Euroclear and Clearstream, on or about the Refinancing Date.

Initial Purchaser of the Refinancing Notes

Citigroup

April 24, 2017

Important information regarding this Offering Circular and the Refinancing Notes

In making your investment decision, you should only rely on the information contained in this Offering Circular, read in conjunction with the 2014 Offering Circular and the first Supplemental Indenture attached hereto. No Person has been authorized to give you any information or to make any representation other than those contained in this Offering Circular, read in conjunction with the 2014 Offering Circular and the first Supplemental Indenture attached hereto. If you receive any other information, you should not rely on it.

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

The Refinancing Notes are being offered and sold only in places where offers and sales are permitted.

The Co-Issuers and the Refinancing Initial Purchaser reserve the right, for any reason, to reject any offer to purchase in whole or in part, to allot to you less than the full amount of Refinancing Notes sought by you or to sell less than the stated initial principal amount of any Class of Refinancing Notes.

The Refinancing Notes do not represent interests in or obligations of, and are not insured or guaranteed by, Citigroup, the Portfolio Manager, the Trustee, the Collateral Administrator, the Administrator, any Hedge Counterparty or any of their respective affiliates.

The Refinancing Notes are subject to restrictions on resale and transfer as described under "Description of the Refinancing Notes", "Plan of Distribution" and, in the 2014 Offering Circular, "Transfer Restrictions." By purchasing any Refinancing Notes, you will be deemed to have made certain acknowledgments, representations and agreements as described in "Transfer Restrictions" in the 2014 Offering Circular. You may be required to bear the financial risks of investing in the Refinancing Notes for an indefinite period of time.

Unless the context otherwise requires or as otherwise indicated, in this Offering Circular, "Citigroup" means Citigroup Global Markets Inc. in its capacity as initial purchaser of the Refinancing Notes.

This Offering Circular is being provided only to prospective purchasers of the Refinancing Notes. You should read this Offering Circular, including Annexes attached hereto, before making a decision whether to purchase any Refinancing Notes. Except as otherwise authorized above, you must not:

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

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

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

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

- you have reviewed this Offering Circular and the applicable sections of the 2014 Offering Circular;
- you have had an opportunity to request any additional information that you need from the Issuer or the Portfolio Manager;
- neither Citigroup nor the Portfolio Manager is responsible for, or is making any representation to you concerning, (i) the future performance of the Issuer or (ii) the accuracy or completeness of this Offering Circular or the 2014 Offering Circular (except, in the case of the Portfolio Manager, with respect to the information contained under the headings "Risk Factors—Relating to the Portfolio Manager," "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Portfolio Manager," "Credit Risk Retention" and "The Portfolio Manager" and the subheadings thereunder in this Offering Circular (such information, collectively, the "**Portfolio Manager Information**") which information supersedes and replaces in its entirety the information set forth under the headings "Risk Factors—Relating to the Portfolio Manager," "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Portfolio Manager" and "The Portfolio Manager" and the subheadings thereunder in the 2014 Offering Circular (such information, collectively, the "**Original Portfolio Manager Information**")); and
- Citigroup (i) makes no representation as to the accuracy or completeness of the information contained in the 2014 Offering Circular, (ii) is relying on representations from the Co-Issuers as to the accuracy and completeness of the information contained in the 2014 Offering Circular and (iii) shall have no responsibility whatsoever for the contents of the 2014 Offering Circular.

Neither Citibank, N.A. in each of its capacities (including but not limited to Trustee and Paying Agent), nor Virtus Group, LP, as Collateral Administrator, has participated in the preparation of this Offering Circular and neither such party assumes responsibility for its contents.

None of the Co-Issuers, Citigroup, the Portfolio Manager nor any other party to the transactions contemplated by this Offering Circular is providing you with any legal, business, tax or other advice in this Offering Circular. You should consult with your own advisors as needed to assist you in making an investment decision and to advise you as to whether you are legally permitted to purchase the Refinancing Notes.

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

APPLICATION HAS BEEN MADE TO LIST THE REFINANCING NOTES ON THE IRISH STOCK EXCHANGE. HOWEVER, THERE CAN BE NO ASSURANCES THAT THE IRISH STOCK EXCHANGE WILL IN FACT GRANT THE LISTING OF THE REFINANCING NOTES OR, IF GRANTED, THAT SUCH LISTING WILL BE MAINTAINED.

You must comply with all laws that apply to you in any place where you buy, offer or sell any Refinancing Notes or possess this Offering Circular. You must also obtain any consents or approvals that you need in order to purchase

any Refinancing Notes. None of the Co-Issuers, Citigroup, the Portfolio Manager, the Trustee, the Collateral Administrator nor any other party to the transactions contemplated by this Offering Circular is responsible for your compliance with these legal requirements.

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

IMPORTANT INFORMATION REGARDING OFFERS AND SALES OF THE REFINANCING NOTES

The Refinancing Notes offered hereby are subject to modification or revision and are offered on a "when, as and if issued" basis. You understand that, when you are considering the purchase of the Refinancing Notes, a binding contract of sale will not exist prior to the time that the relevant Class of Refinancing Notes has been priced and Citigroup has confirmed the allocation of such Refinancing Notes to be made to you; prior to that time any "indications of interest" expressed by you, and any "soft circles" generated by Citigroup will not create binding contractual obligations for you or Citigroup and may be withdrawn at any time.

You may commit to purchase one or more Classes of Refinancing Notes that have characteristics that may change, and you are advised that all or a portion of the Refinancing Notes may not be issued with the characteristics described in this Offering Circular. The obligation of Citigroup or the Co-Issuer to sell such Refinancing Notes to you is conditioned on the Refinancing Notes having the characteristics described in this Offering Circular. If Citigroup or the Co-Issuers determine that such condition is not satisfied in any material respect, you will be notified, and none of the Issuer, the Co-Issuer or Citigroup will have any obligation to you to deliver any portion of the Refinancing Notes that you have committed to purchase, and there will be no liability among the Issuer, the Co-Issuer, their affiliates, Citigroup and you as a consequence of the non-delivery. Your payment for the Refinancing Notes will confirm your agreement to the terms and conditions described in this Offering Circular.

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

No invitation may be made, by or on behalf of the Issuer, to any member of the public in the Cayman Islands to subscribe for the Refinancing Notes and no such invitation is made hereby.

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

EACH PROSPECTIVE PURCHASER OF ANY OF THE REFINANCING NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS SUCH REFINANCING NOTES OR POSSESSES OR DISTRIBUTES THIS OFFERING CIRCULAR AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED BY IT FOR THE PURCHASE, OFFER OR SALE BY IT OF THE REFINANCING NOTES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NONE OF THE CO-ISSUERS, THE REFINANCING INITIAL PURCHASER, THE PORTFOLIO MANAGER, ANY HEDGE COUNTERPARTY AND ANY OF THEIR RESPECTIVE AFFILIATES SHALL HAVE ANY RESPONSIBILITY THEREFOR.

NOTICE TO FLORIDA RESIDENTS

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

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

WITHIN THE UNITED KINGDOM, THIS OFFERING CIRCULAR MAY NOT BE PASSED ON EXCEPT TO INVESTMENT PROFESSIONALS OR OTHER PERSONS IN CIRCUMSTANCES IN WHICH SECTION 21(1) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED) DOES NOT APPLY TO THE ISSUER (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THIS OFFERING CIRCULAR MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS OFFERING CIRCULAR RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

RELEVANT PERSONS SHOULD NOTE THAT ALL, OR MOST, OF THE PROTECTIONS OFFERED BY THE UNITED KINGDOM REGULATORY SYSTEM WILL NOT APPLY TO AN INVESTMENT IN THE NOTES AND THAT COMPENSATION WILL NOT BE AVAILABLE UNDER THE UNITED KINGDOM FINANCIAL SERVICES COMPENSATION SCHEME.

NOTICE TO RESIDENTS OF MEMBER STATES OF THE EUROPEAN ECONOMIC AREA

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a "**relevant member state**"), the Refinancing Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that relevant member state (the "**relevant implementation date**") it has not made and will not make an offer of Refinancing Notes to the public in that relevant member state prior to the publication of a prospectus in relation to the Refinancing Notes which has been approved by the competent authority in that relevant member state or, where appropriate, approved in another relevant member state and notified to the competent authority in that relevant member state, all in accordance with the Prospectus Directive, any amendments thereto to the extent implemented in each relevant member state and any relevant implementing measure in each relevant member state, except that, with effect from and including the relevant implementation date, an offer of securities may be offered to the public in that relevant member state:

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

(b) at any time to fewer than 150 natural or legal persons (other than "qualified investors"), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant dealer or dealers nominated by the Issuer for any such offer; or

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

provided that no such offer of securities shall require the publication by the Issuer or any other entity of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, (i) the expression an "offer of securities to the public" in relation to any securities in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the same may be varied in that member state by any measure implementing the

Prospectus Directive in that member state. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including by Directive 2010/73/EU and includes any relevant implementing measure in each Relevant Member State.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains forward-looking statements, which can be identified by words like "anticipate," "believe," "plan," "hope," "goal," "initiative," "expect," "future," "intend," "will," "could," and "should" and by similar expressions. Other information contained herein, including any forecasted, estimated, targeted or assumed information, may also be deemed to be, or to contain, forward-looking statements. Prospective investors should not place undue reliance on forward-looking statements. Actual results could differ materially from those referred to in forward-looking statements for many reasons, including the risks described in "Risk Factors." Forward-looking statements are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying any forward-looking statements will not materialize or will vary significantly from actual results. Variations of assumptions and results may be material.

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

CERTAIN DEFINITIONS AND RELATED MATTERS

Unless otherwise indicated, (i) references in this Offering Circular to "U.S. Dollars," "Dollars" and "U.S.$" will be to United States dollars; (ii) references to the term "Holder" or "holder" will mean the person in whose name a security is registered and, in the context of any risk involved in purchasing, holding or transferring any of the Refinancing Notes or any representation, warranty or covenant required or deemed to be made by an investor in any of the Refinancing Notes, will be deemed to include the beneficial owner of the related security; and (iii) references to "U.S." and "United States" will be to the United States of America, its territories and its possessions.

SUMMARIES OF DOCUMENTS

This Offering Circular summarizes certain provisions of the Refinancing Notes, the Indenture, the Portfolio Management Agreement and other transactions documents. The summaries do not purport to be complete and (whether or not so stated in this Offering Circular or the 2014 Offering Circular) are subject to, are qualified in their entirety by reference to, and incorporate by reference, the provisions of the actual documents (including definitions of terms). However, no documents incorporated by reference are part of this Offering Circular for purposes of the approval of this Offering Circular as a prospectus under the Prospectus Directive and for purposes of the admission of the Refinancing Notes to trading on the regulated market of the Irish Stock Exchange. No websites mentioned herein are incorporated into or form a part of this Offering Circular. You should direct any requests and inquiries regarding this Offering Circular and such other documents to the Issuer in care of Citigroup at the following address: 390 Greenwich Street, 4th Floor, New York, New York 10013, Attention: Structured Credit Products Group, BlueMountain CLO 2014-3 Ltd.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with the sale of the Refinancing Notes, the Co-Issuers under the Indenture referred to under "Description of the Refinancing Notes" will be required to furnish upon written

request of a holder of a Refinancing Note to such holder and a prospective purchaser designated by such holder the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the Co-Issuers are not reporting companies under Section 13 or Section 15(d) of the Exchange Act, or exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. Neither of the Co-Issuers expects to become such a reporting company or to become exempt from reporting. Such information may be obtained directly from the Issuer.

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A glossary of certain defined terms related to the Issuer and an index of defined terms appear at the end of the 2014 Offering Circular and an index of defined terms defined herein appear at the end of this Offering Circular. Capitalized terms used herein and not defined shall have the meanings assigned in the 2014 Offering Circular and, if not defined therein, the Indenture. As used herein, "**Indenture**" means the Indenture dated as of September 30, 2014, among the Issuer, the Co-Issuer and the Trustee (the "**Original Indenture**"), as amended by the First Supplemental Indenture.

OVERVIEW

The following overview must be read in conjunction with the section entitled "Overview" in the 2014 Offering Circular. The changes set forth below supersede all statements which are inconsistent therewith in the 2014 Offering Circular. The following overview does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this Offering Circular, including (except to the extent described in the immediately preceding sentence) in the 2014 Offering Circular and related documents referred to herein; it being understood and agreed by each investor and prospective investor in the Refinancing Notes that the Refinancing Initial Purchaser (i) makes no representation as to the accuracy or completeness of the information contained in the 2014 Offering Circular, (ii) is relying on representations from the Co-Issuers as to the accuracy and completeness of the information contained in the 2014 Offering Circular (other than the Original Portfolio Manager Information) and (iii) shall have no responsibility whatsoever for the contents of the 2014 Offering Circular. Indices of defined terms appear at the back of this Offering Circular and at the back of the 2014 Offering Circular.

Issuer:	BlueMountain CLO 2014-3 Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands.
Co-Issuer:	BlueMountain CLO 2014-3 LLC, a limited liability company formed under the laws of Delaware. The Issuer and the Co-Issuer are together referred to as the "**Co-Issuers**".
Portfolio Manager:	BlueMountain CLO Management, LLC ("**BMCLO**"), a Delaware limited liability company, that is an affiliate of BlueMountain Capital Management, LLC, a Delaware limited liability company ("**BlueMountain**" or the "**Original Portfolio Manager**") which was the Portfolio Manager on the Original Closing Date. Prior to the Refinancing Date, the Original Portfolio Manager assigned its interest in the Portfolio Management Agreement to BMCLO.
Trustee:	Citibank, N.A..
Collateral Administrator:	Virtus Group, LP, as collateral administrator (the "**Collateral Administrator**").
Refinancing Initial Purchaser:	Citigroup Global Markets Inc. ("**Citigroup**").

Notes Offered:					
Class of Notes	Amount	Interest Rate	S&P Rating	Moody's Rating	Stated Maturity (Payment Date in)
Class A-1-R Notes	U.S.$372,000,000	LIBOR + 1.14%	"AAA (sf)"	"Aaa (sf)"	October 2026
Class A-2-R Notes	U.S.$76,000,000	LIBOR + 1.60%	"AA (sf)"	N/A	October 2026
Class B-R Notes	U.S.$41,750,000	LIBOR + 2.10%	"A (sf)"	N/A	October 2026
Class C-R Notes	U.S.$31,700,000	LIBOR + 3.20%	"BBB (sf)"	N/A	October 2026

Before making a decision to purchase any Refinancing Notes, prospective investors are urged to read this Offering Circular (including the First Supplemental Indenture attached as Annex B hereto), the final Offering Circular and the 2014 Offering Circular.

After the First Supplemental Indenture is adopted on the Refinancing Date, each Class of Refinancing Notes has (i) the terms set forth in the table above and in the First Supplemental Indenture and (ii) the terms set forth in the 2014 Offering Circular, except that in the case of this clause (ii), (a) the Class A-1-R Notes have the terms of the Class A-1 Notes, (b) the Class A-2-R Notes have the terms of the Class A-2 Notes, (c) the Class B-R Notes have the terms of the Class B Notes and (d) the Class C-R Notes have the terms of the Class C Notes.

Refinancing Date:	April 17, 2017.
Eligible Purchasers:	The Refinancing Notes are being offered only (I) to non-U.S. persons outside the United States in reliance on Regulation S and (II) to, or for the account or benefit of, persons that are (x) both (A) Qualified Institutional Buyers and also (B) Qualified Purchasers or (y) solely in the case of Certificated Secured Notes, both (A) Institutional Accredited Investors and also (B) Qualified Purchasers. See "Description of the Refinancing Notes" herein and "Transfer Restrictions" in the 2014 Offering Circular.
Other Information:	
Minimum Denominations	The Refinancing Notes will be issuable in minimum denomination of U.S.$250,000 and integral multiples of U.S.$1.00 in excess thereof.
Form of Notes.....	The Refinancing Notes sold to Persons who are Qualified Institutional Buyers may be represented by global notes or certificates in fully registered form without interest coupons to be deposited with a custodian for and registered in the name of Cede & Co., c/o The Depository Trust & Clearing Corporation, 55 Water Street, New York, NY 10041, telephone (212) 855-5471. The Refinancing Notes sold to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act will be represented by global notes or certificates in fully registered form without interest coupons to be deposited with a custodian for and registered in the name of Cede & Co., a nominee of DTC, for the accounts of Euroclear or Clearstream. The Refinancing Notes sold to Persons that are Institutional Accredited Investors will be represented by definitive certificates in fully registered form without interest coupons.
Listing and Trading.....	Application has been made to the Irish Stock Exchange for the Refinancing Notes to be admitted to the Official List and trading on its regulated market. There can be no assurance that any such approval will be granted or, if granted, that such listing will be maintained. See "Listing and General Information." There is currently no secondary market for the Refinancing Notes and none may develop.
Tax Status.....	See "Certain U.S. Federal Income Tax Considerations" herein and "U.S. Federal Income Tax Considerations" in the 2014 Offering Circular.
ERISA.....	See "Certain ERISA and Legal Investment Considerations" in the 2014 Offering Circular.
Amendments to the Indenture:	The Indenture will be amended pursuant to a first supplemental indenture (the "**First Supplemental Indenture**"), which is intended to, among other things, (i) establish the terms of the Refinancing Notes, (ii) amend certain existing definitions affected by the Refinancing Notes, (iii) set forth certain new definitions relating to the Refinancing Notes and (iv) eliminate the Issuer's ability to effect any subsequent Refinancing or Re-Pricing of the Refinancing Notes after the Refinancing Date. The purchasers of Refinancing Notes will be deemed to approve the amendments to the Indenture pursuant to the First Supplemental Indenture. See "First Supplemental Indenture." The execution and delivery of the First Supplemental Indenture will be a condition to the issuance of the Refinancing Notes. The consent of at least a Majority of the Subordinated Notes will be a condition to the execution and delivery of the First Supplemental Indenture.
Use of Proceeds:	The proceeds of the offering of the Refinancing Notes will be applied by the Issuer to redeem the Refinanced Notes at their respective Redemption Prices and to pay certain expenses of the Issuer, the Trustee, the Collateral Administrator, the Refinancing Initial Purchaser and the Portfolio Manager related to the Refinancing.

RISK FACTORS

An investment in the Refinancing Notes involves certain risks, including the risk that investors will lose their entire investment. Prospective investors should carefully consider the following factors, in addition to the "Risk Factors" section of the 2014 Offering Circular and matters set forth elsewhere in this Offering Circular and the 2014 Offering Circular, prior to investing in the Refinancing Notes. To the extent any statement in this "Risk Factors" section conflicts with any statement in the "Risk Factors" section of the 2014 Offering Circular, the statements herein shall supersede any such statements in the 2014 Offering Circular.

The following limited supplemental disclosure is being provided to prospective investors to inform them of certain risks arising from the issuance of the Refinancing Notes, but does not purport to (and none of the Co-Issuers, the Refinancing Initial Purchaser, the Portfolio Manager or their respective Affiliates makes any representations that it purports to) comprehensively update the 2014 Offering Circular or disclose all risk factors (whether legal or otherwise) which may arise by or relate to the issuance of the Refinancing Notes.

The Refinancing Initial Purchaser (i) makes no representation as to the accuracy or completeness of the information contained in the 2014 Offering Circular, (ii) is relying on representations from the Co-Issuers as to the accuracy and completeness of the information contained in the 2014 Offering Circular (other than the Original Portfolio Manager Information), and (iii) shall have no responsibility whatsoever for the contents of the 2014 Offering Circular.

Relating to General Commercial Risks

General Economic Conditions may Affect the Ability of the Co-Issuers to Make Payments on the Refinancing Notes.

The Issuer's ability to make payments on the Refinancing Notes will depend in part on general economic conditions and the financial health of corporate borrowers. Negative trends or volatility in economic conditions generally or in particular financial and credit markets are likely to increase the number of non-performing Collateral Obligations and decrease the value and collectability of the Assets. It is difficult to predict which markets, products, businesses and assets will be affected by particular economic or business conditions (or to what degree the health of particular markets or industries are dependent on monetary policies by central banks, particularly the Federal Reserve). There is no assurance that conditions in the credit and other financial markets will remain stable and will not deteriorate at any time and there is a material possibility that economic activity will be volatile or will slow over the moderate to long term. A decrease in market value of the Collateral Obligations would also adversely affect the Sale Proceeds that could be obtained upon the sale of the Collateral Obligations and could ultimately affect the ability of the Issuer to pay in full or redeem the Refinancing Notes.

Negative economic trends would also increase the likelihood that major financial institutions or other entities having a significant impact on the financial and credit markets may suffer a bankruptcy or insolvency, as occurred during the recession in the U.S. economy several years ago. The bankruptcy or insolvency of any such entity may have an adverse effect on the Issuer and the Refinancing Notes and may trigger future crises in the global credit markets and overall economy, which could have a significant adverse effect on the Issuer and the Refinancing Notes.

Several nations, particularly within the European Union (the "**EU**"), have recently suffered or are currently suffering from significant economic distress. There can be no assurance as to the resolution of the economic problems in those countries, nor as to whether such problems will spread to other countries or otherwise negatively affect economies or markets. A debt default by a sovereign nation or other potential consequences of these economic problems may trigger additional crises in the global credit markets and overall economy which could have a significant adverse effect on the Issuer and the Refinancing Notes. In addition, obligors of Collateral Obligations may be organized in, or otherwise Domiciled in, or have a substantial percentage of their revenues or assets in, certain of such countries currently suffering from economic distress, or other countries that may begin to suffer economic distress, and the uncertainty and market instability in any such country may increase the likelihood of default by such obligor. In the event of its insolvency, any such obligor, by virtue of being organized in such a jurisdiction or having a substantial percentage of its revenues or assets in such a jurisdiction, may be more likely to be subject to bankruptcy or insolvency proceedings in such jurisdiction at the same time as such jurisdiction is itself potentially unstable. In addition, it is possible that countries that have adopted the Euro could abandon the Euro and

return to a national currency and/or that the Euro will cease to exist as a single currency in its current form. The effects on a country of abandonment of the Euro or a country's forced expulsion from the EU are impossible to predict, but are likely to be negative. The exit of any country out of the EU or the abandonment by any country of the Euro would likely have a destabilizing effect on all eurozone countries and their economies and a negative effect on the global economy as a whole.

The outcome of the referendum of the United Kingdom ("**UK**") on membership in the EU, held on June 23, 2016, was that the UK public voted by a majority in favor of the British government taking the necessary action for the UK to leave the EU. At this time, it is not certain what steps will need to be taken to facilitate the UK's exit from the EU or the length of time that this may take. Furthermore, the UK's decision to leave the EU has caused significant new uncertainties in the financial markets which may adversely affect the Collateral Obligations and Co-Issuers' ability to make payments on the Refinancing Notes. In addition, it is unclear at this stage what the consequences of the UK's departure from the EU will ultimately be for the Co-Issuers, any other transaction party or the investors in the transaction.

Illiquidity in the CDO, Leveraged Finance and Fixed Income Markets may Affect the Holders of the Refinancing Notes.

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

Regardless of current or future market conditions, certain Collateral Obligations purchased by the Issuer will have only a limited trading market (or none). The Issuer's investment in illiquid debt obligations may restrict its ability to dispose of investments in a timely fashion and for a fair price, as well as its ability to take advantage of market opportunities. Illiquid debt obligations may trade at a discount from comparable, more liquid investments. In addition, adverse developments in the primary market for leveraged loans may reduce opportunities for the Issuer to purchase recent issuances of Collateral Obligations. More particularly, the ability of private equity sponsors and leveraged loan arrangers to effectuate new leveraged buy-outs and the ability of the Issuer to purchase such assets may be partially or significantly limited. There has been a recent increase in primary leveraged loan market activity, but there can be no assurance that such increase will persist or that the primary leveraged loan market will not return to its previous levels or cease altogether for a period of time. The impact of another liquidity crisis on the global credit markets may adversely affect the management flexibility of the Portfolio Manager in relation to the portfolio and, ultimately, the returns on the Refinancing Notes to investors.

Legislative and Regulatory Actions in the United States and Europe may Adversely Affect the Issuer and the Refinancing Notes.

Volcker Rule. Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**" and, Section 619, commonly referred to as the "**Volcker Rule**") generally prohibits "banking entities" (which is broadly defined to include banks, banking holding companies and affiliates thereof, among others) from certain proprietary trading activities, or from acquiring or retaining an "ownership interest" in, or sponsoring or

having certain relationships with, "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), it may be a "covered fund" within the meaning of the Volcker Rule. The Issuer believes that it qualifies for the "loan securitization exclusion," which applies to an asset-backed security issuer the assets of which, in general, consist only of loans, assets or rights (including certain types of securities) designed to ensure the servicing or timely distribution of proceeds to holders or that are related or incidental to purchasing or otherwise acquiring and holding loans as a result of certain modifications made to the Indenture pursuant to the First Supplemental Indenture.

If the Issuer is a "covered fund," certain entities (including, without limitation, a "banking entity") may be prohibited from, among other things, acting as a "sponsor" to, or having an "ownership interest" in, the Issuer. The Volcker Rule and interpretations thereunder are still uncertain, may restrict or discourage the acquisition of Refinancing Notes by such entities, and may adversely affect the liquidity of the Refinancing Notes. Although the Volcker Rule provides limited exceptions to its prohibitions, each investor in the Refinancing Notes must make its own determination as to whether it is subject to the Volcker Rule, whether its investment in the Refinancing Notes would be restricted or prohibited under the Volcker Rule, and the potential impact of the Volcker Rule on its investment, any liquidity in connection therewith and on its portfolio generally. Investors in the Refinancing Notes are responsible for analyzing their own regulatory position and none of the Issuer, the Refinancing Initial Purchaser, the Portfolio Manager, the Trustee nor any of their Affiliates makes any representation to any prospective investor or purchaser of the Refinancing Notes regarding the application of the Volcker Rule to the Issuer or to such investor's investment in the Refinancing Notes on the Refinancing Date or at any time in the future.

U.S. Risk Retention. On December 24, 2016, the final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act (the "**U.S. Risk Retention Rules**") became effective. The U.S. Risk Retention Rules generally require the portfolio manager of a CLO to retain (or a "majority-owned affiliate," including as a result of having a controlling financial interest under GAAP, of the CLO manager may hold the retention interest) not less than 5% of the credit risk of the assets collateralizing the CLO issuer's securities. Although the U.S. Risk Retention Rules will be in effect on the Refinancing Date, the Portfolio Manager has informed the Co-Issuers and the Refinancing Initial Purchaser that it does not intend to comply with the U.S. Risk Retention Rules in respect of the refinancing transaction described in this Offering Circular or the Refinancing Notes in reliance on the Crescent Letter. See "Credit Risk Retention" herein. Accordingly, none of the Portfolio Manager or any of its Affiliates have agreed to take any steps to ensure that this transaction complies with the U.S. Risk Retention Rules, and none of the Co-Issuers or the Refinancing Initial Purchaser provides any assurances regarding, or assumes and responsibility for the Portfolio Manager's compliance with the U.S. Risk Retention Rules prior to, on or after the Refinancing Date. In addition, the SEC has indicated in contexts separate from the U.S. Risk Retention Rules that an "offer" or a "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 amendment. 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 Indenture and the Refinancing Notes, including a Re-Pricing, to the extent such amendments require investors to make an investment decision. As a result, the U.S. Risk Retention Rules may adversely affect the Issuer (and the performance and market value of the Refinancing Notes) if the Issuer is unable to undertake any such additional issuance, Refinancing, Re-Pricing or other material amendment and may affect the liquidity of the Refinancing Notes. 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 Portfolio Manager, the Issuer or the Holders.

European Legal Investment Considerations and Retention Requirements. Articles 404-410 (inclusive) of the Capital Requirements Regulation 575/2013 apply to credit institutions established in a member state of the European Economic Area ("**EEA**") and investment firms (such articles, together with any applicable guidance, technical standards or related documents published by the European Banking Authority and any related delegated regulations of the European Commission, the "**CRR Retention Requirements**"). Among other things, the CRR Retention Requirements restrict credit institutions and investment firms from investing in securitizations, including collateralized loan obligation transactions, unless (i) the originator, sponsor or original lender in respect of the relevant securitization has explicitly disclosed that it will retain, on an ongoing basis, a net economic interest of not less than 5% in respect of certain specified credit risk tranches or securitized exposures and (ii) such investor is able to demonstrate that it has 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. Similar requirements are or are expected to be imposed on European insurance companies, UCITS funds and investment funds managed by EEA alternative investment fund managers (such requirements, collectively with

the CRR Retention Requirements, the "**EU Retention and Due Diligence Requirements**"). Failure to comply with the EU Retention and Due Diligence 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 Refinancing Notes acquired by the relevant investor. The EU Retention and Due Diligence Requirements apply in respect of the Refinancing Notes, but no party to the transaction intends to take any steps to retain a net economic interest in the transaction in compliance with the EU Retention and Due Diligence Requirements. The absence of any commitment to retain a net economic interest in the transaction by an originator, sponsor or original lender means that the EU Retention and Due Diligence Requirements cannot be satisfied in respect of the Refinancing Notes and may deter EEA regulated institutions and their affiliates from investing in the Refinancing Notes. This, in turn, may adversely affect the liquidity of the Refinancing Notes in the secondary market and may adversely affect the ability to transfer the Refinancing Notes and/or the price received upon sale of the Refinancing Notes.

In addition, EU Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") provides that alternative investment funds ("**AIFs**") must have a designated alternative investment fund manager (an "**AIFM**") with responsibility for portfolio and risk management. Although the portfolio and risk management provisions of AIFMD apply only to EEA AIFMs when managing any AIF, the disclosure and transparency requirements of AIFMD apply to any non-EEA AIFs which are to be marketed in the EEA. CLO issuers, including the Co-Issuers, are generally taking the position that they are not AIFs that are subject to the jurisdiction of AIFMD because they qualify for the exemption for "securitization special purpose entities" or because the issuance of the Refinancing Notes constitutes a "collective investment scheme" (within the meaning of section 235 of the Financial Services and Markets Act 2000) falling outside the scope of the AIFMD. It is possible, however, that this position could change in the event that one or more European regulatory authorities expresses a view that such exemption or exclusion is not available to CLO issuers. If AIFMD were to apply to the Issuer as a non-EEA AIF and the Issuer engaged in any marketing in the EEA, the Issuer would be subject to the disclosure and transparency requirements of AIFMD, which require, among other things, that investors in the EU receive initial and periodic disclosures concerning any AIF which is marketed to them; that annual financial reports of the AIF must be prepared in compliance with the AIFMD and made available to investors; that periodic reports relating to the AIF must be filed with the competent regulatory authority in each EU member state in which the fund has been marketed. All or any of these regulatory requirements may adversely affect the Portfolio Manager's ability to achieve the Issuer's investment objective, and may result in additional costs and expenses for the Issuer. In addition, it is unclear whether or not the Issuer would be able to comply with such disclosure requirements.

Other Changes. No assurance can be made that the United States federal government or any U.S. regulatory body (or other authority or regulatory body) will not continue to take further legislative or regulatory action in response to the financial crisis or otherwise, and the effect of such actions, if any, cannot be known or predicted. All prospective investors in the Refinancing Notes whose investment activities are subject to 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 Refinancing Notes will constitute legal investments for them or are subject to investment or other restrictions, unfavorable accounting treatment, capital charges or reserve requirements and none of the transaction parties or any of their respective affiliates makes any representation , warranty or guarantee that the structure of the Refinancing Notes is compliant with any applicable legal, regulatory or other framework.

S&P Settlements.

On January 21, 2015, the SEC entered into administrative settlement agreements with S&P with respect to, among other things, multiple allegations of making misleading public statements with respect to its ratings methodology and certain misleading publications concerning criteria and research, in each case relating to commercial mortgage-backed security transactions. S&P neither admitted nor denied the charges in these settlements. As a result of these settlement agreements, the SEC ordered S&P censured and enjoined S&P from violating the statutory provisions and rules related to the allegations described above. Additionally, S&P agreed to pay civil penalties and other disgorgements exceeding $76 million. Finally, S&P agreed to refrain from giving preliminary or final ratings for any new issue U.S. conduit commercial mortgage-backed security transaction until January 21, 2016.

On February 3, 2015, S&P entered into a settlement agreement with the United States Justice Department, 19 States and the District of Columbia, to settle lawsuits relating to S&P's alleged inflation of subprime mortgage bonds. S&P did not admit to any wrongdoing in connection with such settlement. Also on February 3, 2015, S&P

entered into a settlement agreement with the California Public Employees Retirement System to resolve claims over three structured investment vehicles. Under these settlement agreements, S&P agreed to pay an aggregate amount of about $1.5 billion.

None of these settlement agreements involve S&P's CLO rating business.

Additional information about Benchmark Rates.

Regulators and law-enforcement agencies in a number of different jurisdictions have conducted and continue to conduct civil and criminal investigations into potential manipulation or attempted manipulation of submissions of London inter-bank offered rates ("Libor") to the British Bankers Association ("BBA"). There have also been allegations that member banks may have manipulated other inter-bank lending rates (such rates, together with Libor, the "Benchmark Rates"). Benchmark Rates are currently being reformed, including (i) the replacement of the BBA with ICE Benchmark Administration Ltd as Libor administrator, which was completed on February 1, 2014, (ii) a reduction in the number of tenors and currencies for which certain Benchmark Rates are calculated, and (iii) modifications to the administration, submission and calculation procedures, including their regulatory status, in respect of certain Benchmark Rates. Investors should be aware that: (a) any of these changes or any other changes to Benchmark Rates could affect the level of the relevant published rate, including to cause it to be lower and/or more volatile than it would otherwise be; (b) if the applicable rate of interest on any Collateral Obligation is calculated with reference to a tenor or currency which is discontinued, such rate of interest may then be determined by the provisions of the affected Collateral Obligation, which may include determination by the relevant calculation agent in its discretion, or the Collateral Obligation may otherwise be subject to a degree of contractual uncertainty; (c) the administrators of Benchmark Rates will not have any involvement in the Collateral Obligations or the Refinancing Notes and may take any actions in respect of Benchmark Rates without regard to the effect of such actions on the Collateral Obligations or the Refinancing Notes; (d) any uncertainty in the value of a Benchmark Rate or, the development of a widespread market view that a Benchmark Rate has been manipulated, or any uncertainty in the prominence of a Benchmark Rate as a benchmark interest rate due to the recent regulatory reform may adversely affect liquidity of the affected Collateral Obligations or the Refinancing Notes in the secondary market and their market value; and (e) an increase in alternative types of financing in place of Benchmark Rate-based loans (resulting from a decrease in the confidence of borrowers in such rates) may make it more difficult to source Collateral Obligations or reinvest proceeds in Collateral Obligations that satisfy the reinvestment criteria specified herein. Any of the above or any other significant change to the setting of a Benchmark Rate could have a material adverse effect on the value of, and the amount payable under, (i) any Collateral Obligations which pay interest linked to a Benchmark Rate and (ii) the Refinancing Notes.

Relating to the Refinancing Notes

Limited operating history; investment performance.

The Issuer has been acting under the Indenture since the Original Closing Date. Certain information relating to the Assets is set forth in the Monthly Reports and Distribution Reports. Copies of the most recent Monthly Report and Distribution Report will be provided by the Refinancing Initial Purchaser to a prospective investor upon request. Such reports should be read in conjunction with this Offering Circular and the 2014 Offering Circular. Such reports have not been audited or reported upon by an independent public accountant (other than a limited scope review of the Distribution Report by independent accountants).

Prospective investors should note that such reports contain limited information and do not provide a full description of all Assets previously held or sold by the Issuer, nor the gains or losses associated with purchases or sales of Assets, nor the levels of compliance with the Coverage Tests and Collateral Quality Test during periods prior to the periods covered by such reports. The information contained in such reports corresponds to the dates and periods specified therein and none of the information contained in such reports will be updated to the date of this Offering Circular or the Refinancing Date. As a result, the information contained in the reports may no longer reflect the characteristics of the Assets as of the date of this Offering Circular or on or after the Refinancing Date.

Investor Suitability.

An investment in the Refinancing Notes will not be appropriate for all investors. Structured investment products like the Refinancing Notes are complex instruments, and typically involve a high degree of risk and are

intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. Any investor interested in purchasing Refinancing Notes should conduct its own investigation and analysis of the product and consult its own professional advisers as to the risks involved in making such a purchase.

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

The Refinancing Initial Purchaser will have no obligation to monitor the performance of the Assets or the actions of the Portfolio Manager or the Issuer and will have no authority to advise the Portfolio Manager or the Issuer or to direct their actions, which is solely the responsibility of the Portfolio Manager (to the extent set forth in the Portfolio Management Agreement) and/or the Issuer, as the case may be. If the Refinancing Initial Purchaser owns Refinancing Notes, it will have no responsibility to consider the interests of any holders of Refinancing Notes in actions it takes in such capacity. While the Refinancing Initial Purchaser may own Refinancing Notes at any time, it has no obligation to make any investment in any Refinancing Notes and may sell at any time any Refinancing Notes it does purchase..

The issuance of the Refinancing Notes requires the execution of a supplemental indenture.

The issuance of the Refinancing Notes is contingent on the execution of the First Supplemental Indenture. Although the Indenture provides that the Co-Issuers and the Trustee may enter into supplemental indentures to modify various provisions of the Indenture, including in connection with a Refinancing, the execution of supplemental indentures is subject to various conditions precedent. In certain cases, consent of certain holders of Notes may be required, and certain holders of Notes may have objection rights. There is no assurance or guarantee that the Issuer will be able to obtain any such required holder consents or that such holders will not exercise any such objection rights.

Relating To Taxes

The Issuer and/or payments on the Refinancing Notes may be subject to various U.S. and other taxes.

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

Prior to the Refinancing Date, the Issuer conducted its affairs so that it would not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes (including as a result of the manner in which it acquires assets). As a consequence, the Issuer expected that its income will not become subject to U.S. federal tax on a net income basis. The Issuer received an opinion of Ashurst LLP on the Original Closing Date to the effect that, under then-current law, assuming compliance with the Indenture (and certain other documents (including certain tax restrictions (the "**Tax Investment Guidelines**"))) and based upon certain factual representations made by the Issuer and/or the Portfolio Manager, and assuming the correctness of all opinions and advice of counsel that permit the Issuer to take or fail to take any action under the Transaction Documents based upon such opinions or advice, although the matter is not free from doubt, the Issuer will not be treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes. The opinion of Ashurst LLP is based on certain factual assumptions, covenants and representations as to the Issuer's contemplated activities. The Issuer intends to conduct its future affairs in a manner that will not cause it to become subject to U.S. federal income tax on a net income basis. There can be no assurance, however, that the Issuer's net income will not become subject to U.S. federal income tax as a result of unanticipated activities, changes in law, contrary conclusions by the U.S. Internal Revenue Service (the "**IRS**"), or other causes. No controlling legal authority specifically addresses arrangements of this kind. If the Issuer were determined to be engaged in a trade or business within the United States for U.S. federal income tax purposes, its income (computed possibly without any allowance for deductions) would be subject to U.S. federal income tax at the normal corporate rates, and possibly to a branch profits tax of 30% as well. The imposition of such taxes could materially affect the Issuer's financial ability to make payments on the Refinancing Notes, cause the Issuer to sell the relevant Collateral Obligations or cause a redemption following a Tax Event in certain circumstances. In addition, if the Issuer creates a Tax Subsidiary, the subsidiary's income may be subject to net tax in the United States and the imposition of such taxes would materially reduce any return from assets held in such subsidiary.

Although the Issuer intends to continue to follow the Tax Investment Guidelines (and has provided assurances that it has followed such Tax Investment Guidelines for the period prior to the Refinancing Date), investors in the 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 will be engaged in a trade or business within the United States for U.S. federal income tax purposes.

Although the Issuer does not intend to be subject to U.S. federal income tax with respect to its net income, income derived by the Issuer may be subject to withholding or gross income taxes imposed by the United States or other countries. In this regard and subject to certain exceptions, the Issuer may generally acquire a particular Collateral Obligation only if, at the time of commitment to purchase, either the interest payments thereon are not subject to withholding tax or other similar tax unless the obligor on the Collateral Obligation is required to make "gross-up" payments.

The Issuer may, however, be subject to withholding taxes which may be payable with respect to commitment fees and other similar fees associated with Collateral Obligations constituting Revolving Collateral Obligations, Delayed Drawdown Collateral Obligations or Letters of Credit, and such withholding or similar taxes may not be grossed up. In addition, there can be no assurance that income derived by the Issuer will not become subject to withholding or gross income taxes as a result of changes in law, contrary conclusions by the IRS, or other causes. In that event, such withholding or gross income taxes could be applied retroactively to fees or other income previously received by the Issuer. To the extent that withholding or gross income taxes are imposed and not paid through withholding, the Issuer may be directly liable to the taxing authority to pay such taxes.

FATCA and similar compliance rules.

FATCA potentially imposes a withholding tax of 30% on certain payments made to the Issuer, including potentially all interest paid on (and after December 31, 2018, proceeds from the sale or other disposition of) U.S. Collateral Obligations issued or materially modified on or after July 1, 2014, unless the Issuer complies with the Cayman Islands Tax Information Authority Law (2016 Revision) (as amended from time to time), together with regulations and guidance notes made pursuant to such law (the "**Cayman IGA Legislation**"), that implements the intergovernmental agreement between the United States and the Cayman Islands (the "**Cayman IGA**"). The Cayman IGA requires, among other things, that the Issuer register with the IRS to obtain a Global Intermediary Identification Number ("**GIIN**") and collect and provide to the Cayman Islands Tax Information Authority substantial information regarding certain direct and indirect holders of the Refinancing Notes. In addition, in some cases, future laws or regulations concerning "foreign passthru payments" may require withholding on certain payments to certain holders of Refinancing Notes. The Issuer has obtained a GIIN and intends to comply with its obligations under the Cayman IGA Legislation. However, in some cases, the ability to avoid such withholding tax will depend on factors outside of the Issuer's control. The Issuer or its agent will report information to the Cayman Islands Tax Information Authority, which will exchange such information with the IRS under the terms of the Cayman IGA. Under the terms of the Cayman IGA, withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer, unless the IRS has specifically listed the Issuer as a non-participating financial institution, the Issuer has otherwise assumed responsibility for withholding under U.S. tax law, or the Issuer cannot achieve FATCA Compliance as a result of factors outside of its control, as described above.

In addition, future guidance under FATCA may subject payments on Refinancing Notes that are materially modified more than six months after the issuance of such future guidance, to a withholding tax of 30% if each foreign financial institution that holds any such Refinancing Note, or through which any such Refinancing Note is held, has not entered into an information reporting agreement with the IRS, qualified for an exception from the requirement to enter into such an agreement or complied with the terms of a relevant intergovernmental agreement.

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

The Cayman Islands has also (i) entered into an intergovernmental agreement with the United Kingdom, which imposes requirements similar to those under the Cayman IGA with respect to holders of Refinancing Notes who are resident in the United Kingdom for tax purposes, and may enter into similar agreements with other jurisdictions in the future and (ii) signed, along with a substantial number of other countries, a multilateral competent authority agreement to implement the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (the "**CRS**"). The Cayman Islands Tax Information Authority (International Tax Compliance) (Common Reporting Standard) Regulations (2015 Revision) give effect to the CRS which requires "Reporting Financial Institutions" to identify and report information in respect of specified persons in jurisdictions which sign and implement the CRS. Each owner of an interest in Refinancing Notes will be required to provide the Issuer and the Trustee or their agents with information necessary to comply with such requirements. Prospective investors should consult their own tax advisers regarding the potential implications of such agreements.

The tax treatment of U.S. holders of certain Refinancing Notes could be different if such Refinancing Notes are recharacterized for U.S. tax purposes.

The Issuer will receive an opinion from Paul Hastings LLP that the Class A-1-R Notes, the Class A-2-R Notes, the Class B-R Notes and the Class C-R Notes will be treated as debt for U.S. federal income tax purposes, and each holder of a Refinancing Note, by acceptance of such Refinancing Note, will agree to treat all such Notes as debt for such purposes. In general, the characterization of an instrument for U.S. federal income tax purposes as debt or equity by its issuer as of the time of issuance is binding on a holder. If a holder takes an inconsistent reporting position, it must disclose such position in its tax return in accordance with IRS procedures. An issuer's characterization, however, is not binding on the IRS. In particular, there can be no assurances that the IRS would not contend, and that a court would not ultimately hold, that Refinancing Notes of the Issuer constitute equity of the Issuer. The IRS recently issued regulations that reclassify financial instruments that are held by certain persons related to the issuer of such financial instruments as equity of such issuer in certain situations. These regulations do not apply to non-U.S. issuers, such as the Issuer, but there can be no assurance that future rules or regulations will not so apply or that such future rules will not have retroactive effect in a way that affects the holders of Refinancing Notes. Investors should consult their tax advisors regarding the tax rules that would apply if Refinancing Notes held by them were recharacterized as equity by the IRS.

Payments on the Refinancing Notes are not required to be grossed up for tax withheld.

The Issuer expects that payments on the Refinancing Notes ordinarily will not be subject to any withholding tax (other than U.S. backup withholding tax or, if applicable, withholding on "passthru payments" (as defined in the Code)). If the Issuer were determined to be engaged in a trade or business within the United States, however, and had income effectively connected therewith, then interest paid on the Refinancing Notes to a non-U.S. holder could be subject to a 30% U.S. withholding tax. Further, there can be no assurance that such payments will not become subject to U.S. or other withholding tax as a result of a change in any applicable law, treaty, rule or regulation or interpretation thereof or other causes, possibly with retroactive effect. In the event that withholding or deduction of any taxes from payments on the Refinancing Notes is required by law in any jurisdiction, neither of the Co-Issuers shall be under any obligation to make any additional payments in respect of such withholding or deduction.

Relating to the Portfolio Manager

Performance History of the Original Portfolio Manager is not indicative of future results of the Portfolio Manager.

The Portfolio Manager is an investment adviser registered with the SEC that has been in business since 2017, when it was founded to serve as the investment adviser and collateral manager to certain CLOs that were previously managed by the Original Portfolio Manager. The Portfolio Manager is an affiliate of the Original Portfolio Manager. The Portfolio Manager currently has no assets under management, no advisory clients and no operating history.

The Portfolio Manager has entered into a services agreement and a secondment agreement with the Original Portfolio Manager whereby the Original Portfolio Manager will provide certain services associated with the management of CLOs, including access to a team of research analysts and portfolio managers employed by the Original Portfolio Manager; office space; back office services such as loan settlement, and legal and compliance

services; and performance of trade executions upon instruction from the Original Portfolio Manager. By way of compensation for these services, the Original Portfolio Manager will receive a services fee. Pursuant to this arrangement, certain employees of the Original Portfolio Manager will perform services for the Portfolio Manager and also continue their employment with the Original Portfolio Manager.

Notwithstanding the relationship between the Original Portfolio Manager and the Portfolio Manager, the performance history of the Original Portfolio Manager should not be viewed as indicative of the future results of the Portfolio Manager.

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

Because the composition of the Assets will vary over time, the performance of the Assets depends heavily on the skills of the Portfolio Manager in analyzing, selecting and managing the Collateral Obligations. As a result, the Co-Issuers will be highly dependent on the financial and managerial experience of the Portfolio Manager's investment professionals who are assigned to select and manage the Assets and perform the other obligations of the Portfolio Manager under the Portfolio Management Agreement. There is no assurance that such persons will continue to be assigned to select and manage the Assets or to perform the Portfolio Manager's other obligations and any such changes may be made without notice to, or the consent of, the Issuer. Pursuant to the secondment agreement with the Original Portfolio Manager, certain arrangements between such persons and the Portfolio Manager may exist, but the Issuer is not a direct beneficiary of such arrangements, which arrangements are in any event subject to change without notice to, or the consent of, the Issuer. The Portfolio Manager may add investment professionals or utilize the services of other individuals employed by the Original Portfolio Manager to select and manage the Assets and perform the other obligations of the Portfolio Manager at any time without notice to, or the consent of, the Issuer. Any such additional investment professionals 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 to the persons appointed by the Portfolio Manager to perform such obligations may have a material adverse effect on the Assets, in which event payments on the Refinancing Notes could be reduced or delayed.

The Portfolio Manager may resign or be removed in certain circumstances described herein. See "The Portfolio Management Agreement—Removal, Resignation and Replacement of the Portfolio Manager" in the 2014 Offering Circular. No resignation or removal of the Portfolio Manager will be effective until a substitute Portfolio Manager has been appointed. However, there can be no assurance that any successor to BMCLO as the Portfolio Manager upon the resignation or removal of BMCLO in such capacity will have the same level of skill in performing the obligations of the Portfolio Manager, in which event payments on the Notes could be reduced or delayed. See "The Portfolio Management Agreement—Removal, Resignation and Replacement of the Portfolio Manager" in the 2014 Offering Circular.

The investment professionals of the Portfolio Manager will attend to matters unrelated to the investment activities of the Issuer.

The Portfolio Manager has informed the Issuer that the investment professionals associated with the Portfolio Manager are actively involved in other investment activities not concerning the Issuer. Although the Portfolio Manager's investment professionals will devote as much time to the management of the Collateral Obligations as the Portfolio Manager deems appropriate to perform its duties in accordance with the Portfolio Management Agreement and in accordance with reasonable commercial standards, these professionals will be allocating their time and services among the Issuer, other clients of the Original Portfolio Manager, the Portfolio Manager and its affiliates and other responsibilities and will not be able to devote all of their time to the Issuer's business and affairs. In addition, individuals not currently associated with the Portfolio Manager may become associated with the Portfolio Manager and the performance of the Collateral Obligations may also depend on the financial and managerial experience of such individuals. See "The Portfolio Management Agreement" in the 2014 Offering Circular and "The Portfolio Manager" herein.

Relating to Certain Conflicts of Interest

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

Various potential and actual conflicts of interest may arise from the overall investment activity of the Portfolio Manager, its clients and its affiliates and the Refinancing Initial Purchaser, its clients and its affiliates. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

The Issuer will be subject to various conflicts of interest involving the Portfolio Manager.

(References in this conflicts discussion to the Portfolio Manager include the Affiliates of the Portfolio Manager, including, as applicable, the Original Portfolio Manager, any account, portfolio or investment company for which the Portfolio Manager or any Affiliate serves as a manager or investment advisor, unless otherwise specified or the context otherwise requires.)

The Portfolio Manager will manage investments for clients and accounts other than the Issuer, including entities similar to the Issuer that invest in debt obligations that may be the same as the Collateral Obligations, and with the same or similar objectives as the Issuer. Thus, the Portfolio Manager may, at the same or approximately the same time, buy or sell for such clients and, as applicable, accounts, debt obligations it also buys or sells for the Issuer. In that case, the Portfolio Manager will seek to allocate such purchases and sales to such clients, accounts and the Issuer on a basis it considers equitable in light of the prevailing circumstances, to the extent that the Portfolio Manager believes such investments would be appropriate for the Issuer to purchase. The Portfolio Manager may also purchase debt obligations for other clients that are senior to, or have interests adverse to, those it buys or sells for the Issuer. The Portfolio Manager is not under any obligation to share any investment opportunity, idea or strategy with the Issuer. As a result the Portfolio Manager may compete with the Issuer for appropriate investment opportunities.

Alternatively, the Portfolio Manager may buy or sell for one client or account a debt obligation that it does not buy or sell for the Issuer or another client or account, even though the debt obligation is eligible to be bought or sold by the Issuer, if the Portfolio Manager believes the circumstances warrant. The Portfolio Manager will endeavor not to favor any client or account over the Issuer. In addition, the Portfolio Manager may buy for a client or account a debt obligation that it sells for the Issuer, or vice versa, due to differing investment objectives or other factors. In such cases, the Portfolio Manager may arrange for the client and the Issuer to be seller and buyer to each other.

The Portfolio Manager will not direct the Trustee to purchase any debt obligation to be included in the Assets from the Portfolio Manager or any of its Affiliates as principal or to sell Assets to the Portfolio Manager or any of its Affiliates as principal which would, in either case, be in violation of applicable law. Any such purchase or sale will be effected in a transaction on terms that would be representative of a transaction entered into on an arm's-length basis and in accordance with the Portfolio Management Agreement. The Portfolio Manager will not direct the Trustee to purchase any debt obligation for inclusion in the Assets from any account or portfolio for which the Portfolio Manager or any of its Affiliates serves as investment adviser, or direct the Trustee to sell a Collateral Obligation to any account or portfolio for which the Portfolio Manager or any of its Affiliates serve as investment adviser which would, in either case, be in violation of applicable law. Any such purchase or sale with an account or portfolio for which the Portfolio Manager or an Affiliate serves as adviser will be effected in a transaction on terms that would be representative of a transaction entered into on an arm's-length basis and in accordance with the Portfolio Management Agreement. The Portfolio Manager may have, however, a potentially conflicting division of loyalties and responsibilities regarding such sales.

The Portfolio Manager will (except in limited circumstances permitted by law) generally make its investment decisions on behalf of the Issuer based on public information, and (except in limited circumstances permitted by law) will not have access to (and will be precluded from directing any purchases or sales based on) material non-public information concerning any issuer of or obligor on the Collateral Obligations. As a result, the Portfolio Manager may not possess all of the information relating to issuer of or obligor on the Collateral Obligations that other investors (or prospective investors) in securities or obligations of such issuers or obligors (including without limitation, lenders, portfolio managers or other market participants) may have, and consequently the Portfolio Manager may from time to time take actions on behalf of the Issuer (including, without limitation, purchasing,

selling or making other decisions) with respect to Collateral Obligations that it would not take were it in possession of material non-public information known to other market participants.

Because the Portfolio Manager also acts as an investment advisor to other clients, its principals, investment professionals and Affiliates will necessarily not devote their full time to the Issuer, and there might be conflicts in the allocation of their time among the Issuer and those clients.

The Portfolio Manager will use its commercially reasonable efforts to obtain best execution for all orders placed with respect to the Collateral Obligations but will not necessarily be obtaining the best available execution with respect to any particular purchase, and will consider all circumstances it reasonably believes to be relevant, including, without limitation, price, the size of the transaction, the nature of the market for such obligation, the time constraints of the transaction, general market trends, the reputation and experience of the broker dealer involved and research and other brokerage services furnished to the Portfolio Manager or its Affiliates. Such services may be used by the Portfolio Manager or its Affiliates in connection with its other advisory activities or investment operations. Notwithstanding the foregoing, in placing orders for loans, which are generally privately negotiated principal transactions, the Portfolio Manager may select the agent bank or selling party in its discretion in a manner consistent with the objective of obtaining best execution. The selection of the agent or selling party will be determined by the Portfolio Manager based upon a number of factors, including the availability of purchaser or sellers, the selling or purchase price, dealer spread or commission, the size and difficulty of the transaction, the desired time of the trade, confidentiality, execution and operational capabilities, ongoing borrower diligence, reputation for integrity, sound financial condition and practices and research or other services provided. The Portfolio Manager may in the future select brokers or dealers affiliated with the Portfolio Manager. The Issuer acknowledges and agrees that the Portfolio Manager will not be deemed to have acted unlawfully, or to have breached a fiduciary duty to the Issuer, or be in breach of any obligation owing to the Issuer, or otherwise, solely by reason of its having caused the Issuer to pay a member of a securities exchange, a broker or a dealer a commission for effecting a transaction for the Issuer in excess of the amount of commission another member of an exchange, broker or dealer would have charged if the Portfolio Manager determined in good faith that the commission paid was reasonable in relation to the brokerage or research services provided by such member, broker or dealer, viewed in terms of that particular transaction or the Portfolio Manager's overall responsibilities with respect to its accounts, including the Issuer, as to which it exercises investment discretion.

The Portfolio Manager may, to the extent permitted by applicable law and in accordance with its compliance policies and procedures, aggregate purchase and sale orders of obligations placed with respect to Assets with similar orders being made simultaneously for other accounts managed by the Portfolio Manager or its Affiliates. In the event that a purchase or sale of Assets occurs as part of any aggregate sale or purchase orders, the objective of the Portfolio Manager and any of its Affiliates involved in such transaction shall be to allocate the obligations so purchased or sold, as well as expenses incurred in the transaction, among the Issuer and other accounts in an equitable manner. Nevertheless, the Issuer and Portfolio Manager acknowledge that under some circumstances, such allocation may adversely affect the Issuer with respect to the price or prices of the positions obtainable or salable. Whenever the Issuer and one or more other investment advisory clients of the Portfolio Manager have available funds for investment, investments suitable and appropriate for each will be allocated in a manner believed by the Portfolio Manager to be equitable to each, although such allocation may result in a delay in one or more client accounts being fully invested that would not occur if such an allocation were not made. In addition, the Issuer acknowledges and agrees that due to differing investment objectives or for other reasons, the Portfolio Manager and its Affiliates may purchase securities or loans of an issuer for one client and at approximately the same time recommend selling or sell the same or similar types of securities or loans for another client.

The Portfolio Manager and its Affiliates (including any account, portfolio or investment company for which the Portfolio Manager or any Affiliate serves as manager or investment advisor) may also have ongoing relationships with companies whose securities or loans are pledged to secure the Refinancing Notes and may own debt and equity securities issued by obligors of Collateral Obligations, or may have a financial or other interest in sellers of Participation Interests.

The Portfolio Manager and its Affiliates (including any account, portfolio or investment company for which the Portfolio Manager or any Affiliate serves as manager or investment advisor) may invest for their own accounts or for the accounts of others in debt obligations that would be appropriate investments for the Issuer and they have no duty, in making such investments, to act in a way that is favorable to the Issuer or the holders of the Refinancing Notes. Such investments may be different from those made on behalf of the Issuer. In addition, the Portfolio

Manager and its Affiliates (including any account, portfolio or investment company for which the Portfolio Manager or its Affiliates serve as manager or investment advisor) may invest in securities or loans that are *pari passu*, senior or junior to, or have interests different from or adverse to, the Collateral Obligations. In such instances, the Portfolio Manager and its Affiliates may in their discretion make investment recommendations and decisions that may be the same as or different from those made with respect to the Issuer's investments. The Portfolio Manager and its Affiliates may in the future serve as Portfolio Manager for, invest in or be affiliated with other entities organized to issue collateralized debt obligations secured by loans, high yield debt securities or emerging market bonds and loans. The Portfolio Manager may at certain times be simultaneously seeking to purchase or sell investments for the Issuer and any similar entity for which it serves as Portfolio Manager at such time, or for its Affiliates (including any account, portfolio or investment company for which the Portfolio Manager or any Affiliate serves as manager or investment advisor). It is the intention of the Portfolio Manager that all Collateral Obligations will be purchased and sold by the Issuer in accordance with the Portfolio Management Agreement on terms prevailing in the market. See "The Portfolio Management Agreement" in the 2014 Offering Circular.

On the Original Closing Date, certain funds managed by the Original Portfolio Manager and/or its Affiliates purchased a portion of the Class E Notes and approximately 100% of the aggregate outstanding principal amount of the Subordinated Notes. As of the Refinancing Date, such funds will continue to hold 100% of the Subordinated Notes. In addition, the Portfolio Manager, its Affiliates or clients, funds or accounts for which the Original Portfolio Manager or its Affiliates acts as investment adviser and one or more individuals affiliated with the Portfolio Manager may own Notes at any time. No such person will be required to hold any Notes acquired by it on the Original Closing Date or otherwise for any length of time. As a result of any such acquisition, the Original Portfolio Manager, its Affiliates and clients, funds and accounts over which the Original Portfolio Manager or any of its Affiliates has discretionary voting authority may have a Majority or Supermajority position in the Subordinated Notes or any other Class of Notes at any time and are expected to have at least a Supermajority position in the Subordinated Notes on the Refinancing Date. Under the Indenture, the Portfolio Manager, its affiliates, including the Original Portfolio Manager, and funds and accounts over which the Portfolio Manager or any of its affiliates, including the Original Portfolio Manager, has discretionary voting authority will not be prohibited from exercising voting or any other rights with respect to such position, except as described below or in "The Portfolio Management Agreement—Voting of Portfolio Manager Securities" in the 2014 Offering Circular. The Portfolio Manager and such affiliates, funds and accounts may exercise such rights, or refrain from exercising such rights, in a manner that is contrary to the best interests of the other holders of Subordinated Notes or the holders of other Notes.

Except as otherwise described herein, investors do not and will not have an opportunity to select or evaluate any of the assets, or to review the Issuer's portfolio. The Portfolio Manager will select all of the Issuer's investments, and the quality of its decisions will determine the Issuer's success or failure. Notwithstanding the foregoing, the Portfolio Manager may discuss the composition of the Issuer's portfolio with the holders of the Portfolio Manager Securities, other beneficial owners of Notes and other stakeholders in the transaction at any time on, prior to or following the Refinancing Date.

The interests of the holders of the Subordinated Notes may be adverse to those of the holders of the senior Classes of Notes. Although the Portfolio Manager or one of its Affiliates may at times be a holder of the Subordinated Notes or other Notes, its interests and incentives will not necessarily be aligned with those of the other holders of Notes (or of the holders of any particular Class of the Notes). In addition, the Portfolio Manager, its clients and its Affiliates (including any account, portfolio or fund for which the Portfolio Manager or any Affiliate serves as manager or investment advisor) may invest in obligations that would be appropriate as Collateral Obligations. Such investments may be different from those made on behalf of the Issuer.

Upon the original issuance of the Collateral Obligations, Affiliates of the Portfolio Manager may have placed, arranged, participated or underwritten certain of the Collateral Obligations. The Issuer may, from time to time, purchase Collateral Obligations from Affiliates of the Portfolio Manager on terms then prevailing in the market and in accordance with the Portfolio Management Agreement. Affiliates of the Portfolio Manager may have ongoing relationships (including engaging in securities or derivatives transactions) with obligors whose Collateral Obligations are pledged to secure the Refinancing Notes and may own either equity securities or debt obligations (including Collateral Obligations) issued by such obligors. In addition, Affiliates of the Portfolio Manager may invest in securities that are senior to, or have interests different from or adverse to, the Collateral Obligations. From time to time the Portfolio Manager may purchase or sell Collateral Obligations through Affiliates of the Portfolio Manager.

The Issuer will be subject to various conflicts of interest involving Citigroup.

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 Citigroup and its Affiliates (the "**Citigroup Companies**") to the Issuer, the Portfolio Manager, the issuers of the Assets and others, as well as in connection with the investment, trading and brokerage activities of the Citigroup Companies. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

Citigroup will serve as initial purchaser of the Refinancing Notes and will be paid fees and commissions for such service by the Issuer. One or more of the Citigroup Companies may from time to time hold Notes for investment, trading or other purposes. None of the Citigroup Companies are required to own or hold any Notes and may sell any Notes held by them at any time.

Certain Eligible Investments may be issued, managed or underwritten by one or more of the Citigroup Companies. One or more of the Citigroup Companies may provide investment banking, commercial banking, asset management, financing and financial advisory services and products to the Portfolio Manager, its affiliates, and funds managed by the Portfolio 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 Portfolio Manager, its affiliates, and funds managed by the Portfolio Manager and its affiliates. As a result of such transactions or arrangements, one or more of the Citigroup Companies may have interests adverse to those of the Issuer and holders of the Refinancing Notes.

One or more of the Citigroup 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 Assets;
- act as trustee, paying agent and in other capacities in connection with certain of the Assets or other classes of securities issued by an issuer of an Asset or an affiliate thereof;
- be a counterparty to issuers of certain of the Assets under swap or other derivative agreements (including a Hedge Agreement);
- lend to certain of the issuers of Assets or their respective affiliates or receive guarantees from the issuers of those Assets or their respective affiliates;
- provide other investment banking, asset management, commercial banking, financing or financial advisory services to the issuers of Assets or their respective affiliates; or
- have an equity interest, which may be a substantial equity interest, in certain issuers of the Assets or their respective affiliates.

When acting as a trustee, paying agent or in other service capacities with respect to an Asset, the Citigroup Companies will be entitled to fees and expenses senior in priority to payments to such Asset. When acting as a trustee for other classes of securities issued by the issuer of an Asset or an affiliate thereof, the Citigroup 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 Asset is a part, and may take actions that are adverse to the holders (including the Issuer) of the class of securities of which the Asset is a part. As a counterparty under swaps and other derivative agreements, the Citigroup Companies might take actions adverse to the interests of the Issuer, including, but not limited to, demanding collateralization of its exposure under such agreements (if provided for thereunder) or terminating such swaps or agreements in accordance with the terms thereof. In making and administering loans and other obligations, the Citigroup 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 Assets may enhance the profitability or value of investments made by the Citigroup Companies in the issuers thereof. As a result of all such transactions or arrangements between the Citigroup Companies and issuers of Assets or their respective affiliates, the Citigroup Companies may have interests that are contrary to the interests of the Issuer and the holders of the Refinancing Notes.

As part of their regular business, the Citigroup 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 Citigroup 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 Citigroup 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 Citigroup Companies may from time to time enter into financing and derivative transactions (including repurchase transactions) with third parties (including the Portfolio Manager and its affiliates) with respect to the Refinancing Notes, and the Citigroup Companies in connection therewith may acquire (or establish long, short or derivative financial positions with respect to) Refinancing Notes, Assets or one or more portfolios of financial assets similar to the portfolio of Assets acquired by (or intended to be acquired by) the Issuer, including the right to exercise the voting rights with respect to such Refinancing Notes or other assets.

The Citigroup 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 Assets and their respective affiliates, that is or may be material in the context of the Refinancing Notes and that is or may not be known to the general public. None of the Citigroup Companies has any obligation, and the offering of the Refinancing Notes will not create any obligation on their part, to disclose to any purchaser of the Refinancing Notes any such relationship or information, whether or not confidential.

Certain Other Conflicts of Interest

The Trustee or any of its Affiliates or employees may own or may purchase Notes (either upon initial issuance or through secondary transfers), buy credit protection on Notes, or exercise any voting rights to which such Notes are entitled.

DOCUMENTS ANNEXED

The 2014 Offering Circular is attached to this Offering Circular as Annex A. The 2014 Offering Circular must be read in conjunction with this Offering Circular, as it is integral to understanding and evaluating the information contained in this Offering Circular. The changes described herein supersede all statements which are inconsistent with those in the 2014 Offering Circular.

Unless the context otherwise specifically requires, all references in the 2014 Offering Circular to:

(i) the Class A-1 Notes shall be to the Class A-1-R Notes;

(ii) the Class A-2 Notes shall be to the Class A-2-R Notes;

(iii) the Class B Notes shall be to the Class B-R Notes;

(iv) the Class C Notes shall be to the Class C-R Notes;

(v) the Secured Notes shall include the Refinancing Notes; and

(vi) the Notes shall include the Refinancing Notes.

All references in the 2014 Offering Circular to the Indenture shall be to the Indenture as modified by the First Supplemental Indenture. The First Supplemental Indenture is attached to this Offering Circular as Annex B.

DESCRIPTION OF THE REFINANCING NOTES

The information set forth in this section supplements and modifies the information in the section entitled "Description of the Notes" in the 2014 Offering Circular, which should be read in conjunction with and is otherwise incorporated into herein.

The Refinancing Notes will be limited recourse debt obligations of the Co-Issuers. Except as expressly otherwise set forth herein and the First Supplemental Indenture, the terms and conditions of each class of Refinancing Notes will have the terms and conditions set forth in the 2014 Offering Circular, except that the terms and conditions of (i) the Class A-1-R Notes shall have the terms and conditions of the Class A-1 Notes, (ii) the Class A-2-R Notes shall have the terms and conditions of the Class A-2 Notes, (iii) the Class B-R Notes shall have the terms and conditions of the Class B Notes and (iv) the Class C-R Notes shall have the terms and conditions of the Class C Notes. Therefore, except as expressly otherwise set forth herein, the information regarding the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes set forth in the 2014 Offering Circular also applies to the Class A-1-R Notes, the Class A-2-R Notes, the Class B-R Notes and the Class C-R Notes; respectively. The Class D Notes, the Class E Notes, and the Subordinated Notes issued by the Issuer on the Original Closing Date will not be refinanced.

The revised terms and conditions of the Refinancing Notes will be set forth in the Indenture, as amended by the First Supplemental Indenture. This Offering Circular, together with the 2014 Offering Circular, summarizes certain provisions of the Indenture (as modified by the First Supplemental Indenture) and other transaction documents relating to the Refinancing Notes. The summaries do not purport to be complete and (whether or not so stated in this Offering Circular or the 2014 Offering Circular) are subject to and are qualified in their entirety by reference to the provisions of the applicable transaction documents relating to the Refinancing Notes (including definitions of terms).

On the Refinancing Date, subject to various conditions precedent, the Co-Issuers and the Trustee will enter into the First Supplemental Indenture to provide for the issuance of the Refinancing Notes. Purchasers of the Refinancing Notes will be deemed to have approved the terms of the First Supplemental Indenture. The consent of at least a Majority of the Subordinated Notes will be a condition to the execution and delivery of the First Supplemental Indenture.

RATING OF THE REFINANCING NOTES

The Issuer has engaged S&P and Moody's to provide ratings on the Class A-1-R Notes and has engaged S&P to provide ratings on the other Classes of Refinancing Notes. The fees and expenses payable to the Rating Agencies in connection with obtaining their initial ratings of the Refinancing Notes will be paid as Administrative Expenses. If the Issuer does not provide information requested by a Rating Agency or relevant to the ratings on the Refinancing Notes, or such information contains material untrue statements or omits material information necessary to make such information not misleading, the Issuer could be liable to such Rating Agency for any losses it incurs as a result.

A security rating is not a recommendation to buy, sell or hold securities and is subject to withdrawal at any time. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the assigning Rating Agency if in its judgment circumstances in the future so warrant.

S&P's rating with respect to the Refinancing Notes addresses the timely payment of interest on each Payment Date and the ultimate payment of principal by the Stated Maturity.

The ratings assigned to the Refinancing Notes rated by such Rating Agency are based upon its assessment of the probability that the Collateral Obligations will provide sufficient funds to pay such Refinancing Notes (based upon the Interest Rate and principal balance), based largely upon such Rating Agency's statistical analysis of historical default rates on debt securities with various ratings, the terms of the Indenture, the asset and interest coverage required for the relevant Class, and the Concentration Limitations and the Collateral Quality Test.

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

SECURITY FOR THE REFINANCING NOTES

The information set forth in this section should be read in conjunction with the section entitled "Security for the Secured Notes" in the 2014 Offering Circular. The terms described herein supersede all statements which are inconsistent therewith in the 2014 Offering Circular.

The Issuer has been acting under the Indenture since the Original Closing Date. Certain information relating to the Assets is set forth in the Monthly Reports and Distribution Reports. Information in such reports is not audited nor will reports include a review or opinion by a public accounting firm (other than a limited scope review of the Distribution Report by independent accountants).

Copies of the most recent Monthly Report and Distribution Report will be provided by the Refinancing Initial Purchaser to a prospective investor upon request. Such reports should be read in conjunction with this Offering Circular and the 2014 Offering Circular.

FIRST SUPPLEMENTAL INDENTURE

In connection with the issuance of the Refinancing Notes, the Issuer intends to enter into the First Supplemental Indenture, substantially in the form attached hereto as Annex B. The purchasers of Refinancing Notes will be deemed to approve the amendments to the Indenture pursuant to the First Supplemental Indenture. If executed, the First Supplemental Indenture would (i) establish the terms of the Refinancing Notes, (ii) amend certain existing definitions affected by the Refinancing Notes, (iii) set forth certain new definitions relating to the Refinancing Notes and (iv) eliminate the Issuer's ability to effect any subsequent Refinancing or Re-Pricing of the Refinancing Notes after the Refinancing Date.

The purchasers of the Refinancing Notes will be deemed to approve the amendments to the Indenture pursuant to the First Supplemental Indenture. The execution and delivery of the First Supplemental Indenture will be a condition to the issuance of the Refinancing Notes. The consent of at least a Majority of the Subordinated Notes will be a condition to the execution and delivery of the First Supplemental Indenture.

USE OF PROCEEDS

Proceeds received from the sale on the Refinancing Date of the Refinancing Notes will be applied by the Issuer to redeem the Refinanced Notes at their respective Redemption Prices and to pay certain expenses of the Issuer, the Trustee, the Collateral Administrator, the Refinancing Initial Purchaser and the Portfolio Manager related to the Refinancing. The Class D Notes, the Class E Notes and the Subordinated Notes issued by the Issuer on the Original Closing Date will not be refinanced.

CREDIT RISK RETENTION

The U.S. Risk Retention Rules require the "sponsor" of a "securitization transaction" to retain (either directly or through a "majority-owned affiliate") an economic interest in the "credit risk" of "securitized assets" (as such terms are defined in the U.S. Risk Retention Rules). For purposes of the issuance of the Refinancing Notes, the Portfolio Manager is considered the "sponsor" under the U.S. Risk Retention Rules.

Although the U.S. Risk Retention Rules will be in effect on the Refinancing Date, the Portfolio Manager has informed the Co-Issuers and the Refinancing Initial Purchaser that it does not intend to comply with the U.S. Risk Retention Rules in respect of the Refinancing transaction described in this Offering Circular or the Refinancing Notes in reliance on that certain no-action letter issued on July 17, 2015 by the staff (the "**Staff**") of the Division of Corporation Finance of the Securities and Exchange Commission (the "**Crescent Letter**"). In the Crescent Letter, the Staff stated it would not recommend enforcement action to the Securities and Exchange Commission in respect of a collateral manager that did not retain an eligible risk retention interest in connection with a refinancing of a CLO that was priced prior to December 24, 2014 as long as such refinancing meets the requirements described in the Crescent Letter.

The Portfolio Manager's reliance on the Crescent Letter as described above does not preclude the availability of any applicable private rights of actions for any violation of the U.S. federal securities laws that a holder of Notes or any other person may have.

THE PORTFOLIO MANAGER

The information appearing in this section has been prepared by BMCLO and has not been independently verified by the Co-Issuers or the Refinancing Initial Purchaser. Accordingly, notwithstanding anything to the contrary herein, the Co-Issuers and the Refinancing Initial Purchaser, or any of their respective Affiliates do not assume any responsibility for the accuracy, completeness or applicability of such information. However, the Co-Issuers confirm that this information has been accurately reproduced and as far as they are aware and are able to ascertain from information provided by the Portfolio Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading.

General

Pursuant to the Portfolio Management Agreement, on the Original Closing Date the Issuer appointed the Original Portfolio Manager as the portfolio manager with respect to the Assets. Prior to the Refinancing Date, the Original Portfolio Manager assigned its interest under the Portfolio Management Agreement to BMCLO. Pursuant to the Portfolio Management Agreement, the Portfolio Manager has full discretionary authority with respect to the Assets and, in particular, is solely responsible for making specific decisions to purchase or sell investments, in each case subject to and as permitted by the Portfolio Management Agreement and the Indenture.

BMCLO is registered with the SEC as an investment adviser under the Investment Advisers Act, and provides investment advisory and collateral management services to certain CLOs that were previously managed by the Original Portfolio Manager. Management functions with respect to the Assets (including, without limitation, the acquisition, management and disposal of the Collateral Debt Obligations) will be performed by employees of the Original Portfolio Manager, who are seconded to BMCLO pursuant to a services and secondment agreement with the Original Portfolio Manager (collectively, the "**Services Agreement**"). Pursuant to the Services Agreement, the Original Portfolio Manager will provide certain services associated with the management of CLOs, including access to a team of research analysts and portfolio managers employed by the Original Portfolio Manager; office space; back office services such as loan settlement, and legal and compliance services; and performance of trade executions upon instruction from the Original Portfolio Manager. By way of compensation for these services the Original Portfolio Manager will receive a services fee.

The Original Portfolio Manager will retain its London-based affiliate Blue Mountain Capital Partners (London) LLP ("**Blue Mountain (London)**") to advise the Original Portfolio Manager (and, through the Services Agreement, BMCLO) with respect to European markets and European credits. Blue Mountain (London) will be compensated directly by the Original Portfolio Manager for its services, which will comprise research activities, investment advice and trade execution on the Original Portfolio Manager's behalf.

Principal Biographies

Andrew Feldstein – Chief Executive Officer, Co-Chief Investment Officer

Andrew Feldstein is BMCLO's and BlueMountain's CEO and Co-CIO, BlueMountain's Co-Founder, as well as the Chair of BlueMountain's Management Committee and a member of the Investment and Risk Committees. Prior to co-founding BlueMountain in 2003, Mr. Feldstein spent over a decade at J.P. Morgan where he was a Managing Director and served as Head of Structured Credit; Head of High Yield Sales, Trading and Research; and Head of Global Credit Portfolio. Mr. Feldstein is a member of the board of directors of PNC Financial Services Group Inc. He is also a Trustee of Third Way, a public policy think tank; a Trustee of the Santa Fe Institute, an independent research and education center; and a member of the Harvard Law School Leadership Council. Mr. Feldstein earned a J.D. from Harvard Law School and a B.A. from Georgetown University.

Stephen Siderow –Co-President

Stephen Siderow is BMCLO's and BlueMountain's Co-President and BlueMountain's Co-Founder. Mr. Siderow oversees BlueMountain's business development and strategic initiatives and he is a member of BlueMountain's Management, Compliance and Risk Committees. Prior to co-founding BlueMountain in 2003, Mr. Siderow was a Senior Consultant with McKinsey & Company, where he focused on the financial services industry, serving senior management executives and CEOs on business strategy, organization and operations issues. Prior to

McKinsey, Mr. Siderow was a corporate attorney with Cleary, Gottlieb. Mr. Siderow serves as Vice Chair of the Board of Directors of the Birthright Israel Foundation, a program that provides the gift of first-time peer education trips to Israel for young Jewish adults. He also serves on the Board of Directors of Ars Nova, which provides training and development programs to young performing artists and is a member of the Advisory Board of the Hertzberg Palliative Care Institute at Mt. Sinai Hospital, whose mission is to advance the field of palliative medicine through clinical, educational and research initiatives. Mr. Siderow earned a J.D. cum laude, from Harvard Law School, and a B.A., magna cum laude, in Philosophy, from Amherst College. Mr. Siderow was also a Fulbright and a Sheldon Scholar in Israel.

Derek Smith – Co-Chief Investment Officer

Derek Smith is BMCLO's and BlueMountain's Co-Chief Investment Officer, the Chair of BlueMountain's Investment Committee and a member of BlueMountain's Management Committee. Prior to joining BlueMountain in 2008, Mr. Smith worked at Deutsche Bank where he was a Managing Director of Global Credit Trading, managing investment grade and high-yield credit cash and derivatives desks for U.S. and Europe. Prior to Deutsche Bank, Mr. Smith spent nearly 15 years working in various aspects of the fixed income, derivatives and credit markets at Goldman Sachs, managing the U.S. government options desk as well as the investment grade credit cash and derivative desks. Mr. Smith earned a B.S. in Electrical Engineering from Princeton University.

Michael Liberman – Co-President, Chief Operating Officer

Michael Liberman is BMCLO's and BlueMountain's Co-President and Chief Operating Officer. He has led the development of BlueMountain's Technology, Quant and Operational platforms and now oversees a number of BlueMountain's business areas. Mr. Liberman is a member of the Firm's Management, Risk and Valuation Committees. From 2012 through 2015 he was recognized by the Institutional Investor's Trading Technology 40, an annual ranking of the field's top innovators and visionaries. Prior to joining BlueMountain in 2004, he was a Managing Director and Head of Global Interest Rate Strats at Goldman Sachs, where he was responsible for the quantitative strategies and systems for trading and risk management. Prior to Goldman, Mr. Liberman was at J.P. Morgan where he was most recently Head of Global Rates Derivatives Technology, and was a lead developer of derivatives risk management systems. Earlier in his career, Mr. Liberman developed database and telecommunication software in Silicon Valley. Mr. Liberman holds a B.A. with the highest honors in Mathematics and an M.A. in Mathematics from Brandeis University. Mr. Liberman also continued his graduate studies in Mathematics at the University of California, Berkeley.

Paul Friedman – General Counsel

Paul Friedman is BMCLO's and BlueMountain's General Counsel and Chief Administrative Officer, and previously served as BlueMountain's Chief Financial Officer. Mr. Friedman is a member of BlueMountain's Management, Valuation and Compliance Committees. Prior to joining BlueMountain in 2010, Mr. Friedman spent over 10 years as an attorney with Morrison & Foerster in San Francisco and Kenneth Cole Productions in New York. Mr. Friedman earned a J.D., cum laude, from Harvard Law School and a B.A. in Economics and Public Policy, summa cum laude, from Duke University, where he was elected to Phi Beta Kappa.

Charles Kobayashi – Portfolio Manager

Charles Kobayashi is a Portfolio Manager responsible for BMCLO and BlueMountain's CLO investments and is a member of BlueMountain's Management and Risk Committees. Prior to joining BlueMountain, Mr. Kobayashi was a Senior Portfolio Manager at Indosuez Capital with responsibility for managing $2.0 billion in leveraged loan, CDO, and high yield assets. Before joining Indosuez Capital in 2001, Mr. Kobayashi managed $1.5 billion in proprietary capital of high yield bonds, leverage loans, structured notes, CDO, and distressed assets as Senior Vice President and Portfolio Manager at ORIX USA Corp. He also worked at Bank of Tokyo Trust where he was involved in mergers and acquisitions and restructuring. Mr. Kobayashi earned an M.B.A. in Finance from New York University and a B.S. in Biochemistry/Molecular Biology from the University of Wisconsin-Madison.

THE PORTFOLIO MANAGEMENT AGREEMENT

Prior to the issuance of the Refinancing Notes, the Portfolio Management Agreement was assigned, pursuant to Article XII thereof, to BlueMountain CLO Management, LLC, an affiliate of BlueMountain Capital Management, LLC. The Portfolio Manager may assign all of its rights and responsibilities under the Portfolio Management Agreement without the consent of the Issuer, the Trustee or any Holder of the Notes so long as (a) the assignment would not constitute an "assignment" under Section 205(a)(2) of the Investment Advisers Act, and (b) the assignment is made to a Permitted Assignee. A "Permitted Assignee" for the purposes of the Portfolio Management Agreement, means an Affiliate of the Portfolio Manager that (i) has demonstrated (or has officers and employees that have demonstrated) an ability to professionally and competently perform duties similar to those imposed upon the Portfolio Manager under the Portfolio Management Agreement; (ii) is legally qualified and has the capacity to act as Portfolio Manager under the Portfolio Management Agreement; and (iii) utilizes the same principal personnel performing the duties required under the Portfolio Management Agreement prior to such assignment.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

*The following limited supplemental disclosure is being provided to prospective investors to inform them of certain U.S. federal income tax consequences arising from the issuance of the Refinancing Notes, but does not purport to (and none of the Co-Issuers, the Refinancing Initial Purchaser, the Portfolio Manager or their respective Affiliates makes any representations that it purports to) comprehensively update the 2014 Offering Circular or disclose all U.S. federal income tax consequences (whether legal or otherwise) which may arise by or relate to the issuance of the Refinancing Notes. The following information should be read in conjunction with the section entitled "U.S. Federal Income Tax Considerations" in the 2014 Offering Circular. The changes set forth below supersede all statements which are inconsistent therewith in the 2014 Offering Circular***.***

The following summary describes certain U.S. federal income tax consequences of the purchase, beneficial ownership and disposition of the Refinancing Notes. It does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase the Refinancing Notes. In particular, special tax considerations that may apply to certain types of taxpayers, including securities dealers, banks and insurance companies, entities taxed as partnerships or partners therein, investors liable for the alternative minimum tax, individual retirement accounts and other tax deferred accounts, REITs, regulated investment companies, tax-exempt organizations (except to the limited extent addressed below), investors whose functional currency is not the U.S. Dollar, non-resident aliens present in the United States for more than 182 days in a taxable year, and subsequent purchasers of Refinancing Notes, are not addressed. In addition, this summary does not describe any tax consequences arising under the laws of any taxing jurisdiction other than the U.S. federal government. In general, the summary assumes that a holder acquires a Refinancing Note at original issuance, and at its issue price, and holds such Refinancing Note as a capital asset and not as part of a hedge, straddle, or conversion transaction.

This summary is based on the U.S. tax laws, regulations, rulings and decisions in effect or available on the date of this Offering Circular. All of the foregoing are subject to change, and any change may apply retroactively and could affect the continued validity of this summary.

As discussed in more detail below, withholding or deduction of taxes may be required in certain circumstances in respect of payments on the Refinancing Notes. In the event that any such withholding or deduction of taxes is required, in any jurisdiction, neither of the Co-Issuers will be under any obligation to make any additional payments to the holders of the Refinancing Notes in respect of such withholding or deduction.

Prospective purchasers of the Refinancing Notes should consult their own tax advisors as to U.S. federal income tax consequences of the purchase, ownership and disposition of the Refinancing Notes, as well as the possible application of state, local, non-U.S. or other tax laws.

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

As used in this Offering Circular, the term "**U.S. holder**" means a beneficial owner of a Refinancing Note that is, for U.S. federal income tax purposes, a citizen or individual resident of the United States, a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) that was organized under the laws of the United States, any state thereof, or the District of Columbia, or that otherwise is subject to U.S. federal taxation on a net income basis in respect of the Refinancing Note.

As used in this Offering Circular, the term "**non-U.S. holder**" means a beneficial owner of a Refinancing Note that is not a U.S. holder.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATIONAL PURPOSES ONLY. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE REFINANCING NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Tax Treatment of the Issuer

In General. For U.S. federal income tax purposes, the Issuer, and not the Co-Issuer, will be treated as the issuer of the Refinancing Notes. The Issuer will be treated as a foreign corporation for U.S. federal income tax purposes. Prior to the Refinancing Date, the Issuer operated with the intention that it would not be subject to U.S. federal income tax on its net income. The Issuer also intends to undertake its future operations in a manner that will not cause it to be subject to U.S. federal income tax on its net income. In this regard, the Issuer received an opinion of Ashurst LLP on the Original Closing Date to the effect that, under then-current law, assuming compliance with the Indenture (and certain other documents (including the Tax Investment Guidelines)) and based upon certain factual representations made by the Issuer and/or the Portfolio Manager, and assuming the correctness of all opinions and advice of counsel that permit the Issuer to take or fail to take any action under the Transaction Documents based upon such opinions or advice, although the matter is not free from doubt, the Issuer will not be treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes. The opinion of Ashurst LLP is based on certain factual assumptions, covenants and representations as to the Issuer's contemplated activities. The Issuer intended to conduct its business in accordance with the assumptions, representations and agreements upon which such opinion is based. In complying with such assumptions, representations and agreements, the Issuer and the Portfolio Manager were entitled to rely in the future upon the written advice and/or opinions of their selected counsel, and the opinion of Ashurst LLP assumed that any such advice and/or opinions would be correct and complete. Investors should also be aware that the opinion of Ashurst LLP simply represents counsel's best judgment and is not binding on the IRS or the courts. In this regard, there are no authorities that deal with situations substantially identical to the Issuer's and the Issuer could be treated as engaged in the conduct of a trade or business within the United States as a result of unanticipated activities, changes in law, contrary conclusions by the IRS or other causes. Failure of the Issuer to comply with the Tax Investment Guidelines or the Indenture may not give rise to a default or an Event of Default under the Indenture or the Portfolio Management Agreement and may not give rise to a claim against the Issuer or the Portfolio Manager. In the event of such a failure, the Issuer could be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. The Portfolio Manager might act in accordance with the Tax Investment Guidelines notwithstanding the issuance of new decisions by the courts, new legislation or official guidance (regardless of whether such new interpretation, legislation or guidance would either merely increase the risk that the Issuer would be, or actually cause the Issuer to be, engaged in a U.S. trade or business).

Although the Issuer intends to continue to follow the Tax Investment Guidelines (and has provided assurances that it has followed such Tax Investment Guidelines for the period prior to the Refinancing Date), investors in the 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 will be engaged in a trade or business within the United States for U.S. federal income tax purposes.

If it were determined that the Issuer is engaged in a trade or business within 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 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 taxes on the Issuer would materially adversely affect the Issuer's ability to make payments with respect to the Refinancing Notes and may also result in a redemption of the Refinancing Notes in the manner described under "Description of the Notes—Optional Redemption and Partial Redemption by Refinancing" in the 2014 Offering Circular. The balance of this summary assumes that the Issuer is not subject to U.S. federal income tax on its net income.

Withholding and Gross Income Taxes. Although the Issuer does not intend to be subject to U.S. federal income tax with respect to its net income, income derived by the Issuer may be subject to withholding or gross income taxes imposed by the United States or other countries, and the imposition of such taxes could materially affect its financial ability to make payments on the Refinancing Notes. In this regard and subject to certain exceptions, the Issuer may generally acquire a particular Collateral Obligation only if, at the time of commitment to purchase, either the interest payments thereon are not subject to withholding tax or the obligor on the Collateral Obligation is required to make "gross-up" payments.

The Issuer may, however, be subject to withholding taxes which may be payable with respect to commitment fees and other similar fees associated with Collateral Obligations constituting Revolving Collateral Obligations,

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

Tax Treatment of U.S. Holders of Refinancing Notes

Status of, and Interest on, the Refinancing Notes. The Class A-1-R Notes, the Class A-2-R Notes, the Class B-R Notes and the Class C-R Notes will be treated as debt for U.S. federal income tax purposes. U.S. holders of the Class A-1-R Notes and the Class A-2-R Notes will treat stated interest on such Refinancing Notes as ordinary income when paid or accrued, in accordance with their tax method of accounting, subject to the discussion under "—Original issue discount" below. The Class B-R Notes and the Class C-R Notes will be issued with original issue discount ("**OID**") and will be subject to the rules discussed below under "—Original issue discount."

Sale and Retirement of the Refinancing Notes. In general, a U.S. holder of a Refinancing Note will have a basis in such Refinancing Note equal to the cost of such Refinancing Note to such holder, increased by any amount includible in income by such holder as OID and reduced by any payments thereon other than, in the case of the Class A-1-R Notes and the Class A-2-R Notes, payments of stated interest. In the case of a U.S. holder of a Note that purchases a corresponding Class of Refinancing Notes hereunder, such U.S. holder's adjusted basis may be determined by reference to its adjusted basis in the corresponding Security. Upon a sale or exchange of the Refinancing Note, a U.S. holder will generally recognize gain or loss equal to the difference between the amount realized (and in the case of the Class A-1-R Notes and the Class A-2-R Notes, less any accrued interest, which would be taxable as such) and the holder's tax basis in such Refinancing Note. Such gain or loss will be long-term capital gain or loss if the U.S. holder has held such Refinancing Note for more than one year at the time of disposition. In certain circumstances, U.S. holders that are individuals may be entitled to preferential treatment for net long-term capital gains. The ability of U.S. holders to offset capital losses against ordinary income is limited.

Net Investment Income Tax. Section 1411 of the Code imposes a 3.8% tax (in addition to other federal income taxes) on the net investment income ("**NII**") of U.S. holders who are individuals, estates or trusts to the extent NII exceeds an income threshold. NII generally includes all income from the Refinancing Notes and any taxable gain on the sale or other disposition of the Refinancing Notes. U.S. holders are urged to consult their tax advisors regarding the effect, if any, of Section 1411 of the Code on their investment in the Refinancing Notes.

Original issue discount. If the stated principal amount of the Class A-1-R Notes and the Class A-2-R Notes exceeds their issue price (the price at which a substantial amount of the Refinancing Notes of that Class are first sold to investors) by more than a statutorily defined de minimis amount, such Refinancing Notes will be treated as having been issued with OID for U.S. federal income tax purposes. If the Refinancing Notes are treated as having been issued with OID, U.S. holders will be required to include such OID in gross income (as ordinary income) on a constant yield to maturity basis as it accrues, regardless of a U.S. holder's method of accounting for U.S. federal income tax purposes and before the receipt of cash attributable to the income.

Because payments of stated interest on the Class B-R Notes and the Class C-R Notes are contingent on available funds and subject to deferral, the Class B-R Notes and the Class C-R Notes will be treated for U.S. federal income tax purposes as having OID. The total amount of such discount with respect to a Class B-R Note or a Class C-R Note will equal the sum of all payments to be received under such Class B-R Note or Class C-R Note less its issue price (the first price at which a substantial amount of Class B-R Notes or the Class C-R Notes was sold to investors). A U.S. holder of Class B-R Notes or the Class C-R Notes will be required to include OID in gross income (as ordinary income) on a constant yield to maturity basis as it accrues, regardless of a U.S. holder's method of accounting for U.S. federal income tax purposes and before the receipt of cash attributable to the income. The amount of OID accruing in any Interest Accrual Period will generally equal the stated interest accruing in that period (whether or not currently due) plus any additional amount representing the accrual under a constant yield method of any additional OID represented by the excess of the principal amount of the Class B-R Notes or the Class C-R Notes over their issue price. Accruals of any OID will be based on the projected weighted average life of the Class B-R Notes or the Class C-R Notes rather than their stated maturity. In the case of the Class B-R Notes or the Class C-R Notes, accruals of OID should be calculated by assuming that interest will be paid over the life of the Class B-R

Note or the Class C-R Note based on the value of LIBOR used in setting interest for the Interest Accrual Period relating to the first Payment Date after the Refinancing Redemption Date, and then adjusting the income for each subsequent Interest Accrual Period for any difference between the actual value of LIBOR used in setting interest for those periods and the assumed rate.

Potential Treatment of Refinancing Notes as Equity under IRS Debt-Equity Regulations

The IRS has issued regulations under Section 385 of the Code that in certain circumstances treat a financial instrument that otherwise would be treated as debt for U.S. federal income tax purposes as equity of the issuer of such financial instrument during periods in which such financial instrument is held by certain persons related to such issuer. These regulations currently do not apply to non-U.S. issuers, such as the Issuer. However, it is not clear whether the IRS will issue subsequent guidance that may affect the characterization of the Refinancing Notes as debt for U.S. federal income tax purposes. Investors in Refinancing Notes should consult with their own tax advisors regarding the possible effect of the Section 385 regulations on them.

Tax Treatment of Tax-Exempt U.S. Holders of the Refinancing Notes

In general, a tax-exempt U.S. holder of Refinancing Notes will not be subject to tax on unrelated business taxable income ("**UBTI**") with respect to the income from the Refinancing Notes regardless of whether they are treated as equity or debt for U.S. federal income tax purposes, except to the extent that the Refinancing Notes are considered debt-financed property (as defined in the Code) of that tax-exempt holder. A tax-exempt U.S. holder that owns more than 50% of the outstanding Subordinated Notes and also owns Classes of Refinancing Notes should consider the possible application of the special UBTI rules for amounts received from controlled entities.

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

Assuming that the Issuer is not treated as engaged in a trade or business within the United States for U.S. federal income tax purposes, as discussed above under "—Tax Treatment of the Issuer", and that payments on the Refinancing Notes to a non-U.S. holder, or gain realized on a sale, exchange or redemption of such Refinancing Notes by such holder do not constitute income effectively connected with an U.S. trade or business in which such non-U.S. holder is engaged for U.S. federal income tax purposes, such non-U.S. holder of refinancing Notes will not be subject to U.S. federal income or withholding tax, as the case may be, on such payments or gain in respect of such Refinancing Notes unless (i) such non-U.S. holder is subject to backup withholding tax, described under "—Information Reporting and Backup Withholding", as a result of failing to comply with applicable certification procedures to establish that it is not a U.S. holder; or (ii) such non-U.S. holder is subject to withholding as described under "—U.S. Foreign Account Tax Compliance Rules" below. A non-U.S. holder will not be considered to be engaged in a trade or business within the United States for U.S. federal income tax purposes solely by reason of holding Refinancing Notes. If the Issuer were determined to be engaged in a trade or business within the United States for U.S. federal income tax purposes, and had income effectively connected therewith, then interest paid on the Refinancing Notes to a non-U.S. holder could be subject to a 30% U.S. withholding tax.

Information Reporting and Backup Withholding

Information reporting to the IRS generally will be required with respect to payments on the Refinancing Notes and proceeds of the sale of the Refinancing Notes to holders other than corporations or other exempt recipients. A "backup" withholding tax will apply to those payments if such holder fails to provide to the Trustee or other paying agent certain identifying information (such as such holder's taxpayer identification number) and properly completed and signed applicable U.S. federal income tax certifications (generally, an IRS Form W-9 (or applicable successor form) in the case of a U.S. holder or the applicable IRS Form W-8 (or applicable successor form) in the case of a non-U.S. holder). Non-U.S. holders generally will be required to comply with applicable certification procedures to establish that they are not U.S. holders in order to avoid the application of such information reporting requirements and backup withholding.

Backup withholding is not an additional tax. The amount of any backup withholding collected from a payment will be eligible for a credit against the recipient's U.S. federal income tax liability and may entitle the recipient to a refund, so long as the required information is timely furnished to the IRS. Information reporting requirements may apply regardless of whether withholding is required. U.S. holders should consult their own tax advisors about any

additional reporting requirements that may arise as a result of their purchasing, holding or disposing of Refinancing Notes.

U.S. Foreign Account Tax Compliance Rules

FATCA potentially imposes a withholding tax of 30% on certain payments made to the Issuer, including potentially all interest paid on (and after December 31, 2018, proceeds from the sale or other disposition of) U.S. Collateral Obligations issued or materially modified on or after July 1, 2014, unless the Issuer complies with the Cayman IGA Legislation. The Cayman IGA Legislation requires, among other things, that the Issuer collect and provide to the Cayman Islands Tax Information Authority substantial information regarding certain direct and indirect holders of the Refinancing Notes. The Issuer intends to comply with its obligations under the Cayman IGA Legislation. However, in some cases, the ability to avoid such withholding tax will depend on factors outside of the Issuer's control. The Issuer or its agent will report information to the Cayman Islands Tax Information Authority, which will exchange such information with the IRS under the terms of the Cayman IGA. Under the terms of the Cayman IGA, withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer, unless the IRS has specifically listed the Issuer as a non-participating financial institution, the Issuer has otherwise assumed responsibility for withholding under U.S. tax law, or the Issuer cannot achieve FATCA Compliance as a result of factors outside of its control, as described above.

In addition, future guidance under FATCA may subject payments on Refinancing Notes that are materially modified more than six months after the issuance of such future guidance, to a withholding tax of 30% if each foreign financial institution that holds any such Refinancing Note, or through which any such Refinancing Note is held, has not entered into an information reporting agreement with the IRS, qualified for an exception from the requirement to enter into such an agreement or complied with the terms of a relevant intergovernmental agreement. Each owner of an interest in Refinancing Notes will be required to provide the Issuer and the Trustee or their agents with information necessary to comply with the Cayman IGA as discussed above. Owners that do not supply required information, or whose ownership of Refinancing Notes may otherwise prevent the Issuer from complying with FATCA (for example by causing the Issuer to be affiliated with a non-compliant foreign financial institution), may be subjected to punitive measures, including forced transfer of their Refinancing Notes. There can be no assurance, however, that these measures will be effective, and that the Issuer and owners of the Refinancing Notes will not be subject to the noted withholding taxes. The imposition of such taxes could materially affect the Issuer's ability to make payments on the Refinancing Notes or could reduce such payments.

PLAN OF DISTRIBUTION

The Refinancing Notes are being offered by Citigroup, as refinancing initial purchaser (the "**Refinancing Initial Purchaser**"), pursuant to the Refinancing Purchase Agreement, dated as of the Refinancing Date, between the Co-Issuers and the Refinancing Initial Purchaser (the "**Refinancing Purchase Agreement**"). Citigroup is the only initial purchaser with respect to the Refinancing Notes.

Prospective investors should note that Citigroup (i) makes no representation as to the accuracy or completeness of the information contained in the 2014 Offering Circular, (ii) is relying on representations from the Co-Issuers as to the accuracy and completeness of the information contained in the 2014 Offering Circular and (iii) shall have no responsibility whatsoever for the contents of the 2014 Offering Circular.

Pursuant to the Refinancing Purchase Agreement, the Refinancing Notes will be offered by the Refinancing Initial Purchaser from time to time for sale to investors in negotiated transactions at varying prices to be determined in each case at the time of sale.

The Refinancing Purchase Agreement will provide that the obligations of Citigroup to pay for and accept delivery of the Refinancing Notes thereunder are subject to certain conditions.

In the Refinancing Purchase Agreement, each of the Co-Issuers will agree to indemnify Citigroup against certain liabilities, including under the Securities Act, the Exchange Act or otherwise, insofar as such liabilities arise out of or are connected with the consummation of the transactions contemplated by this Offering Circular or the execution and delivery of, and the consummation of the transactions contemplated by, this Offering Circular, the First Supplemental Indenture and the Refinancing Purchase Agreement, or to contribute to payments Citigroup may be required to make in respect thereof. In addition, the Issuer will agree to reimburse Citigroup for certain of their expenses incurred in connection with the closing of the transactions contemplated hereby.

The offering of the Refinancing Notes has not been and will not be registered under the Securities Act and may not be offered or sold in non-offshore transactions except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

No action has been taken or is being contemplated by the Issuer and Co-Issuer that would permit a public offering of the Refinancing Notes or possession or distribution of this Offering Circular or any amendment thereof, or supplement thereto or any other offering material relating to the Refinancing Notes in any jurisdiction (other than Ireland) where, or in any other circumstances in which, action for those purposes is required. No offers, sales or deliveries of any Refinancing Notes, or distribution of this Offering Circular or any other offering material relating to the Refinancing Notes, may be made in or from any jurisdiction except in circumstances that will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or Citigroup. Because of the restrictions contained in the front of this Offering Circular, you are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Refinancing Notes.

In the Refinancing Purchase Agreement, Citigroup will agree that it or one or more of its Affiliates will sell or arrange for the sale (as applicable) of Refinancing Notes only to or with, in each case, (a) non-U.S. persons in offshore transactions pursuant to Regulation S and (b) purchasers it reasonably believes to be (x) both (A) Qualified Institutional Buyers and (B) Qualified Purchasers or (y) solely in the case of Certificated Secured Notes, both (A) Institutional Accredited Investors and also (B) Qualified Purchasers. Until 40 days after completion of the distribution by the Issuer, an offer or sale of Refinancing Notes, in a non-offshore transaction by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if the offer or sale is made otherwise than pursuant to Rule 144A or a transaction exempt from the registration requirements under the Securities Act. Resales of the Refinancing Notes offered in reliance on Rule 144A are restricted as described under "Description of the Notes—Form, Denomination and Registration of the Notes" and "Transfer Restrictions" in the 2014 Offering Circular. Beneficial interests in a Regulation S Global Secured Note may not be held by a U.S. person at any time, and resales of the Refinancing Notes offered in offshore transactions to non-U.S. persons in reliance on Regulation S may be effected only in accordance with the transfer restrictions described herein. As used in this paragraph, the terms "United States" and "U.S." have the meanings given to them by Regulation S.

Citigroup and its respective affiliates may have had in the past and may in the future have business relationships and dealings with the Portfolio Manager and its affiliates and one or more obligors with respect to Assets and their affiliates and may own equity or debt securities issued by such entities or their affiliates. Citigroup and its respective affiliates may have provided and may in the future provide investment banking services to such entities or their affiliates and may have received or may receive compensation for such services.

The Refinancing Notes are offered when, as and if issued, subject to prior sale or withdrawal, cancellation or modification of the offer without notice and subject to approval of certain legal matters by counsel and certain other conditions.

The Refinancing Notes are a new issue of securities for which there is currently no market. Citigroup is under no obligation to make a market in any Class of Refinancing Notes and any market making activity, if commenced, may be discontinued at any time. There can be no assurance that a secondary market for any Class of Refinancing Notes will develop, or if one does develop, that it will continue. Accordingly, no assurance can be given as to the liquidity of or trading market for the Refinancing Notes.

In connection with the offering of the Refinancing Notes, Citigroup may, as permitted by applicable law, over-allot or effect transactions that stabilize or maintain the market price of the Refinancing Notes at a level which might not otherwise prevail in the open market. The stabilizing, if commenced, may be discontinued at any time.

Purchasers of the 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 purchase price.

The Co-Issuers have not authorized and do not authorize the making of any offer of Refinancing Notes through any financial intermediary on their behalf, other than offers made by the Refinancing Initial Purchaser with a view to the final placement of the Refinancing Notes as contemplated in this Offering Circular. Accordingly, no purchaser of the Refinancing Notes, other than the Refinancing Initial Purchaser, is authorized to make any further offer of the Refinancing Notes on behalf of the Co-Issuers and the Refinancing Initial Purchaser.

LISTING AND GENERAL INFORMATION

(1) The Offering Circular will be submitted for approval by the Central Bank, as competent authority under the Prospectus Directive. The Central Bank only approves this Offering Circular as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange for the Refinancing Notes to be admitted to the Official List and trading on its regulated market. 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 €10,590.

(2) Maples and Calder is acting solely in its capacity as listing agent for the Co-Issuers (and not on its own behalf) in connection with the application for admission of the Refinancing Notes to the Official List of the Irish Stock Exchange and to trading on the Irish Stock Exchange.

(3) For the life of the Refinancing Notes, electronic copies of the organizational documents of the Co-Issuers may be obtained by holders from the Issuer or the Co-Issuer, as the case may be, and an electronic copy of the Indenture may be obtained from the Trustee.

(4) The issuance of the Refinancing Notes will be authorized by the board of directors of the Issuer by resolutions prior to the Refinancing Date. The issuance of the Refinancing Notes will be authorized by the managing member of the Co-Issuer by resolutions prior to the Refinancing Date.

(5) The CUSIP Numbers for the Refinancing Notes are shown in the tables below. The Regulation S Global Notes have been accepted for clearance through Clearstream and Euroclear under the Common Codes set forth below. The table also lists CUSIP (CINS) Numbers and International Securities Identification Numbers.

	Rule 144A Global		**Regulation S Global**		
	CUSIP	**ISIN**	**Common Code**	**CUSIP**	**ISIN**
Class A-1-R Notes.....	09627R AJ3	US09627RAJ32	160048972	G1201L AE1	USG1201LAE14
Class A-2-R Notes.....	09627R AL8	US09627RAL87	160049120	G1201L AF8	USG1201LAF88
Class B-R Notes	09627R AN4	US09627RAN44	160049251	G1201L AG6	USG1201LAG61
Class C-R Notes	09627R AQ7	US09627RAQ74	160049332	G1201LAH4	USG1201LAH45

(6) Neither of the Co-Issuers has been involved in any governmental, litigation or arbitration proceedings during the 12 months preceding the date of this Offering Circular, relating to claims on amounts which may have or have had in the recent past, a significant effect on the financial positions or profitability of the Co-Issuers, nor, so far as the Co-Issuers are aware, are any such governmental, litigation or arbitration proceedings involving the Co-Issuers pending or threatened.

(7) To date the Co-Issuers have commenced operations but no financial statements have been prepared.

(8) None of the Rating Agencies are established in the European Union and none have made an application to be registered for the purposes of the EU Regulation on Credit Rating Agencies (Regulation (EC) No. 1060/2009), as amended.

LEGAL MATTERS

Certain legal matters with respect to the Refinancing Notes will be passed upon for the Co-Issuers and the Refinancing Initial Purchaser by Paul Hastings LLP. Certain legal matters with respect to the Refinancing Notes will be passed upon for the Portfolio Manager by Perkins Coie LLP. Certain matters with respect to Cayman Islands law will be passed upon for the Issuer by Maples and Calder.

INDEX OF DEFINED TERMS

Following is an index of defined terms used in this Offering Circular and the page number where each definition appears.

ANNEX A

2014 OFFERING CIRCULAR

If you are not the intended recipient of this message, please delete and destroy all copies of this disclaimer and the attached Offering Circular (as defined below) along with any e-mail to which either may be attached.

DISCLAIMER

Attached please find an electronic copy of the offering circular dated October 2, 2014 (the "Offering Circular"), relating to the Notes offered by BlueMountain CLO 2014-3 Ltd. (the "Issuer") and BlueMountain CLO 2014-3 LLC (the "Co-Issuer, and together with the Issuer, the "Co-Issuers").

The Offering Circular shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

In order to be eligible to view this email and/or access the Offering Circular or make an investment decision with respect to the securities described therein, you must either (a) not be a "U.S. person" within the meaning of Regulation S under the Securities Act of 1933, as amended (the "Securities Act"), or (b) (i) be a "Qualified Institutional Buyer" within the meaning of Rule 144A under the Securities Act that is also a "qualified purchaser" within the meaning of Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "Investment Company Act") or (ii) (or, solely in the case of Certificated Secured Notes and Certificated Subordinated Notes, an institutional "accredited investor" within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act that is also a qualified purchaser within the meaning of Section 3(c)(7) of the Investment Company Act.

Distribution of this electronic transmission of the Offering Circular to any person other than (a) the person receiving this electronic transmission from the Co-Issuers or the Initial Purchaser on behalf of the Co-Issuers, and (b) any person retained to advise the person receiving this electronic transmission with respect to the offering contemplated by the Offering Circular (each, an "Authorized Recipient") is unauthorized. Any photocopying, disclosure or alteration of the contents of the Offering Circular, and any forwarding of a copy of the Offering Circular or any portion thereof by electronic mail or any other means to any person other than an Authorized Recipient, except as expressly authorized herein, is prohibited. By accepting delivery of the Offering Circular, each recipient hereof agrees to the foregoing.

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, EFFECTIVE FROM THE DATE OF COMMENCEMENT OF DISCUSSIONS, RECIPIENTS, AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF THE RECIPIENTS, MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE U.S. TAX TREATMENT AND TAX STRUCTURE OF THE OFFERING AND ALL MATERIALS OF ANY KIND, INCLUDING OPINIONS OR OTHER TAX ANALYSES, THAT ARE PROVIDED TO THE RECIPIENTS RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE. THIS AUTHORIZATION TO DISCLOSE THE U.S. TAX TREATMENT AND TAX STRUCTURE DOES NOT PERMIT DISCLOSURE OF INFORMATION IDENTIFYING A CO-ISSUER, THE INITIAL PURCHASER, THE PORTFOLIO MANAGER OR ANY OTHER PARTY TO THE TRANSACTION, THIS OFFERING OR THE PRICING (EXCEPT TO THE EXTENT SUCH INFORMATION IS RELEVANT TO U.S. TAX STRUCTURE OR TAX TREATMENT) OF THIS OFFERING.

OFFERING CIRCULAR

BlueMountain CLO 2014-3 Ltd.
BlueMountain CLO 2014-3 LLC

U.S.$372,000,000 Class A-1 Senior Secured Floating Rate Notes due 2026
U.S.$76,000,000 Class A-2 Senior Secured Floating Rate Notes due 2026
U.S.$41,750,000 Class B Senior Secured Deferrable Floating Rate Notes due 2026
U.S.$31,700,000 Class C Senior Secured Deferrable Floating Rate Notes due 2026
U.S.$25,700,000 Class D Senior Secured Deferrable Floating Rate Notes due 2026
U.S.$13,700,000 Class E Senior Secured Deferrable Floating Rate Notes due 2026
U.S.$51,200,000 Subordinated Notes due 2026

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

See "Risk Factors" for a discussion of certain risks that you should consider in connection with an investment in the Notes.

Upon issuance (i) the Class A-1 Notes were rated "AAA(sf)" by S&P and "Aaa(sf)" by Moody's, (ii) the Class A-2 Notes were rated at least "AA(sf)" by S&P, (iii) the Class B Notes were rated at least "A(sf)" by S&P, (iv) the Class C Notes were rated at least "BBB(sf)" by S&P, (v) the Class D Notes were rated at least "BB(sf)" by S&P and (vi) the Class E Notes were rated at least "B(sf)" by S&P. The Subordinated Notes were not rated. See "Ratings of the Secured Notes."

THE NOTES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAW OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND NEITHER OF THE CO-ISSUERS HAS BEEN REGISTERED UNDER THE INVESTMENT COMPANY ACT. THE NOTES ARE BEING OFFERED ONLY (I) TO NON-U.S. PERSONS OUTSIDE THE UNITED STATES IN RELIANCE ON REGULATION S AND (II) TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS THAT ARE (A)(i) QUALIFIED INSTITUTIONAL BUYERS AND (ii) QUALIFIED PURCHASERS OR (B) SOLELY IN THE CASE OF CERTIFICATED SECURED NOTES AND CERTIFICATED SUBORDINATED NOTES (i) INSTITUTIONAL ACCREDITED INVESTORS AND (ii) QUALIFIED PURCHASERS. EACH INITIAL PURCHASER OF A GLOBAL SECURED NOTE WILL BE DEEMED TO MAKE, AND EACH INITIAL PURCHASER OF A CERTIFICATED SECURED NOTE OR A SUBORDINATED NOTE, BY ITS EXECUTION OF A SUBSCRIPTION AGREEMENT OR REPRESENTATION LETTER, WILL MAKE, CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS, WARRANTIES AND CERTIFICATIONS. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON TRANSFER, SEE "TRANSFER RESTRICTIONS."

This Offering Circular has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Directive 2003/71/EC (the "**Prospectus Directive**"). The Central Bank only approves this Offering Circular as meeting the requirements imposed under Irish and European Union ("**EU**") Law pursuant to the Prospectus Directive. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC and/or which are to be offered to the public in any Member State of the European Economic Area. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. There can be no assurance that such listing will be granted or maintained. This Offering Circular constitutes a Prospectus for the purposes of the Prospectus Directive. The Notes were delivered to investors in book-entry form through The Depository Trust Company and its participants and indirect participants, including, without limitation, Euroclear and Clearstream, and, in the case of Certificated Secured Notes and Certificated Subordinated Notes, in physical form, on or about September 30, 2014.

Citigroup Global Markets Inc. (the "**Initial Purchaser**") expects to sell the Secured Notes in individually negotiated transactions at varying prices to be determined at the time of sale, subject to prior sale, when, as and if issued. All of the Subordinated Notes will be sold to certain funds managed by the Portfolio Manager and/or its Affiliates directly by the Issuer in a privately negotiated sale and Citigroup Global Markets Inc. will not act as an initial purchaser or placement agent with respect to such sales. The Notes were delivered to investors in book-entry form through The Depository Trust Company and its participants and indirect participants, including, without limitation, Euroclear and Clearstream (or, in the case of Certificated Secured Notes and Certificated Subordinated Notes, in physical form), on or about September 30, 2014 (the "**Closing Date**").

Initial Purchaser of the Secured Notes

Citigroup

October 2, 2014

Important information regarding this Offering Circular and the Notes

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

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

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

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

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

The Notes are subject to restrictions on resale and transfer as described under "OVERVIEW OF TERMS", "DESCRIPTION OF THE NOTES", "PLAN OF DISTRIBUTION" and "TRANSFER RESTRICTIONS." By purchasing any Notes, you will be deemed to have made certain acknowledgments, representations and agreements as described in "TRANSFER RESTRICTIONS." You may be required to bear the financial risks of investing in the Notes for an indefinite period of time.

Unless the context otherwise requires or as otherwise indicated, in this Offering Circular, "Citigroup" means Citigroup Global Markets Inc. in its capacity as Initial Purchaser for the Secured Notes.

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

NOTICE TO NEW HAMPSHIRE RESIDENTS

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

PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

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

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

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

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

- you have reviewed this Offering Circular;
- you have had an opportunity to request any additional information that you need from the Issuer; and
- none of the Initial Purchaser, (except in the case of clause (ii) below with respect to the information contained under the headings "The Portfolio Manager," "Risk Factors—Relating to the Portfolio Manager" and "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Portfolio Manager") the Portfolio Manager, the Trustee or the Collateral Administrator is responsible for, or is making any representation to you concerning, (i) the future performance of the Issuer or (ii) the accuracy or completeness of this Offering Circular.

Neither Citibank, N.A., in each of its capacities including but not limited to Trustee, Calculation Agent and Paying Agent, nor Virtus Group, LP, as Collateral Administrator, has participated in the preparation of this Offering Circular or assumes responsibility for its contents.

None of the Co-Issuers, the Initial Purchaser, the Portfolio Manager nor any other party to the transactions contemplated by this Offering Circular is providing you with any legal, business, tax or other advice in this Offering Circular. You should consult with your own advisors as needed to assist you in making an investment decision and to advise you as to whether you are legally permitted to purchase the Notes.

The Initial Purchaser, the Portfolio Manager, each of their affiliates, and third parties that provide information to the Portfolio Manager and the Rating Agencies, do not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or the results obtained from the use of such content. The Initial Purchaser, the Portfolio Manager, each of their affiliates and third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use, and they expressly disclaim any responsibility or liability for direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs expenses, legal fees or losses (including lost income or profits and opportunity costs) in connection with the use of the information herein. Credit ratings are statements of opinions and not statements of facts or recommendations to purchase, hold or sell securities. They do not address the suitability of securities for

investment purposes and should not be relied on as investment advice. None of the Initial Purchaser, the Portfolio Manager or any of their respective affiliates have any responsibility to update any of the information provided in this summary document.

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

APPLICATION HAS BEEN MADE TO LIST THE NOTES ON THE IRISH STOCK EXCHANGE. HOWEVER, THERE CAN BE NO ASSURANCES THAT THE IRISH STOCK EXCHANGE WILL IN FACT GRANT THE LISTING OF SUCH NOTES OR, IF GRANTED, THAT SUCH LISTING WILL BE MAINTAINED.

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

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

IN THE EVENT THAT TRADING IN HEDGE AGREEMENTS WOULD RESULT IN THE ISSUER'S ACTIVITIES FALLING WITHIN THE DEFINITION OF A "COMMODITY POOL" UNDER THE COMMODITY EXCHANGE ACT, THE PORTFOLIO MANAGER EXPECTS TO BE EXEMPT FROM REGISTRATION WITH THE COMMODITY FUTURES TRADING COMMISSION ("**CFTC**") AS A COMMODITY POOL OPERATOR ("**CPO**") PURSUANT TO CFTC RULE 4.13(a)(3). THEREFORE, UNLIKE A REGISTERED CPO, THE PORTFOLIO 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.

IMPORTANT INFORMATION REGARDING OFFERS AND SALES OF THE NOTES

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

You may commit to purchase one or more classes of securities that have characteristics that may change, and you are advised that all or a portion of the securities may not be issued with the characteristics described in this Offering Circular. The obligation of the Initial Purchaser to sell such securities to you is conditioned on the securities having the characteristics described in this Offering Circular. If the Initial Purchaser determines that condition is not satisfied in any material respect, you will be notified, and none of the Issuer, the Co-Issuer or the Initial Purchaser will have any obligation to you to deliver any portion of the securities that you have committed to purchase, and there will be no liability among the Issuer, the Co-Issuer, the Initial Purchaser, their affiliates and you as a consequence of the non-delivery.

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

No invitation, whether direct or indirect, may be made to the public in the Cayman Islands to subscribe for the Notes.

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

NOTICE TO CONNECTICUT RESIDENTS

The Notes have not been registered under the Connecticut Securities Law. The Notes are subject to restrictions on transferability and sale.

NOTICE TO FLORIDA RESIDENTS

The Notes offered hereby by it will be sold to, and acquired by, the holder in a transaction exempt under Section 517.061 of the Florida Securities Act ("**FSA**"). The Notes have not been registered under the FSA in the state of Florida. In addition, if sales are made by it to five or more persons in Florida, all Florida purchasers other than exempt institutions specified in Section 517.061(7) of the FSA shall have the privilege of voiding the purchase within three (3) days after the first tender of consideration is made by such purchaser to the Co-Issuers, an agent of the Co-Issuers, or an escrow agent.

NOTICE TO GEORGIA RESIDENTS

The Notes will be issued or sold in reliance on paragraph (14) of Code Section 10-5-11 of the Georgia Uniform Securities Act of 2008, and may not be sold or transferred except in a transaction which is exempt under such act or pursuant to an effective registration under such act.

NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA

IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA WHICH HAS IMPLEMENTED THE PROSPECTUS DIRECTIVE (EACH, A "**RELEVANT MEMBER STATE**") THE INITIAL PURCHASER HAS REPRESENTED AND AGREED THAT WITH EFFECT FROM AND INCLUDING THE DATE ON WHICH THE PROSPECTUS DIRECTIVE IS IMPLEMENTED IN THAT RELEVANT MEMBER STATE (THE "**RELEVANT IMPLEMENTATION DATE**") IT HAS NOT MADE AND WILL NOT MAKE AN OFFER OF NOTES TO THE PUBLIC IN THAT RELEVANT MEMBER STATE EXCEPT THAT IT MAY, WITH EFFECT FROM AND INCLUDING THE RELEVANT IMPLEMENTATION DATE, MAKE AN OFFER OF THE NOTES TO THE PUBLIC IN THAT RELEVANT MEMBER STATE AT ANY TIME:

(I) TO ANY LEGAL ENTITY WHICH IS A QUALIFIED INVESTOR AS DEFINED IN THE PROSPECTUS DIRECTIVE;

(II) TO FEWER THAN 100 OR, IF THE RELEVANT MEMBER STATE HAS IMPLEMENTED THE RELEVANT PROVISION OF THE 2010 PD AMENDING DIRECTIVE, 150, NATURAL

OR LEGAL PERSONS (OTHER THAN QUALIFIED INVESTORS AS DEFINED IN THE PROSPECTUS DIRECTIVE), AS PERMITTED UNDER THE PROSPECTUS DIRECTIVE, SUBJECT TO OBTAINING THE PRIOR CONSENT OF THE RELEVANT DEALER OR DEALERS NOMINATED BY THE ISSUER FOR ANY SUCH OFFER; OR

(III) IN ANY OTHER CIRCUMSTANCES FALLING WITHIN ARTICLE 3(2) OF THE PROSPECTUS DIRECTIVE, PROVIDED THAT NO SUCH OFFER OF NOTES SHALL REQUIRE THE PUBLICATION BY THE ISSUER OR ANY OTHER ENTITY OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE.

FOR THE PURPOSES OF THIS PROVISION, THE EXPRESSION AN 'OFFER OF THE NOTES TO THE PUBLIC' IN RELATION TO ANY NOTES IN ANY RELEVANT MEMBER STATE MEANS THE COMMUNICATION IN ANY FORM AND BY ANY MEANS OF SUFFICIENT INFORMATION ON THE TERMS OF THE OFFER AND THE NOTES TO BE OFFERED SO AS TO ENABLE AN INVESTOR TO DECIDE TO PURCHASE OR SUBSCRIBE FOR THE NOTES, AS THE SAME MAY BE VARIED IN THAT MEMBER STATE BY ANY MEASURE IMPLEMENTING THE PROSPECTUS DIRECTIVE IN THAT MEMBER STATE AND THE EXPRESSION "**PROSPECTUS DIRECTIVE**" MEANS DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 4 NOVEMBER 2003 (AND AMENDMENTS THERETO, INCLUDING THE 2010 PD AMENDING DIRECTIVE, TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATE) AND INCLUDES ANY RELEVANT IMPLEMENTING MEASURE IN EACH RELEVANT MEMBER STATE AND THE EXPRESSION "**2010 PD AMENDING DIRECTIVE**" MEANS DIRECTIVE 2010/73/EU.

NOTICE TO RESIDENTS OF AUSTRALIA

NEITHER THIS OFFERING CIRCULAR NOR ANY OTHER PROSPECTUS OR DISCLOSURE DOCUMENT (AS DEFINED IN THE CORPORATIONS ACT 2001 (THE "**CORPORATIONS ACT**")) IN RELATION TO THE NOTES HAS BEEN OR WILL BE LODGED WITH THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION. THE INITIAL PURCHASER HAS THEREFORE REPRESENTED AND AGREED THAT:

(I) IT HAS NOT MADE OR INVITED, AND WILL NOT MAKE OR INVITE, AN OFFER OF THE NOTES FOR ISSUE OR SALE, DIRECTLY OR INDIRECTLY, IN AUSTRALIA, (INCLUDING AN OFFER OR INVITATION WHICH IS RECEIVED BY A PERSON IN AUSTRALIA

(II) IT HAS NOT DISTRIBUTED OR PUBLISHED, AND WILL NOT DISTRIBUTE OR PUBLISH, THE OFFERING CIRCULAR OR ANY OTHER OFFERING MATERIAL OR ADVERTISEMENT RELATING TO ANY NOTES IN AUSTRALIA, UNLESS:

(A) THE AGGREGATE CONSIDERATION PAYABLE BY EACH OFFEREE IS AT LEAST A$500,000 (OR ITS EQUIVALENT IN AN ALTERNATE CURRENCY, IN EITHER CASE, DISREGARDING MONEYS LENT BY THE OFFEROR OR ITS ASSOCIATES) OR THE OFFER OR INVITATION EXCEPT BY WAY OF AN OFFER OR INVITATION NOT REQUIRED TO BE DISCLOSED PURSUANT TO PART 6D.2 OR PART 7.9 OF THE CORPORATIONS ACT;

(B) THE OFFER OR INVITATION DOES NOT CONSTITUTE AN OFFER TO A "RETAIL CLIENT" AS DEFINED FOR THE PURPOSES OF SECTION 761G OF THE CORPORATIONS ACT;

(C) SUCH ACTION COMPLIES WITH ANY OTHER APPLICABLE LAWS, REGULATIONS OR DIRECTIVES IN AUSTRALIA; AND

(D) SUCH ACTION DOES NOT REQUIRE ANY DOCUMENT TO BE LODGED WITH AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION OR ANY OTHER REGULATORY AUTHORITY IN AUSTRALIA.

NOTICE TO RESIDENTS OF BAHRAIN

THIS OFFERING CIRCULAR HAS NOT BEEN APPROVED BY THE CENTRAL BANK OF BAHRAIN WHICH TAKES NO RESPONSIBILITY FOR ITS CONTENTS. THE INITIAL PURCHASER HAS REPRESENTED AND AGREED THAT NO OFFER TO THE PUBLIC TO PURCHASE THE NOTES WILL BE MADE IN THE KINGDOM OF BAHRAIN AND THIS OFFERING CIRCULAR IS INTENDED TO BE READ BY THE ADDRESSEE ONLY AND WILL NOT BE PASSED TO, ISSUED TO, OR SHOWN TO THE PUBLIC GENERALLY.

NOTICE TO RESIDENTS OF BELGIUM

THE OFFERING OF NOTES HAS NOT BEEN AND WILL NOT BE NOTIFIED TO THE BELGIAN FINANCIAL SERVICES AND MARKETS AUTHORITY (*AUTORITEIT VOOR FINANCIËLE DIENSTEN EN MARKTEN/AUTORITÉ DES SERVICES ET MARCHÉS FINANCIERS*) NOR HAS THIS OFFERING CIRCULAR BEEN, NOR WILL IT BE, APPROVED BY THE BELGIAN FINANCIAL SERVICES AND MARKETS AUTHORITY. THE NOTES MAY NOT BE DISTRIBUTED IN BELGIUM BY WAY OF AN OFFER OF THE NOTES TO THE PUBLIC, AS DEFINED IN ARTICLE 3, §1 OF THE ACT OF 16 JUNE 2006 RELATING TO PUBLIC OFFERS OF INVESTMENT INSTRUMENTS, AS AMENDED OR REPLACED FROM TIME TO TIME AND TAKING INTO ACCOUNT THE PROVISIONS OF DIRECTIVE 2010/73/EU THAT ARE SUFFICIENTLY CLEAR, PRECISE AND UNCONDITIONAL TO BE CAPABLE OF VERTICAL DIRECT EFFECT, SAVE IN THOSE CIRCUMSTANCES (COMMONLY CALLED 'PRIVATE PLACEMENT') SET OUT IN ARTICLE 3 §2 OF THE ACT OF 16 JUNE 2006 RELATING TO PUBLIC OFFERS OF INVESTMENT INSTRUMENTS, AS AMENDED OR REPLACED FROM TIME TO TIME AND TAKING INTO ACCOUNT THE PROVISIONS OF DIRECTIVE 2010/73/EU THAT ARE SUFFICIENTLY CLEAR, PRECISE AND UNCONDITIONAL TO BE CAPABLE OF VERTICAL DIRECT EFFECT. THIS OFFERING CIRCULAR WILL BE DISTRIBUTED IN BELGIUM ONLY TO SUCH INVESTORS FOR THEIR PERSONAL USE AND EXCLUSIVELY FOR THE PURPOSES OF THIS OFFERING OF NOTES. THE INITIAL PURCHASER HAS REPRESENTED AND AGREED THAT IT WILL NOT:

(I) OFFER FOR SALE, SELL OR MARKET THE NOTES IN BELGIUM OTHERWISE THAN IN CONFORMITY WITH THE ACT OF 16 JUNE 2006 TAKING INTO ACCOUNT THE PROVISIONS OF DIRECTIVE 2010/73/EU THAT ARE SUFFICIENTLY CLEAR, PRECISE AND UNCONDITIONAL TO BE CAPABLE OF VERTICAL DIRECT EFFECT; AND

(II) OFFER FOR SALE, SELL OR MARKET THE NOTES TO ANY PERSON QUALIFYING AS A CONSUMER WITHIN THE MEANING OF ARTICLE I OF THE CODE OF ECONOMIC LAW, AS MODIFIED, OTHERWISE THAN IN CONFORMITY WITH SUCH CODE AND ITS IMPLEMENTING REGULATIONS.

NOTICE TO RESIDENTS OF CANADA

This Offering Circular constitutes an offer of these securities only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale, and only by persons permitted to sell these securities. This Offering Circular is not, and under no circumstances is to be construed as, an advertisement or a public offering of these securities in Canada. This Offering Circular does not constitute an offer of these securities in any province or territory of Canada other than the Province of Ontario and the Province of Alberta. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of these securities, and any representation to the contrary is an offence.

Relationship between the Dealer and certain of its affiliates and the Co-Issuers. The Co-Issuers may each be considered to be a "connected issuer" (within the meaning of such term in National Instrument 33-105 Underwriting Conflicts of the Canadian securities regulatory authorities) of Citigroup Global Markets Inc. (the "**Dealer**"), as the Dealer will be the Initial Purchaser, and it or its affiliates are expected to finance the Issuer's purchase of Collateral Obligations prior to the Closing Date and may have ongoing relationships with issuers whose debt obligations

constitute Collateral Obligations, among other matters. For more information regarding such relationships, see "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving Citigroup" herein. The decision to offer the Notes was made solely by the Co-Issuers, and the terms upon which the Notes are offered were determined by negotiation between the Co-Issuers and the Dealer.

Additional information about this Offering Circular. Information in this Offering Circular has not been prepared with regard to matters that may be of particular concern to Canadian purchasers and, accordingly, should be read with this in mind.

As the Offering Circular remains subject to completion or amendment, this Offering Circular similarly remains subject to completion or amendment. The Offering is being made in Canada exclusively through this Canadian Offering Circular and not through any advertisement of the Notes. No person has been authorized to give any information or to make any representation other than those contained or incorporated by reference into in this Offering Circular and any decision to purchase Notes should be based solely on information contained or incorporated by reference in this document.

Except as otherwise expressly required by applicable law or as agreed to in contract, no representation, warranty, or undertaking (express or implied) is made and no responsibilities or liabilities of any kind or nature whatsoever are accepted by the Co-Issuers as to the accuracy or completeness of the information contained in this Offering Circular or any other information provided by the Co-Issuers in connection with the Offering.

This Offering Circular is personal to each Canadian offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Notes. Distribution of this Offering Circular to any person other than the prospective purchaser and any person retained to advise such prospective purchaser with respect to its purchase is unauthorized, and any disclosure of any of its contents without the relevant Issuer's prior written consent is prohibited. Each prospective purchaser, by accepting delivery of this Offering Circular, agrees to the foregoing and to make no photocopies of this Offering Circular or any documents referred to in, or incorporated into, this Offering Circular.

Investing in the Notes involves certain risks. See "Risk Factors". Canadian purchasers are advised to review carefully this Offering Circular and to consult with their own legal and financial advisers prior to investing in the Notes.

Resale restrictions. The Notes have not been, nor will they be, qualified for sale to the public under applicable Canadian securities laws and, accordingly, any offer and sale of the Notes in Canada will be made on a private placement basis only such that the Co-Issuers will be exempt from the requirement that they prepare and file a prospectus with the relevant Canadian securities regulatory authorities. Any resale of the Notes must be made in accordance with, or pursuant to an exemption from, or in a transaction not subject to, the prospectus requirements of Canadian securities laws. In addition, in order to comply with the dealer registration requirements of Canadian securities laws, any resale of the Notes must be made either by a person not required to register as a dealer under applicable Canadian securities laws, or through an appropriately registered dealer or in accordance with an exemption from the dealer registration requirements. These Canadian resale restrictions may in some circumstances apply to resales made outside of Canada. Canadian purchasers are advised to seek Canadian legal advice prior to any resale of Notes.

Neither of the Co-Issuers is a "reporting issuer," as such term is defined under applicable Canadian securities legislation, or the equivalent in any province or territory of Canada in which the Notes will be offered. Canadian investors are advised that the Co-Issuers currently do not intend to file a prospectus or similar document with any securities regulatory authority in Canada qualifying the resale of the Notes to the public in Canada or any province or territory thereof.

Representations and agreements by purchasers. Each purchaser of Notes in Canada will be deemed to have represented to the Co-Issuers and the Dealer participating in the sale of the Notes to the purchaser that the purchaser:

(a) is resident in the Province of Ontario or the Province of Alberta and not any other province or territory of Canada;

(b) is either purchasing the Notes as principal for its own account, or is deemed to be purchasing Notes as principal by applicable Canadian securities laws, and is entitled under such laws to purchase Notes without the benefit of a prospectus qualified under those securities laws;

(c) is basing its investment decision solely on the final form of this Offering Circular and not on any other information concerning the Co-Issuers or the Offering and recognizes that the final form of this Offering Circular supersedes in its entirety the provisions of any preliminary form of this Offering Circular;

(d) has reviewed and acknowledges the terms referred to above under "Resale Restrictions";

(e) is an "accredited investor" as defined in National Instrument 45-106 Prospectus and Registration Exemptions and, if relying on subsection (m) of the definition of that term, is not a person created or being used solely to purchase or hold securities as an accredited investor;

(f) is a "Canadian permitted client" as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Responsibilities;

(g) recognizes that the Notes are not denominated in Canadian dollars and, accordingly, the value of the Notes to a Canadian purchaser will fluctuate with changes in the exchange rate between the Canadian dollar and the U.S. dollar, and the purchaser is aware of the current and historical Canadian dollar/U.S. dollar exchange rates; and

(h) if required by applicable Canadian securities laws, the purchaser will execute, deliver and file or assist the Co-Issuers in completing or obtaining and filing such reports, undertakings and other documents relating to the purchase of the Notes by the purchaser as may be required by such laws, or by any securities commission or other regulatory authority.

Each purchaser of Notes in Canada will be deemed to have represented to the Co-Issuers and the Dealer participating in the sale of the Notes to the purchaser that none of the funds being used to purchase the Notes are, to its knowledge, proceeds obtained or derived, directly or indirectly, as a result of illegal activities and that:

(a) the funds being used to purchase Notes and advanced by or on behalf of the investor to the Initial Purchaser do not represent proceeds of crime for the purpose of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (the "**PCMLTFA**");

(b) the investor is not a person or entity with or in respect of whom transactions may be prohibited under Part II.1 of the Criminal Code (Canada) or under the Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism (the "**RIUNRST**"), the United Nations Al-Qaida and Taliban Regulations (the "**UNAQTR**"), the United Nations Côte d'Ivoire Regulations (the "**Côte d'Ivoire Regulations**"), the Regulations Implementing the United Nations Resolution on the Democratic People's Republic of Korea (the "**UNRDPRK**"), the United Nations Democratic Republic of the Congo Regulations (the "**Congo Regulations**"), the Regulations Implementing the United Nations Resolution on Eritrea (the "**RIUNRE**"), the Regulations Implementing the United Nations Resolution on Iran (the "**RIUNRI**"), the United Nations Liberia Regulations (the "**Liberia Regulations**"), the Regulations Implementing the United Nations Resolutions on Somalia (the "**RIUNRS**"), the United Nations Sudan Regulations (the "**Sudan Regulations**"), the Regulations Implementing the United Nations Resolutions on Libya (the "**Libya Regulations**"), the Special Economic Measures (Burma) Regulations (the "**Burma Regulations**"), the Special Economic Measures (Iran) Regulations (the "**Iran Regulations**"), the Special Economic Measures (Zimbabwe) Regulations (the "**Zimbabwe Regulations**") or the Freezing Assets of Corrupt Foreign Officials (Tunisia and Egypt) Regulations (the "**FACPA Tunisia and Egypt Regulations**"), the Special Economic Measures (Syria) Regulations (the "**Syria Regulations**"), the Special Economic Measures (DPRK) Regulations (the "**DPRK Regulations**"), the Special Economic Measures (Russia) Regulations (the "**Russia Regulations**"), the Freezing Assets of Corrupt Foreign Officials (Ukraine) Regulations ("**FACPA Ukraine**"), or the Special Economic Measures (Ukraine) Regulations (the "**Ukraine Regulations**");

(c) the Initial Purchaser may in the future be required by law to disclose the investor's name and other information relating to the investor and any purchase of the Notes, on a confidential basis, pursuant to the PCMLTFA, Criminal Code (Canada), RIUNRST, UNAQTR, UNRDPRK, RIUNRE, RIUNRI, RIUNRS, the Côte d'Ivoire Regulations, the Congo Regulations, the Liberia Regulations, the Sudan Regulations, the Libya Regulations, the Burma Regulations, the Iran Regulations, the Zimbabwe Regulations, the FACPA Tunisia and Egypt Regulations, the Syria Regulations, the DPRK Regulations, the Russia Regulations, FACPA Ukraine, the Ukraine Regulations, or as otherwise may be required by applicable laws, regulations or rules, and by accepting delivery of this Offering Circular, the investor will be deemed to have agreed to the foregoing;

(d) to the best of the investor's knowledge, none of the funds to be provided by or on behalf of the investor to the Initial Purchaser are being tendered on behalf of a person or entity who has not been identified to the investor; and

(e) the investor shall promptly notify the Initial Purchaser if the investor discovers that any of the representations contained in these clauses (a)-(e) cease to be true, and shall provide the Co-Issuers and Initial Purchaser with appropriate information in connection therewith.

By purchasing Notes, the purchaser acknowledges that its name and other specified information, including the number or dollar value of Notes it has purchased, may be disclosed to Canadian securities regulatory authorities and become available to the public in accordance with the requirements of applicable laws. The purchaser consents to the disclosure of that information. In particular, each resident of Ontario who purchases Notes will be deemed to have represented to the Co-Issuers, the Initial Purchaser and each dealer from whom a purchase confirmation was received, that such purchaser:

(a) has been notified by the Co-Issuers:

(i) that the Co-Issuers may be required to provide certain personal information ("**personal information**") pertaining to the purchaser as required to be disclosed in Schedule I of Form 45-106F1 under NI 45-106 (including its name, address, telephone number and the number and value of any Notes purchased), which Form 45-106F1 may be required to be filed by the Co-Issuers under NI 45-106;

(ii) that such personal information may be delivered to the Ontario Securities Commission (the "**OSC**") in accordance with NI 45-106;

(iii) that such personal information is collected indirectly by the OSC under the authority granted to it under the securities legislation of Ontario;

(iv) that such personal information is collected for the purposes of the administration and enforcement of the securities legislation of Ontario; and

(v) that the public official in Ontario who can answer questions about the OSC's indirect collection of such personal information is the Administrative Support Clerk at the OSC, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8, Telephone: (416) 593-3684; and

(b) has authorized the indirect collection of the personal information by the OSC.

Further, the purchaser acknowledges that its name, address, telephone number and other specified information, including the aggregate outstanding principal amount of Notes it has purchased and the aggregate purchase price paid by the purchaser, may be disclosed to other Canadian securities regulatory authorities and may become available to the public in accordance with the requirements of applicable Canadian laws. By purchasing Notes, the purchaser consents to the disclosure of such information.

Canadian tax considerations. This Offering Circular does not address the Canadian income tax consequences of the acquisition, holding or disposition of Notes. Prospective Canadian purchasers of Notes are strongly advised to consult their own tax advisors with respect to the Canadian and other tax considerations applicable to them.

Enforcement of legal rights. The directors or managers, as the case may be, and officers of the Co-Issuers as well as any experts named in the Offering Circular are likely to be located outside of Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Co-Issuers or those persons. All or a substantial portion of the assets of the Co-Issuers and those persons is likely to be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the Co-Issuers or those persons in Canada or to enforce a judgment obtained in Canadian courts against the Co-Issuers or those persons outside of Canada.

Each purchaser acknowledges that it has been notified that: (i) the Dealer is not registered as a securities dealer in any province or territory of Canada (or, if it is so registered, it is not relying upon its registration status to trade the Notes); (ii) all or substantially all of the assets of the Dealer may be situated outside of Canada; and (iii) there may be difficulty enforcing legal rights against the Dealer for these reasons.

Rights of action for damages and rescission available to purchasers. Securities legislation in certain of the Canadian provinces provides purchasers of securities pursuant to an offering memorandum (such as this Offering Circular) with a remedy for damages or rescission, or both, in addition to any other rights they may have at law, where the offering memorandum and any amendment to it contains a "**Misrepresentation**". Where used herein, "**Misrepresentation**" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in light of the circumstances in which it was made. These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed by applicable securities legislation.

Ontario. Section 130.1 of the Securities Act (Ontario) provides that every purchaser of securities pursuant to an offering memorandum (such as this Offering Circular) shall have a statutory right of action for damages or rescission against the issuer and any selling security holder in the event that the offering memorandum contains a Misrepresentation. A purchaser who purchases securities offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied upon the Misrepresentation, a right of action for damages or, alternatively, while still the owner of the securities, for rescission against the issuer and any selling security holder provided that:

(a) if the purchaser exercises its right of rescission, it shall cease to have a right of action for damages as against the issuer and the selling security holders, if any;

(b) the issuer and the selling security holders, if any, will not be liable if they prove that the purchaser purchased the securities with knowledge of the Misrepresentation;

(c) the issuer and the selling security holders, if any, will not be liable for all or any portion of damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and

(d) in no case shall the amount recoverable exceed the price at which the securities were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than:

(a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of an action for damages, the earlier of:

(i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or

(ii) three years after the date of the transaction that gave rise to the cause of action.

This Offering Circular is being delivered in reliance on the exemption from the prospectus requirements contained under section 2.3 of NI 45-106 (the "**accredited investor exemption**"). The rights referred to in section 130.1 of the Securities Act (Ontario) do not apply in respect of an offering memorandum (such as this Offering Circular) delivered to a prospective purchaser in connection with a distribution made in reliance on the accredited investor exemption if the prospective purchaser is:

(a) a Canadian financial institution or a Schedule III bank (each as defined in NI 45-106);

(b) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada); or

(c) a subsidiary of any person referred to in paragraphs (a) and (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

NOTICE TO THE PUBLIC OF CAYMAN ISLANDS

THE INITIAL PURCHASER HAS REPRESENTED AND AGREED NO INVITATION, WHETHER DIRECTLY OR INDIRECTLY, WILL BE MADE TO THE PUBLIC IN THE CAYMAN ISLANDS TO SUBSCRIBE FOR THE NOTES.

NOTICE TO RESIDENTS OF CYPRUS

THIS OFFERING CIRCULAR HAS NOT BEEN NOR WILL BE SUBMITTED FOR CLEARANCE WITH THE CYPRUS SECURITIES AND EXCHANGE COMMISSION SINCE IT HAS NOT BEEN PREPARED FOR THE PURPOSE OF MAKING AN OFFER OF NOTES TO THE PUBLIC IN THE REPUBLIC OF CYPRUS ("**CYPRUS**") REQUIRING SUCH SUBMISSION UNDER THE PROVISIONS OF THE PUBLIC OFFERS AND PROSPECTUS LAW OF 2005 (LAW 114(I)/ 2005), AS AMENDED, (THE "**PROSPECTUS LAW**"). ACCORDINGLY, THE NOTES MAY NOT BE OFFERED, ADVERTISED, DISTRIBUTED, MARKETED OR SOLD, WHETHER DIRECTLY OR INDIRECTLY, TO THE PUBLIC IN CYPRUS AND THIS OFFERING CIRCULAR (OR ANY OTHER OFFERING MATERIAL RELATING TO THE NOTES) HAS NOT BEEN AND WILL NOT BE RELEASED, ISSUED, PUBLISHED, COMMUNICATED, ADVERTISED OR DISSEMINATED TO THE PUBLIC IN CYPRUS. IN ACCORDANCE WITH THE EXCEPTIONS SET OUT IN SECTION 4 (3) OF THE PROSPECTUS LAW THE NOTES MAY ONLY BE OFFERED OR SOLD IN CYPRUS (I) TO QUALIFIED INVESTORS, (II) IF SUCH OFFER IS SUBJECT TO A MINIMUM INVESTMENT PER INVESTOR OF €100,000 AND/OR (II) IF SUCH NOTES ARE OFFERED TO LESS THAN 150 LEGAL ENTITIES OR PERSONS WHO ARE NOT QUALIFIED INVESTORS.

NOTICE TO RESIDENTS OF DENMARK

THIS OFFERING CIRCULAR HAS NOT BEEN AND IS NOT REQUIRED TO BE FILED WITH OR APPROVED BY THE DANISH FINANCIAL SUPERVISORY AUTHORITY. THE NOTES WILL NOT BE LISTED ON A DANISH REGULATED MARKET AND WILL NOT BE OFFERED TO THE PUBLIC IN DENMARK.

THE NOTES ARE ISSUED IN DENOMINATION OF EUR 100,000 AND AS SUCH THE OFFERING MAY BE MADE TO INVESTORS IN DENMARK IN ACCORDANCE WITH EXECUTIVE ORDER NO. 643 OF 26 JUNE 2012 WITHOUT THE PUBLICATION OF A PROSPECTUS.

NOTICE TO RESIDENTS OF FRANCE

NEITHER THIS OFFERING CIRCULAR NOR ANY OTHER OFFERING MATERIAL RELATING TO THE NOTES HAS BEEN SUBMITTED TO THE CLEARANCE PROCEDURES OF THE AUTORITÉ DES

MARCHÉS FINANCIERS ("**AMF**") OR TO THE COMPETENT AUTHORITY OF ANOTHER MEMBER STATE OF THE EUROPEAN ECONOMIC AREA AND SUBSEQUENTLY NOTIFIED TO THE AMF.

THE INITIAL PURCHASER HAS REPRESENTED AND AGREED THAT:

(I) THE NOTES HAVE NOT BEEN OFFERED OR SOLD AND WILL NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, TO THE PUBLIC IN FRANCE;

(II) NEITHER THIS OFFERING CIRCULAR NOR ANY OTHER OFFERING MATERIAL RELATING TO THE NOTES HAS BEEN OR WILL BE:

(A) RELEASED, ISSUED, DISTRIBUTED OR CAUSED TO BE RELEASED, ISSUED OR DISTRIBUTED TO THE PUBLIC IN FRANCE; OR

(B) USED IN CONNECTION WITH ANY OFFER FOR SUBSCRIPTION OR SALE OF THE NOTES TO THE PUBLIC IN FRANCE; AND

(III) SUCH OFFERS, SALES AND DISTRIBUTIONS WILL BE MADE IN FRANCE ONLY:

(A) TO QUALIFIED INVESTORS (INVESTISSEURS QUALIFIÉS) AND/OR TO A RESTRICTED CIRCLE OF INVESTORS (CERCLE RESTREINT D'INVESTISSEURS), IN EACH CASE ACTING FOR THEIR OWN ACCOUNT, ALL AS DEFINED IN, AND IN ACCORDANCE WITH, ARTICLES L.411-2, D.411-1, D.411-4, D.744-1, D.754-1 AND D.764-1 OF THE FRENCH CODE MONÉTAIRE ET FINANCIER ("CMF"); AND/OR

(B) TO THE PROVIDERS OF THE INVESTMENT SERVICE OF PORTFOLIO MANAGEMENT FOR THE ACCOUNT OF THIRD PARTIES; AND/OR

(C) IN A TRANSACTION THAT, IN ACCORDANCE WITH ARTICLE L.411-2 OF THE CMF AND ARTICLE 211-2 OF THE RÈGLEMENT GÉNÉRAL OF THE AMF, DOES NOT CONSTITUTE A PUBLIC OFFER IN FRANCE.

THE DIRECT OR INDIRECT RESALE OF THE NOTES TO THE PUBLIC IN FRANCE MAY BE MADE ONLY AS PROVIDED BY AND IN ACCORDANCE WITH ARTICLES L.411-1, L.411-2, L.412-1 AND L.621-8 TO L. 621-8-3 OF THE CMF.

NOTICE TO RESIDENTS OF GERMANY

THE NOTES HAVE NOT BEEN AND WILL NOT BE PUBLICLY OFFERED IN THE FEDERAL REPUBLIC OF GERMANY ("**GERMANY**"). THIS OFFERING CIRCULAR DOES NEITHER CONSTITUTE A SALES DOCUMENT PURSUANT TO THE GERMAN ACT ON INVESTMENTS OF ASSETS (*VERMÖGENSANLAGENGESETZ*) NOR DOES IT CONSTITUTE A SALES DOCUMENT PURSUANT TO THE GERMAN SECURITIES PROSPECTUS ACT (*WERTPAPIERPROSPEKTGESETZ*). NO APPLICATION HAS BEEN MADE UNDER GERMAN LAW TO PERMIT A PUBLIC OFFER OF NOTES IN GERMANY. THIS OFFERING CIRCULAR HAS NOT BEEN APPROVED FOR PURPOSES OF A PUBLIC OFFER OF THE NOTES AND ACCORDINGLY, THE NOTES MAY NOT BE, AND ARE NOT BEING, OFFERED OR ADVERTISED PUBLICLY OR BY PUBLIC PROMOTION IN GERMANY. THEREFORE, THIS OFFERING CIRCULAR IS STRICTLY FOR PRIVATE USE AND THE OFFER IS ONLY BEING MADE TO RECIPIENTS TO WHOM THE DOCUMENT IS PERSONALLY ADDRESSED AND DOES NOT CONSTITUTE AN OFFER OR ADVERTISEMENT TO THE PUBLIC. THE NOTES WILL ONLY BE AVAILABLE TO AND THIS OFFERING CIRCULAR AND ANY OTHER OFFERING MATERIAL IN RELATION TO THE NOTES IS DIRECTED ONLY AT PERSONS WHO ARE QUALIFIED INVESTORS.

NOTICE TO RESIDENTS OF HONG KONG

THE CONTENTS OF THIS OFFERING CIRCULAR HAVE NOT BEEN REVIEWED BY ANY REGULATORY AUTHORITY IN HONG KONG. THE INITIAL PURCHASER HAS THEREFORE REPRESENTED, WARRANTED AND AGREED THAT:

(I) IT HAS NOT OFFERED OR SOLD AND WILL NOT OFFER OR SELL IN HONG KONG, BY MEANS OF ANY DOCUMENT, ANY NOTES (EXCEPT FOR NOTES WHICH ARE "STRUCTURED PRODUCTS" AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE (CAP. 571) OF HONG KONG) (THE "**SFO**") OTHER THAN (A) TO "PROFESSIONAL INVESTORS" AS DEFINED IN THE SFO AND ANY RULES MADE UNDER THE SFO ("**PROFESSIONAL INVESTORS**"); OR (B) IN OTHER CIRCUMSTANCES WHICH DO NOT RESULT IN THIS OFFERING CIRCULAR BEING A "PROSPECTUS" AS DEFINED IN THE COMPANIES ORDINANCE (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE (CAP. 32) OF HONG KONG (THE "**COMPANIES ORDINANCE**") OR WHICH DO NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THAT ORDINANCE; AND

(II) IT HAS NOT ISSUED OR HAD IN ITS POSSESSION FOR THE PURPOSES OF ISSUE, AND WILL NOT ISSUE OR HAVE IN ITS POSSESSION FOR THE PURPOSES OF ISSUE, WHETHER IN HONG KONG OR ELSEWHERE, ANY ADVERTISEMENT, INVITATION OR DOCUMENT RELATING TO THE NOTES, WHICH IS DIRECTED AT, OR THE CONTENTS OF WHICH ARE LIKELY TO BE ACCESSED OR READ BY, THE PUBLIC OF HONG KONG (EXCEPT IF PERMITTED TO DO SO UNDER THE SECURITIES LAWS OF HONG KONG) OTHER THAN WITH RESPECT TO NOTES WHICH ARE OR ARE INTENDED TO BE DISPOSED OF ONLY TO PERSONS OUTSIDE HONG KONG OR ONLY TO PROFESSIONAL INVESTORS.

NOTICE TO RESIDENTS OF INDIA

THIS OFFERING CIRCULAR HAS NOT BEEN AND WILL NOT BE REVIEWED OR REGISTERED AS A PROSPECTUS WITH THE REGISTRAR OF COMPANIES IN INDIA OR WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA OR ANY OTHER REGULATORY AUTHORITY IN INDIA.

THIS OFFERING CIRCULAR AND THE DOCUMENTS REFERRED TO IN THIS OFFERING CIRCULAR ARE BEING CIRCULATED TO SELECT INVESTORS IN INDIA AND THE OFFERING IN INDIA IS BEING MADE ON A PRIVATE PLACEMENT BASIS AS DEFINED UNDER THE INDIAN COMPANIES ACT, 2013. ACCORDINGLY THIS OFFERING CIRCULAR IS PERSONAL TO THE ADDRESSEE AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY PERSON OTHER THAN THE ADDRESSEE.

THIS OFFERING CIRCULAR OR ANY OTHER MATERIAL RELATING TO THESE NOTES IS FOR INFORMATION PURPOSES ONLY AND IS NOT TO BE CONSTRUED AS AN ADVICE OR RECOMMENDATION TO SUBSCRIBE TO THE NOTES.

THE ADDRESSEE BY ACCEPTING DELIVERY OF THIS OFFERING CIRCULAR AND THE DOCUMENTS REFERRED TO IN THIS OFFERING CIRCULAR AGREES NOT TO (I) DELIVER OR DISTRIBUTE THIS OFFERING CIRCULAR AND/OR THE DOCUMENTS REFERRED TO IN THIS OFFERING CIRCULAR TO ANY OTHER PERSON, AND/OR (II) REPRODUCE, IN WHOLE OR IN PART, THIS OFFERING CIRCULAR AND/OR THE DOCUMENTS REFERRED TO IN THIS OFFERING CIRCULAR. FAILURE TO COMPLY WITH THIS REQUIREMENT MAY RESULT IN VIOLATION OF APPLICABLE LAWS OF INDIA.

THE ADDRESSEE IS ADVISED TO CONSULT ITS ADVISORS ABOUT THE PARTICULAR CONSEQUENCES TO IT OF AN INVESTMENT IN THESE NOTES. EACH ADDRESSEE IS ALSO ADVISED THAT ANY INVESTMENT IN THESE NOTES BY IT IS SUBJECT TO THE REGULATIONS

PRESCRIBED BY THE RESERVE BANK OF INDIA AND THE FOREIGN EXCHANGE MANAGEMENT ACT AND ANY REGULATIONS FRAMED THEREUNDER.

NOTICE TO RESIDENTS OF IRELAND

THE INITIAL PURCHASER HAS REPRESENTED AND AGREED THAT:

(I) IT WILL NOT UNDERWRITE THE ISSUE OF, OR PLACE THE NOTES, OTHERWISE THAN IN CONFORMITY WITH THE PROVISIONS OF THE EUROPEAN COMMUNITIES (MARKETS IN FINANCIAL INSTRUMENTS) REGULATIONS 2007 (AS AMENDED), INCLUDING, WITHOUT LIMITATION, REGULATIONS 7 AND 152 THEREOF OR RULES OR CODES OF CONDUCT AND ANY CONDITIONS OR REQUIREMENTS, OR ANY OTHER ENACTMENT, IMPOSED OR APPROVED BY THE CENTRAL BANK OF IRELAND;

(II) IT WILL NOT UNDERWRITE THE ISSUE OF, OR PLACE THE NOTES, OTHERWISE THAN IN CONFORMITY WITH THE PROVISIONS OF THE INVESTOR COMPENSATION ACT 1998 (AS AMENDED);

(III) IT WILL NOT UNDERWRITE THE ISSUE OF, OR PLACE, THE NOTES, OTHERWISE THAN IN CONFORMITY WITH THE PROVISIONS OF THE COMPANIES ACTS 1963 TO 2013 (AS AMENDED), THE CENTRAL BANK ACTS 1942 TO 2013 (AS AMENDED) AND ANY CODES OF CONDUCT RULES MADE UNDER SECTION 117(1) OF THE CENTRAL BANK ACT 1989; AND

(IV) IT WILL NOT UNDERWRITE THE ISSUE OF, PLACE OR OTHERWISE ACT IN IRELAND IN RESPECT OF THE NOTES, OTHERWISE THAN IN CONFORMITY WITH THE PROVISIONS OF 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 BY THE CENTRAL BANK OF IRELAND.

NOTICE TO RESIDENTS OF ISRAEL

THIS OFFERING CIRCULAR HAS NOT BEEN APPROVED BY THE ISRAEL SECURITIES AUTHORITY AND DOES NOT CONSTITUTE A PROSPECTUS UNDER THE ISRAEL SECURITIES LAW, 5728-1968 (THE "**SECURITIES LAW**") AND WILL ONLY BE DISTRIBUTED TO ISRAELI RESIDENTS IN A MANNER THAT WILL NOT CONSTITUTE 'AN OFFER TO THE PUBLIC' UNDER SECTIONS 15 AND 15A OF THE SECURITIES LAW.

THE INITIAL PURCHASER HAS REPRESENTED AND AGREED THAT THE NOTES WILL BE OFFERED IN ISRAEL ONLY TO A LIMITED NUMBER OF INVESTORS (35 INVESTORS OR FEWER DURING ANY GIVEN 12 MONTH PERIOD) AND/OR TO INVESTORS LISTED IN THE FIRST ADDENDUM (THE "**ADDENDUM**") TO THE SECURITIES LAW ("**SOPHISTICATED INVESTORS**"), NAMELY JOINT INVESTMENT MUTUAL FUNDS, PROVIDENT FUNDS, INSURANCE COMPANIES, BANKING CORPORATIONS (PURCHASING THE NOTES FOR THEMSELVES OR FOR CLIENTS WHO ARE SOPHISTICATED INVESTORS), PORTFOLIO MANAGERS (PURCHASING THE NOTES FOR THEMSELVES OR FOR CLIENTS WHO ARE SOPHISTICATED INVESTORS), INVESTMENT ADVISORS OR INVESTMENT MARKETERS (PURCHASING THE NOTES FOR THEMSELVES), MEMBERS OF THE TEL-AVIV STOCK EXCHANGE (PURCHASING THE NOTES FOR THEMSELVES OR FOR CLIENTS WHO ARE SOPHISTICATED INVESTORS), UNDERWRITERS (PURCHASING THE NOTES FOR THEMSELVES),

VENTURE CAPITAL FUNDS, ENTITIES WHICH ARE WHOLLY-OWNED BY SOPHISTICATED INVESTORS, ENTITIES, OTHER THAN ENTITIES FORMED FOR THE PURPOSE OF PURCHASING SECURITIES IN A SPECIFIC OFFER, WITH SHAREHOLDER'S EQUITY IN EXCESS OF NIS 50 MILLION, AND INDIVIDUALS IN RESPECT OF WHOM THE TERMS OF ITEM 9 IN THE ADDENDUM TO THE ISRAEL INVESTMENT ADVICE AND PORTFOLIO MANAGEMENT LAW, 5755-1995 HOLD TRUE (PURCHASING THE NOTES FOR THEMSELVES), EACH AS DEFINED IN THE ADDENDUM, AS AMENDED FROM TIME TO TIME, AND, IN EACH CASE, THAT HAVE PROVIDED WRITTEN CONFIRMATION THAT THEY QUALIFY AS SOPHISTICATED INVESTORS AND THAT THEY ARE AWARE OF THE CONSEQUENCES OF SUCH DESIGNATION AND AGREE THERETO.

NOTICE TO RESIDENTS OF ITALY

THE OFFERING OF THE NOTES HAS NOT BEEN CLEARED BY CONSOB (THE ITALIAN SECURITIES EXCHANGE COMMISSION) AND THE BANK OF ITALY PURSUANT TO ITALIAN SECURITIES LEGISLATION AND, ACCORDINGLY, THE INITIAL PURCHASER HAS REPRESENTED AND AGREED THAT NO NOTES WILL BE OFFERED, SOLD OR DELIVERED, NOR WILL COPIES OF THIS OFFERING CIRCULAR OR OF ANY OTHER DOCUMENT RELATING TO THE NOTES BE DISTRIBUTED IN THE REPUBLIC OF ITALY, EXCEPT:

(I) TO QUALIFIED INVESTORS (*INVESTITORI QUALIFICATI*) AS DEFINED UNDER ARTICLE 34, PARAGRAPH 1, LETTER B), OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999, AS AMENDED ("**REGULATION 11971/1999**"); OR

(II) IN CIRCUMSTANCES WHICH ARE EXEMPTED FROM THE RULES ON OFFERS OF NOTES TO BE MADE TO THE PUBLIC PURSUANT TO ARTICLE 100 OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998, AS AMENDED ("**FINANCIAL SERVICES ACT**") AND ARTICLE 34, FIRST PARAGRAPH, OF REGULATION 11971/1999.

THE INITIAL PURCHASER ACKNOWLEDGES THAT ANY OFFER, SALE OR DELIVERY OF THE NOTES IN THE REPUBLIC OF ITALY OR DISTRIBUTION OF COPIES OF THIS OFFERING CIRCULAR OR ANY OTHER DOCUMENT RELATING TO THE NOTES IN THE REPUBLIC OF ITALY UNDER (I) AND (II) ABOVE MUST BE:

(I) MADE BY AN INVESTMENT FIRM, BANK OR FINANCIAL INTERMEDIARY PERMITTED TO CONDUCT SUCH ACTIVITIES IN THE REPUBLIC OF ITALY IN ACCORDANCE WITH THE FINANCIAL SERVICES ACT, CONSOB REGULATION NO. 16190 OF 29 OCTOBER 2007, AS AMENDED, AND LEGISLATIVE DECREE NO. 385 OF 1 SEPTEMBER 1993, AS AMENDED ("CONSOLIDATED BANKING ACT");

(II) IN COMPLIANCE WITH ARTICLE 129 OF THE CONSOLIDATED BANKING ACT AND THE IMPLEMENTING GUIDELINES OF THE BANK OF ITALY, AS AMENDED FROM TIME TO TIME, PURSUANT TO WHICH THE BANK OF ITALY MAY REQUEST INFORMATION ON THE ISSUE OR THE OFFER OF SECURITIES IN THE REPUBLIC OF ITALY; AND

(III) IN COMPLIANCE WITH ANY OTHER APPLICABLE LAWS AND REGULATIONS.

INVESTORS SHOULD ALSO NOTE THAT IN ACCORDANCE WITH ARTICLE 100-BIS OF THE FINANCIAL SERVICES ACT, WHERE NO EXEMPTION UNDER (II) ABOVE APPLIES, ANY SUBSEQUENT DISTRIBUTION OF THE NOTES ON THE SECONDARY MARKET IN ITALY, INCLUDING IN CASE OF SYSTEMATIC RESALE OF THE NOTES TO NON-QUALIFIED INVESTORS AT ANY TIME IN THE 12 MONTHS FOLLOWING THE INITIAL PLACING, MUST BE MADE IN COMPLIANCE WITH THE RULES ON OFFERS OF NOTES TO BE MADE TO THE PUBLIC PROVIDED UNDER THE FINANCIAL SERVICES ACT AND THE REGULATION 11971/1999. FAILURE TO COMPLY WITH SUCH RULES MAY

RESULT, INTER ALIA, IN THE SALE OF SUCH NOTES BEING DECLARED NULL AND VOID AND IN THE LIABILITY OF THE INTERMEDIARY TRANSFERRING THE NOTES FOR ANY DAMAGES SUFFERED BY THE INVESTORS.

NOTICE TO RESIDENTS OF JAPAN

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED PURSUANT TO ARTICLE 4, PARAGRAPH 1 OF THE FINANCIAL INSTRUMENTS AND EXCHANGE LAW OF JAPAN (LAW NO. 25 OF 1948, AS AMENDED) AND, ACCORDINGLY, THE INITIAL PURCHASER HAS REPRESENTED AND AGREED THAT NONE OF THE NOTES NOR ANY INTEREST THEREIN WILL BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY JAPANESE PERSON OR TO OTHERS FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO ANY JAPANESE PERSON EXCEPT UNDER CIRCUMSTANCES WHICH WILL RESULT IN COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND GUIDELINES PROMULGATED BY THE RELEVANT JAPANESE GOVERNMENTAL AND REGULATORY AUTHORITIES AND IN EFFECT AT THE RELEVANT TIME. FOR THIS PURPOSE, A "**JAPANESE PERSON**" MEANS ANY PERSON RESIDENT IN JAPAN, INCLUDING ANY CORPORATION OR OTHER ENTITY ORGANISED UNDER THE LAWS OF JAPAN.

NOTICE TO RESIDENTS OF KOREA

THE NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED DIRECTLY OR INDIRECTLY IN KOREA OR TO ANY RESIDENT OF KOREA (AS SUCH TERM IS DEFINED IN THE FOREIGN EXCHANGE TRANSACTION LAW OF KOREA ("**FETL**"), "**KOREAN RESIDENTS**")) OR TO OTHERS FOR RE-OFFERING OR RESALE DIRECTLY OR INDIRECTLY IN KOREA OR TO ANY RESIDENT OF KOREA EXCEPT PURSUANT TO THE APPLICABLE LAWS AND REGULATIONS OF KOREA, INCLUDING, WITHOUT LIMITATION, THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT OF KOREA ("**FSCMA**"), THE 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 NUMBER OF THE NOTES SHALL BE LESS THAN 50 AND SHALL NOT BE SUBDIVIDED WITHIN ONE (1) YEAR FROM THE DATE OF ISSUANCE OF THE NOTES AND THEREFORE ANY SECURITIES REGISTRATION STATEMENT AS SPECIFIED UNDER ARTICLE 119 OF THE FSCMA HAS NOT BEEN AND WILL NOT BE FILED 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 (1) YEAR FROM THE ISSUANCE DATE, A HOLDER OF THE NOTES MAY TRANSFER THE NOTES ONLY BY TRANSFERRING ITS ENTIRE HOLDINGS OF NOTES TO ONLY "QUALIFIED INSTITUTIONAL INVESTORS" IN KOREA AS REFERRED TO IN ARTICLE 11(1) OF THE ENFORCEMENT DECREE OF THE FSCMA.

NOTICE TO RESIDENTS OF LUXEMBOURG

THE NOTES MAY NOT BE OFFERED TO THE PUBLIC IN LUXEMBOURG, EXCEPT THAT THEY MAY BE OFFERED IN LUXEMBOURG IN THE FOLLOWING CIRCUMSTANCES:

(I) IN THE PERIOD BEGINNING ON THE DATE OF PUBLICATION OF A PROSPECTUS IN RELATION TO THOSE NOTES WHICH HAVE BEEN APPROVED BY THE COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER (THE "**CSSF**") IN LUXEMBOURG OR, WHERE APPROPRIATE, APPROVED IN ANOTHER RELEVANT EUROPEAN UNION MEMBER STATE AND NOTIFIED TO THE CSSF, ALL IN ACCORDANCE WITH THE PROSPECTUS DIRECTIVE AND ENDING ON THE DATE WHICH IS 12 MONTHS AFTER THE DATE OF SUCH PUBLICATION;

(II) AT ANY TIME TO A LEGAL ENTITY WHICH IS A QUALIFIED INVESTOR AS DEFINED IN THE PROSPECTUS DIRECTIVE (AS DEFINED BELOW);

(III) AT ANY TIME TO FEWER THAN 150 NATURAL OR LEGAL PERSONS OTHER THAN QUALIFIED INVESTORS; OR

(IV) AT ANY TIME IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE ISSUERS OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE.

FOR THE PURPOSES OF THIS PROVISION, THE EXPRESSION AN "**OFFER OF SECURITIES TO THE PUBLIC**" IN RELATION TO ANY NOTES IN LUXEMBOURG MEANS THE COMMUNICATION IN ANY FORM AND BY ANY MEANS OF SUFFICIENT INFORMATION ON THE TERMS OF THE OFFER AND THE NOTES TO BE OFFERED SO AS TO ENABLE AN INVESTOR TO DECIDE TO PURCHASE THE NOTES, AS DEFINED IN THE LAW OF 10 JULY 2005 ON PROSPECTUSES FOR SECURITIES AND IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 4 NOVEMBER 2003 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING (THE "**PROSPECTUS DIRECTIVE**"), OR ANY VARIATION THEREOF OR AMENDMENT THERETO.

NOTICE TO RESIDENTS OF MONACO

THE NOTES MAY NOT BE OFFERED OR SOLD AND INVESTMENT ADVICE SHOULD NOT BE PROVIDED IN MONACO IN RESPECT THERETO; OTHER THAN BY AN INTERMEDIARY DULY AUTHORIZED UNDER MONACO FINANCIAL ACTIVITIES LAWS. THE RECIPIENT ACKNOWLEDGES HAVING FULL COMMAND OF ENGLISH AND WAIVES ALL CLAIMS ON GROUNDS OF LANGUAGE MISUNDERSTANDING IN THIS OFFERING CIRCULAR. *LE DESTINATAIRE DU PRÉSENT DOCUMENT RECONNAÎT AVOIR UNE PARFAITE MAÎTRISE DE L'ANGLAIS ET RENONCE À TOUS RECOURS FONDÉ SUR UNE MAUVAISE COMPRÉHENSION DE LA LANGUE UTILISÉE DANS CE DOCUMENT*).

NOTICE TO RESIDENTS OF THE NETHERLANDS

THE NOTES MAY ONLY BE OFFERED, SOLD OR DELIVERED IN THE NETHERLANDS TO QUALIFIED INVESTORS (AS DEFINED IN THE DUTCH FINANCIAL SUPERVISION ACT (*WET OP HET FINANCIEEL TOEZICHT*), AS AMENDED FROM TIME TO TIME) THAT DO NOT QUALIFY AS "PUBLIC" (WITHIN THE MEANING OF THE ARTICLE 4(1) CAPITAL REQUIREMENTS REGULATION (REGULATION (EU) 575/2013) AND THE RULES PROMULGATED THEREUNDER, AS AMENDED OR ANY SUBSEQUENT LEGISLATION REPLACING THAT REGULATION).

NOTICE TO RESIDENTS OF NEW ZEALAND

THIS OFFER OF NOTES DOES NOT CONSTITUTE AN 'OFFER OF SECURITIES TO THE PUBLIC' FOR THE PURPOSES OF THE SECURITIES ACT 1978 OF NEW ZEALAND ("**SECURITIES ACT**") AND, ACCORDINGLY, THERE IS NEITHER A REGISTERED PROSPECTUS NOR AN INVESTMENT STATEMENT AVAILABLE IN RESPECT OF THE OFFER. THE NOTES WILL NOT BE THE SUBJECT OF A REGULATED OFFER FOR THE PURPOSES OF THE FINANCIAL MARKETS CONDUCT ACT 2013 OF NEW ZEALAND ("**FMCA**") AND, ACCORDINGLY, NO PRODUCT DISCLOSURE STATEMENT HAS BEEN PREPARED OR WILL BE AVAILABLE IN RESPECT OF THE OFFER.

NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED, NOR MAY ANY OFFERING MEMORANDUM OR ADVERTISEMENT IN RELATION TO ANY OFFER OF NOTES BE DISTRIBUTED IN NEW ZEALAND OTHER THAN:

(a) PRIOR TO THE DATE UPON WHICH BOTH PART 3 AND SCHEDULE 1 OF THE FMCA COME INTO FORCE, TO:

(I) PERSONS WHO ARE EACH REQUIRED TO PAY A MINIMUM SUBSCRIPTION PRICE OF AT LEAST NZD500,000 FOR THE NOTES (DISREGARDING ANY AMOUNT LENT BY THE OFFEROR, THE ISSUER OR ANY ASSOCIATED PERSON OF THE OFFEROR OR ISSUER) BEFORE THE ALLOTMENT OF THOSE NOTES;

(II) PERSONS WHO HAVE EACH PAID A MINIMUM SUBSCRIPTION PRICE OF AT LEAST NZD500,000 FOR SECURITIES PREVIOUSLY ISSUED BY THE ISSUER ("INITIAL SECURITIES") (IN A SINGLE TRANSACTION BEFORE ALLOTMENT OF THOSE INITIAL SECURITIES AND DISREGARDING ANY AMOUNT LENT BY THE OFFEROR, THE ISSUER OR ANY ASSOCIATED PERSON OF THE OFFEROR OR THE ISSUER), PROVIDED THAT THE DATE OF FIRST ALLOTMENT OF THOSE INITIAL SECURITIES OCCURRED NOT MORE THAN 18 MONTHS BEFORE THE DATE OF OFFER OF THE NOTES;

(III) PERSONS WHOSE PRINCIPAL BUSINESS IS THE INVESTMENT OF MONEY OR WHO, IN THE COURSE OF AND FOR THE PURPOSES OF THEIR BUSINESS, HABITUALLY INVEST MONEY; OR

(IV) ANY OTHER PERSONS IN CIRCUMSTANCES WHERE THERE IS NO CONTRAVENTION OF THE SECURITIES ACT, PROVIDED THAT THE NOTES SHALL NOT BE OFFERED, SOLD OR DELIVERED TO ANY "ELIGIBLE PERSON" (AS DEFINED IN SECTION 5(2CC) OF THE SECURITIES ACT) UNLESS THAT PERSON ALSO SATISFIES THE CRITERIA IN PARAGRAPHS (I), (II) OR (III) ABOVE; AND

(b) ON AND FROM THE DATE UPON WHICH BOTH PART 3 AND SCHEDULE 1 TO THE FMCA COME INTO FORCE, TO "WHOLESALE INVESTORS" AS THAT TERM IS DEFINED IN CLAUSES 3(2)(A),(C) AND (D) OF SCHEDULE 1 TO THE FMCA, BEING A PERSON WHO IS:

(I) AN "INVESTMENT BUSINESS";

(II) "LARGE"; OR

(III) A "GOVERNMENT AGENCY",

IN EACH CASE AS DEFINED IN SCHEDULE 1 TO THE FMCA. FOR THE AVOIDANCE OF DOUBT, NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED TO, AMONGST OTHERS, ANY "ELIGIBLE INVESTOR" (AS DEFINED IN THE FMCA).

NOTICE TO RESIDENTS OF NORWAY

THIS OFFERING CIRCULAR IS NOT A PROSPECTUS WITHIN THE MEANING OF CHAPTER 7 OF THE NORWEGIAN SECURITIES TRADING ACT 2007, AND HAS NOT BEEN AND WILL NOT BE REVIEWED BY OR REGISTERED WITH THE FINANCIAL SUPERVISORY AUTHORITY OF NORWAY OR ANY OTHER NORWEGIAN REGULATORY BODY.

THE EXISTENCE AND CONTENTS OF THIS OFFERING CIRCULAR IS PROVIDED TO RECIPIENTS ON A PERSONAL BASIS AND MUST NOT BE TRANSFERRED OR MADE AVAILABLE TO OTHERS.

THE NOTES ARE NOT MARKETED OR OFFERED IN NORWAY OTHER THAN IN CIRCUMSTANCES WHERE NORWEGIAN LICENCE AND PROSPECTUS REQUIREMENTS DO NOT APPLY OR EXEMPTIONS FROM SUCH REQUIREMENTS APPLY.

THIS OFFERING CIRCULAR IS SOLELY DIRECTED TO AND INTENDED (I) FOR PERSONS OR ENTITIES BASED OUTSIDE NORWAY, (II) FOR PERSONS OR ENTITIES IN NORWAY WHO FALL WITHIN THE CATEGORY "PROFESSIONAL INVESTORS" AS DEFINED IN SECTION 7-4 NO. 8 OF THE NORWEGIAN SECURITIES TRADING ACT 2007 AND RELATED REGULATIONS, AND (III) FOR OTHER INDIVIDUAL DISTRIBUTION BY THE INITIAL PURCHASER IN A WAY THAT NORWEGIAN LICENCE AND PROSPECTUS REQUIREMENTS ARE COMPLIED WITH. THE OFFERING CIRCULAR SHOULD NOT BE ACTED UPON OR RELIED UPON BY OTHERS.

NOTICE TO RESIDENTS OF PORTUGAL

THE INITIAL PURCHASER HAS REPRESENTED AND AGREED WITH THE CO-ISSUERS THAT: (I) IT HAS NOT ADVERTISED, OFFERED OR SOLD AND WILL NOT, DIRECTLY OR INDIRECTLY, ADVERTISE, OFFER OR SELL THE NOTES, OR CONDUCT ANY OTHER ACTION CONNECTED TO THE PORTUGUESE MARKET IN CIRCUMSTANCES WHICH COULD QUALIFY IT AS A PUBLIC OFFER OF NOTES REQUIRING THE APPROVAL OF A PROSPECTUS BY THE PORTUGUESE SECURITIES MARKET REGULATOR (THE "COMISSÃO DO MERCADO DE VALORES MOBILIÁRIOS", OR "**CMVM**") AND THE PUBLICATION THEREOF, OR TRIGGER OTHER REQUIREMENTS AS SET FORTH IN THE PORTUGUESE SECURITIES CODE (CÓDIGO DOS VALORES MOBILIÁRIOS, THE "**CVM**") AND OTHER PORTUGUESE LEGISLATION AND REGULATION WHICH IMPLEMENTED THE DIRECTIVE 2003/71/EC (THE "**PROSPECTUS DIRECTIVE**"); (II) IT HAS NOT DISTRIBUTED OR CAUSED TO BE DISTRIBUTED TO THE PUBLIC IN THE REPUBLIC OF PORTUGAL THIS OFFERING CIRCULAR OR ANY OTHER OFFERING MATERIAL RELATING TO THE NOTES; (III) THERE HAS BEEN NO BREACH OF THE REQUIREMENTS SET FORTH IN THE APPLICABLE PROVISIONS OF THE CVM, REGULATIONS ENACTED BY THE CMVM), AND APPLICABLE PROVISIONS OF THE PROSPECTUS DIRECTIVE, AS IMPLEMENTED IN PORTUGAL, IN ANY MATTERS INVOLVING THE REPUBLIC OF PORTUGAL IN CONNECTION WITH THE NOTES.

NOTICE TO RESIDENTS OF QATAR

THE INITIAL PURCHASER HAS REPRESENTED AND AGREED THAT THE NOTES WILL ONLY BE OFFERED TO A LIMITED NUMBER OF INVESTORS WHO ARE WILLING AND ABLE TO CONDUCT AN INDEPENDENT INVESTIGATION OF THE RISKS INVOLVED IN AN INVESTMENT IN SUCH NOTES.

FURTHER, IT IS AGREED THAT THE ISSUANCE IS NOT INTENDED TO CONSTITUTE AN OFFER, SALE OR DELIVERY OF NOTES OR OTHER SECURITIES UNDER THE LAWS OF THE STATE OF QATAR. THE NOTES ARE NOT AND WILL NOT BE REGISTERED UNDER LAW NO (8) OF 2012 CONCERNING THE

QATAR FINANCIAL MARKETS AUTHORITY (QFMA), LAW NO. (5) OF 2002 CONCERNING COMMERCIAL COMPANIES OR UNDER LAW NO (13) OF 2012 CONCERNING THE QATAR CENTRAL BANK (QCB).

THE ISSUANCE HAS NOT BEEN APPROVED OR LICENSED BY THE QCB, QFMA OR ANY OTHER RELEVANT LICENSING AUTHORITIES IN QATAR, AND DO NOT CONSTITUTE A PUBLIC OFFER OF SECURITIES IN QATAR IN ACCORDANCE WITH THE COMMERCIAL COMPANIES LAW (AS AMENDED) OR OTHERWISE.

ANY AGREEMENT IN RELATION TO THE NOTES SHALL ONLY BE EXECUTED OR ENTERED INTO OUTSIDE OF QATAR. THE NOTES MAY NOT BE OFFERED OR SOLD DIRECTLY OR INDIRECTLY TO THE PUBLIC IN QATAR.

THIS DOCUMENT IS STRICTLY PRIVATE, FOR THE USE OF ONLY THOSE PERSONS TO WHOM IT IS TRANSMITTED IN CONNECTION WITH THIS SALE AND IS BEING DISTRIBUTED TO A LIMITED NUMBER OF SELECTED INVESTORS. IT MUST NOT BE PROVIDED TO ANY PERSON OTHER THAN THE ORIGINAL RECIPIENT, AND MAY NOT BE REPRODUCED OR USED FOR ANY OTHER PURPOSE.

NO PERSON HAS BEEN AUTHORISED TO MAKE ANY REPRESENTATIONS OR GIVE ANY INFORMATION WITH RESPECT TO THE SALE EXCEPT THE INFORMATION CONTAINED IN THIS DOCUMENT, AND ANY REPRESENTATION OR INFORMATION NOT CONTAINED HEREIN MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER. NO DOCUMENTATION IN RELATION TO THE ISSUANCE IS, OR IS TO BE CONSTRUED AS, A PROSPECTUS OR ADVERTISEMENT. THE SALE IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, A PUBLIC OFFERING IN QATAR.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

THIS OFFERING CIRCULAR MAY NOT BE DISTRIBUTED IN THE KINGDOM OF SAUDI ARABIA EXCEPT TO SUCH PERSONS AS ARE PERMITTED UNDER THE OFFERS OF SECURITIES REGULATIONS ISSUED BY THE CAPITAL MARKET AUTHORITY.

THE CAPITAL MARKET AUTHORITY DOES NOT MAKE ANY REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF THIS OFFERING CIRCULAR, AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS ARISING FROM, OR INCURRED IN RELIANCE UPON, ANY PART OF THIS OFFERING CIRCULAR. PROSPECTIVE PURCHASERS OF THE NOTES OFFERED HEREBY SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE ACCURACY OF THE INFORMATION RELATING TO THE NOTES. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS OFFERING CIRCULAR YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISER.

NOTICE TO RESIDENTS OF SINGAPORE

THIS OFFERING CIRCULAR HAS NOT BEEN AND WILL NOT BE REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE. ACCORDINGLY, THE INITIAL PURCHASER HAS REPRESENTED AND AGREED THAT THE NOTES HAVE NOT BEEN AND WILL NOT BE OFFERED OR SOLD OR MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, AND IT HAS NOT CIRCULATED OR DISTRIBUTED, NOR WILL IT CIRCULATE OR DISTRIBUTE, THIS OFFERING CIRCULAR OR ANY OTHER OFFERING DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE OF SUCH NOTES WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 274 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE (THE "SFA"), (II) TO A RELEVANT PERSON PURSUANT TO SECTION 275(1), OR ANY PERSON PURSUANT TO SECTION 275(1A) AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED

IN SECTION 275 OF THE SFA OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA.

WHERE NOTES ARE SUBSCRIBED OR PURCHASED UNDER SECTION 275 OF THE SFA BY A RELEVANT PERSON WHICH IS:

(I) A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE SHARE CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR; OR

(II) A TRUST (WHERE THE TRUSTEE IS NOT AN ACCREDITED INVESTOR) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY OF THE TRUST IS AN INDIVIDUAL WHO IS AN ACCREDITED INVESTOR,

'SECURITIES' (AS DEFINED IN SECTION 239(1) OF THE SFA) OF THAT CORPORATION OR THE BENEFICIARIES' RIGHTS AND INTEREST (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERRED WITHIN 6 MONTHS AFTER THAT CORPORATION OR THAT TRUST HAS ACQUIRED THE NOTES PURSUANT TO AN OFFER MADE UNDER SECTION 275 OF THE SFA EXCEPT:

(I) TO AN INSTITUTIONAL INVESTOR OR TO A RELEVANT PERSON DEFINED IN SECTION 275(2) OF THE SFA OR TO ANY PERSON WHERE THE TRANSFER ARISES FROM AN OFFER REFERRED TO IN SECTION 275(1A) OR SECTION 276(4)(I)(B) OF THE SFA;

(II) WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER;

(III) WHERE THE TRANSFER IS BY OPERATION OF LAW; OR

(IV) AS SPECIFIED IN SECTION 276(7) OF THE SFA; OR

(V) AS SPECIFIED IN REGULATION 32 OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005 OF SINGAPORE.

NOTICE TO RESIDENTS OF SPAIN

NEITHER THE NOTES NOR THE OFFERING CIRCULAR HAVE BEEN APPROVED OR REGISTERED WITH THE SPANISH MARKETS COMMISSION (COMISIÓN NACIONAL DEL MERCADO DE VALORES). ACCORDINGLY, THE INITIAL PURCHASER HAS REPRESENTED AND AGREED THAT THE NOTES WILL NOT BE OFFERED OR SOLD IN SPAIN EXCEPT IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING OF NOTES WITHIN THE MEANING OF ARTICLE 30-BIS OF THE SPANISH NOTES MARKET LAW OF 28 JULY 1988 (LEY 24/1988, DE 28 DE JULIO, DEL MERCADO DE VALORES), AS AMENDED AND RESTATED, ROYAL DECREE 1310/2005, OF 4 NOVEMBER ON ADMISSION TO TRADING OF SECURITIES IN OFFICIAL SECONDARY MARKETS, PUBLIC OFFERINGS AND PROSPECTUS, AND ANY SUPPLEMENTAL RULES ENACTED THEREUNDER.

NOTICE TO RESIDENTS OF SWITZERLAND

THE INITIAL PURCHASER ACKNOWLEDGES THAT THIS OFFERING CIRCULAR DOES NOT CONSTITUTE A PROSPECTUS AS SUCH TERM IS UNDERSTOOD PURSUANT TO ARTICLE 652A OR ARTICLE 1156 OF THE SWISS CODE OF OBLIGATIONS AND THAT THIS OFFERING CIRCULAR IS BEING DISTRIBUTED IN OR FROM SWITZERLAND TO A SMALL NUMBER OF INDIVIDUALLY SELECTED INVESTORS ONLY AND THAT THE NOTES ARE NOT BEING OFFERED TO THE PUBLIC IN OR FROM SWITZERLAND, AND NEITHER THIS OFFERING CIRCULAR, NOR ANY OTHER OFFERING

MATERIALS RELATING TO THE NOTES MAY BE DISTRIBUTED IN SWITZERLAND IN CONNECTION WITH ANY SUCH PUBLIC OFFERING.

NOTICE TO RESIDENTS OF TAIWAN

THE NOTES MAY BE MADE AVAILABLE OUTSIDE TAIWAN FOR PURCHASE BY INVESTORS RESIDING IN TAIWAN (EITHER DIRECTLY OR THROUGH PROPERLY LICENSED TAIWAN INTERMEDIARIES ACTING ON BEHALF OF SUCH INVESTORS) BUT MAY NOT BE OFFERED OR SOLD IN TAIWAN.

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 OFFERING CIRCULAR. 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 AGREEMENTS RELATING TO THE NOTES SIGNED BY THE INVESTORS.

NOTICE TO RESIDENTS OF TURKEY

THE OFFERED NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE TURKISH CAPITAL MARKET BOARD (THE "**CMB**") UNDER THE PROVISIONS OF THE CAPITAL MARKET LAW (LAW NO. 6362).

ACCORDINGLY NEITHER THIS OFFERING CIRCULAR NOR ANY OTHER OFFERING MATERIAL RELATED TO THE OFFERING MAY BE UTILIZED IN CONNECTION WITH ANY OFFERING TO THE PUBLIC WITHIN THE REPUBLIC OF TURKEY WITHOUT THE PRIOR APPROVAL OF THE CMB.

HOWEVER, ACCORDING TO ARTICLE 15(D)(II) OF THE DECREE NO. 32 THERE IS NO RESTRICTION ON THE PURCHASE OR SALE OF THE OFFERED NOTES BY RESIDENTS OF THE REPUBLIC OF TURKEY, PROVIDED THAT: THEY PURCHASE OR SELL SUCH OFFERED NOTES IN THE FINANCIAL MARKETS OUTSIDE OF THE REPUBLIC OF TURKEY; AND SUCH SALE AND PURCHASE IS MADE THROUGH BANKS AND/OR LICENSED BROKERAGE INSTITUTIONS IN THE REPUBLIC OF TURKEY.

NOTICE TO RESIDENTS OF UNITED ARAB EMIRATES

THE OFFERING OF THE NOTES HAS NOT BEEN APPROVED OR LICENSED BY THE UNITED ARAB EMIRATES CENTRAL BANK, THE UAE SECURITIES AND COMMODITIES AUTHORITY (SCA), THE DUBAI FINANCIAL SERVICES AUTHORITY (DFSA) OR ANY OTHER RELEVANT LICENSING AUTHORITIES IN THE UNITED ARAB EMIRATES (UAE), AND ACCORDINGLY DOES NOT CONSTITUTE A PUBLIC OFFER OF SECURITIES IN THE UAE IN ACCORDANCE WITH THE COMMERCIAL COMPANIES LAW, FEDERAL LAW NO. 8 OF 1984 (AS AMENDED), SCA RESOLUTION NO.(37) OF 2012 (AS AMENDED) OR OTHERWISE. ACCORDINGLY, THE NOTES MAY NOT BE OFFERED TO THE PUBLIC IN THE UAE (INCLUDING THE DUBAI INTERNATIONAL FINANCIAL CENTRE).

THIS OFFERING CIRCULAR IS STRICTLY PRIVATE AND IS BEING ISSUED TO A LIMITED NUMBER OF INSTITUTIONAL AND INDIVIDUAL INVESTORS:

(A) WHO FALL WITHIN THE EXCEPTIONS TO SCA RESOLUTION NO. (37) OF 2012 (AS AMENDED) OR WHO OTHERWISE QUALIFY AS SOPHISTICATED INVESTORS;

(B) UPON THEIR REQUEST AND CONFIRMATION THAT THEY UNDERSTAND THAT THE NOTES AND THE INTERESTS HAVE NOT BEEN APPROVED OR LICENSED BY OR REGISTERED WITH THE UAE CENTRAL BANK, THE SCA, DFSA OR ANY OTHER RELEVANT LICENSING AUTHORITIES OR GOVERNMENTAL AGENCIES IN THE UAE; AND

(C) MUST NOT BE PROVIDED TO ANY PERSON OTHER THAN THE ORIGINAL RECIPIENT, AND MAY NOT BE REPRODUCED OR USED FOR ANY OTHER PURPOSE.

THE INITIAL PURCHASER REPRESENTS AND WARRANTS THAT THE NOTES WILL NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED TO THE PUBLIC IN THE UNITED ARAB EMIRATES (INCLUDING THE DUBAI INTERNATIONAL FINANCIAL CENTRE).

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

THE INITIAL PURCHASER HAS REPRESENTED, WARRANTED AND AGREED THAT:

(I) IT HAS ONLY COMMUNICATED OR CAUSED TO BE COMMUNICATED AND WILL ONLY COMMUNICATE OR CAUSE TO BE COMMUNICATED ANY INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY (WITHIN THE MEANING OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 AS AMENDED (THE "**FSMA**")) IN CONNECTION WITH THE ISSUE OR SALE OF ANY NOTES IN CIRCUMSTANCES IN WHICH SECTION 21(1) OF THE FSMA DOES NOT APPLY TO THE ISSUER; AND

(II) IT HAS COMPLIED AND WILL COMPLY WITH ALL APPLICABLE PROVISIONS OF FSMA WITH RESPECT TO ANYTHING DONE BY IT IN RELATION TO THE NOTES IN, FROM OR OTHERWISE INVOLVING THE UNITED KINGDOM.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains forward-looking statements, which can be identified by words like "anticipate," "believe," "plan," "hope," "goal," "initiative," "expect," "future," "intend," "will," "could," and "should" and by similar expressions. Other information contained herein, including any estimated, targeted or assumed information, may also be deemed to be, or to contain, forward-looking statements. Prospective investors should not place undue reliance on forward-looking statements. Actual results could differ materially from those referred to in forward-looking statements for many reasons, including the risks described in "Risk factors". Forward-looking statements are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying any forward-looking statements will not materialize or will vary significantly from actual results. Variations of assumptions and results may be material.

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

CERTAIN DEFINITIONS AND RELATED MATTERS

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

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

SUMMARIES OF DOCUMENTS

This Offering Circular summarizes certain provisions of the Notes, the Indenture, the Portfolio Management Agreement and other transactions and documents. The summaries do not purport to be complete and (whether or not so stated in this Offering Circular) are subject to, are qualified in their entirety by reference to, and incorporate by reference, the provisions of the actual documents (including definitions of terms). However, no documents incorporated by reference are part of this Offering Circular for purposes of the approval of this Offering Circular as a prospectus under the Prospectus Directive and for purposes of the admission of the Notes to trading on the regulated market of the Irish Stock Exchange.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with the sale of the Notes, the Issuer (and, solely in the case of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes, the Co-Issuer) under the Indenture referred to under "Description of the Notes" will be required to furnish upon request of a holder of a Note to such holder and a prospective purchaser designated by such holder the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the Co-Issuers are not reporting companies under Section 13 or Section 15(d) of the Exchange Act, or exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. Such information may be obtained directly from the Issuer.

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OVERVIEW OF TERMS

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

Principal Terms of the Notes:

Designation[1]	Class A-1 Notes	Class A-2 Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Subordinated Notes
Type	Senior Secured Floating Rate	Senior Secured Floating Rate	Senior Secured Deferrable Floating Rate	Senior Secured Deferrable Floating Rate	Senior Secured Deferrable Floating Rate	Senior Secured Deferrable Floating Rate	Subordinated
Issuer(s)	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Issuer	Issuer	Issuer
Initial Principal Amount/ Face Amount (U.S.$)	U.S.$372,000,000	U.S.$76,000,000	U.S.$41,750,000	U.S.$31,700,000	U.S.$25,700,000	U.S.$13,700,000	U.S.$51,200,000
Moody's Initial Rating	"Aaa(sf)"	N/A	N/A	N/A	N/A	N/A	N/A
S&P Initial Rating	"AAA(sf)"	"AA(sf)"	"A(sf)"	"BBB(sf)"	"BB(sf)"	"B(sf)"	N/A
Interest Rate[3]	LIBOR[2] + 1.48%	LIBOR[2] + 2.15%	LIBOR[2] + 3.05%	LIBOR[2] + 3.55%	LIBOR[2] + 5.10%	LIBOR[2] + 5.65%	N/A
Stated Maturity	Payment Date in October 2026	Payment Date in October 2026	Payment Date in October 2026	Payment Date in October 2026	Payment Date in October 2026	Payment Date in October 2026	Payment Date in October 2026
Minimum Denominations (U.S.$) (Integral Multiples)	U.S.$250,000 (U.S.$1.00)	U.S.$250,000 (U.S.$1.00)	U.S.$250,000 (U.S.$1.00)	U.S.$250,000 (U.S.$1.00)	U.S.$250,000 (U.S.$1.00)	U.S.$250,000 (U.S.$1.00)	U.S.$250,000 (U.S.$1.00)
Ranking of the Notes:							
Priority Class(es)	None	A-1	A-1, A-2	A-1, A-2, B	A-1, A-2, B, C	A-1, A-2, B, C, D	A-1, A-2, B, C, D, E
Pari Passu Class(es)	None	None	None	None	None	None	None
Junior Class(es)	A-2, B, C, D, E, Subordinated	B, C, D, E, Subordinated	C, D, E, Subordinated	D, E, Subordinated	E, Subordinated	Subordinated	None
Deferred Interest Notes	No	No	Yes	Yes	Yes	Yes	N/A
Form	Book-Entry (Physical for IAIs)	Book-Entry (Physical for IAIs)	Book-Entry (Physical for IAIs)	Book-Entry (Physical for IAIs)	Book-Entry (Physical for IAIs)	Book-Entry (Physical for IAIs)	Physical for U.S. Persons/Book-Entry or Physical in offshore transactions

(1) Each Class of Notes is referred to in this Offering Circular using the respective term set forth in the heading "Designation" in the table above. The Subordinated Notes described above are referred to herein as the "**Subordinated Notes**." The Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes are collectively referred to herein as the "**Secured Notes**" and together with the Subordinated Notes are referred to herein collectively as the "**Notes**."

(2) Three-Month LIBOR is calculated as set forth under "Description of the Notes—Interest"; *provided* that LIBOR for the initial Interest Accrual Period will be calculated as set forth in the definition of the term "LIBOR".

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

Issuer:	BlueMountain CLO 2014-3 Ltd., an exempted company incorporated with limited liability in the Cayman Islands (the "**Issuer**").
Co-Issuer:	BlueMountain CLO 2014-3 LLC, a Delaware limited liability company (the "**Co-Issuer**" and, together with the Issuer, the "**Co-Issuers**").
Portfolio Manager:	BlueMountain Capital Management, LLC, a Delaware limited liability company ("**BlueMountain**" and, in such capacity, the "**Portfolio Manager**").
Trustee:	Citibank, N.A., as trustee (in such capacity, the "**Trustee**").
Collateral Administrator:	Virtus Group, LP, as collateral administrator (in such capacity, the "**Collateral Administrator**").
Initial Purchaser:	Citigroup Global Markets Inc.
Eligible Purchasers:	The Notes are being offered hereby (i) to non-U.S. persons in offshore transactions in reliance on Regulation S ("**Regulation S**") under the Securities Act of 1933, as amended (the "**Securities Act**") and (ii) in the United States to persons that are (A)(1) qualified institutional buyers ("**Qualified Institutional Buyers**") within the meaning of Rule 144A under the Securities Act ("**Rule 144A**") and (2) Qualified Purchasers (as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the "**Investment Company Act**") and rules promulgated thereunder) ("**Qualified Purchasers**") or (B) in the case of Certificated Secured Notes or Certificated Subordinated Notes (1) institutional accredited investors meeting the requirements of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act (each an "**IAI**" or an "**Institutional Accredited Investor**") and (2) Qualified Purchasers. See "Description of the Notes—Form, Denomination and Registration of the Notes" and "Transfer Restrictions."
Payments on the Notes:	
Payment Dates	The 15th day of January, April, July and October of each year (or, if such day is not a Business Day, then the next succeeding Business Day) commencing in April 2015 (each, a "**Payment Date**"); *provided* that, following the redemption or repayment in full of the Secured Notes, holders of Subordinated Notes may receive payments (including in respect of an Optional Redemption of the Subordinated Notes) on any dates designated by the Portfolio Manager (which dates may or may not be the dates stated above) upon seven Business Days' prior written notice to the Trustee and the Collateral Administrator (which notice the Trustee will forward to the holders of the Subordinated Notes within two Business Days of its receipt thereof) and such dates will thereafter constitute "**Payment Dates**".
Stated Note Interest	Interest on the Secured Notes is payable at the applicable Interest Rate quarterly in arrears on each Payment Date in accordance with the Priority of Payments.
Deferral of Interest	So long as any more senior Class of Secured Notes is outstanding, to the extent interest is not paid on the Class B Notes, the Class C Notes, the Class D Notes or the Class E Notes (the "**Deferrable Notes**") on any Payment Date, such amounts will be deferred and added to the

	principal balance of the applicable Class of Secured Notes and will bear interest at the Interest Rate applicable to such Secured Notes, and the failure to pay such amounts prior to the maturity of the Notes will not be an Event of Default under the indenture governing the Notes, dated as of the Closing Date (the "**Indenture**"), among the Issuer, the Co-Issuer and the Trustee. See "Description of the Notes—Interest."
Distributions on Subordinated Notes.....	The Subordinated Notes will not bear a stated rate of interest but will be entitled to receive distributions on each Payment Date if and to the extent funds are available for such purpose. Such payments will be made on the Subordinated Notes only pursuant to the Priority of Payments. See "—Priority of Payments" below and "Description of the Notes—The Subordinated Notes—Distributions on the Subordinated Notes."
Redemption of the Notes:	
Non-Call Period	The "**Non-Call Period**" is the period from the Closing Date to but excluding the Payment Date in October 2016; *provided* that in connection with a Partial Redemption by Refinancing, the Holders of a Majority of the Subordinated Notes may, with the written consent of the Portfolio Manager (exercised in its sole discretion), direct that the end of the Non-Call Period for all Classes of Notes (and all classes of obligations providing the Refinancing) be extended to a date after the related Redemption Date.
Optional Redemption after the Non-Call Period or after a Tax Event	Subject to the satisfaction of conditions described herein, the Secured Notes are subject to redemption in whole, at the written direction of a Majority of the Subordinated Notes, on any Payment Date on or after (i) the occurrence of a Tax Event or (ii) the end of the Non-Call Period (any such redemption, an "**Optional Redemption**"). Upon any such Optional Redemption of the Secured Notes, the Portfolio Manager will (unless the Redemption Price on all of the Secured Notes will be paid with Refinancing Proceeds) direct the sale of Assets in order to make payments as described under "Description of the Notes—Optional Redemption and Partial Redemption by Refinancing." The Subordinated Notes may be redeemed, in whole but not in part, on any Business Day on or after the Optional Redemption or repayment of the Secured Notes in full, at the direction of a Majority of the Subordinated Notes. In connection with any Optional Redemption of the Secured Notes, the Issuer or the Co-Issuers, as applicable, may enter into a loan or loans or effect an issuance of replacement securities, the terms of which loan(s) or issuance will be negotiated by the Portfolio Manager on behalf of the Issuer, from one or more financial institutions or purchasers (a refinancing provided pursuant to such loan or issuance, a "**Refinancing**"), and the proceeds thereof will be applied to pay the Redemption Price of the Secured Notes on the Redemption Date.
Partial Redemption by Refinancing.....	In addition, subject to the satisfaction of conditions described herein, at the direction of a Majority of the Subordinated Notes, one or more Classes of Secured Notes may be subject to redemption in whole on or

	after the end of the Non-Call Period from Refinancing Proceeds (any such redemption, an "**Partial Redemption by Refinancing**"). In connection with a Partial Redemption by Refinancing, a Majority of the Subordinated Notes may, with the written consent of the Portfolio Manager (exercised in its sole discretion), direct that (i) the Indenture be amended to provide that a subsequent Partial Redemption by Refinancing on any date after the related Redemption Date will not be permitted and/or (ii) the end of the Non-Call Period for all Classes of Notes (and all classes of obligations providing the Refinancing) be extended to a date after the related Redemption Date. See "Description of the Notes—Optional Redemption and Partial Redemption by Refinancing."
Redemption Prices in connection with Optional Redemption or Partial Redemption by Refinancing	The Redemption Price of each Class of Secured Notes in connection with an Optional Redemption or Partial Redemption by Refinancing will be (a) 100% of the outstanding principal amount of the Secured Notes to be redeemed (including any Deferred Interest previously added to the principal amount of the Deferrable Notes that remains unpaid) *plus* (b) accrued and unpaid interest thereon to the day of redemption; *provided* that, Holders of 100% of the aggregate outstanding amount of any Class of Secured Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class of Secured Notes. The Redemption Price for each Subordinated Note will be its proportional share (based on the outstanding principal amount of such Notes) of the amount of the proceeds of the Assets remaining after giving effect to the Optional Redemption or repayment of the Secured Notes in full and payment in full of (and/or creation of a reserve for) all expenses of the Co-Issuers.
Special Redemption	Subject to the satisfaction of conditions described herein, the Secured Notes may be subject to redemption in part after the Ramp-Up Period to the extent necessary to obtain from each Rating Agency a confirmation of its initial ratings of each applicable Class of the Secured Notes (or, to the extent a Moody's Effective Date Deemed Rating Confirmation has occurred, written confirmation from S&P of its initial ratings of the Secured Notes). See "Description of the Notes—Special Redemption".
Clean-Up Call Redemption	At the direction of the Portfolio Manager in accordance with the Indenture, the Notes will be subject to redemption in whole but not in part, on any Payment Date occurring on or after the Business Day on which the aggregate principal balance of the Collateral Obligations and Eligible Investments is reduced to 15% of the Aggregate Ramp-Up Par Amount or less. See "Description of the Notes—Clean-Up Call Redemption".
Re-Pricing	On any Business Day on or after the end of the Non-Call Period, at the written direction of the holders of at least a Majority of the Subordinated Notes, the Issuer will reduce the spread over LIBOR applicable with respect to any Class of Floating Rate Notes (other than the Class A-1 Notes), if the conditions under "Description of the Notes—Re-Pricing" are satisfied.

Issuer Purchases of Secured Notes	The Issuer may conduct purchases of the Secured Notes, in whole or in part, subject to the satisfaction of certain conditions. See "Description of the Notes—Issuer Purchases of Secured Notes."
Principal Payments to Satisfy Coverage Tests	On any Payment Date on which any Coverage Test is not satisfied as of the related Determination Date, the Issuer will pay principal of the Secured Notes, in accordance with the Priority of Payments, to the extent required to satisfy such test.
Priority of Payments:	
General	On each Payment Date, the Trustee will disburse amounts in the Payment Account in accordance with the priorities described below under "—Application of Interest Proceeds" "—Application of Principal Proceeds" and "—Application of Interest Proceeds and Principal Proceeds on Post-Acceleration Payment Date or on the Stated Maturity" (together, the "**Priority of Payments**").
Application of Interest Proceeds	On each Payment Date (other than the Stated Maturity or any Post-Acceleration Payment Date), Interest Proceeds on deposit in the Collection Account, to the extent received on or before the related Determination Date (or if such Determination Date is not a Business Day, the next succeeding Business Day) and that are transferred into the Payment Account and, in the case of any Hedge Agreements, payments received on or before such Payment Date, will be applied in the following order of priority: (A) (1) *first*, to the payment of taxes and governmental fees owing by the Issuer or the Co-Issuer, if any, and (2) *second*, to the payment of the accrued and unpaid Administrative Expenses, in the priority stated in the definition thereof, up to the Administrative Expense Cap; (B) to the payment of any accrued and unpaid Base Management Fee due to the Portfolio Manager on such Payment Date plus any Base Management Fee that remains due and unpaid in respect of any prior Payment Date until all such amounts have been paid in full; (C) to the payment *pro rata* of (1) any amounts due to a Hedge Counterparty under a Hedge Agreement other than amounts due as a result of the termination (or partial termination) of such Hedge Agreement and (2) any amounts due to a Hedge Counterparty under a Hedge Agreement pursuant to an early termination (or partial termination) of such Hedge Agreement as a result of a Priority Hedge Termination Event; (D) to the payment of accrued and unpaid interest (including defaulted interest thereon) on the Class A-1 Notes; (E) to the payment of accrued and unpaid interest (including defaulted interest thereon) on the Class A-2 Notes; (F) if either of the Class A Coverage Tests (except, in the case of the Interest Coverage Test, if such Payment Date is the first Payment Date after the Closing Date) is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause all Class A

Coverage Tests that are applicable on such Payment Date to be satisfied on a pro forma basis after giving effect to all payments pursuant to this clause (F);

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

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

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

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

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

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

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

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

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

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

(Q) if the Class E Coverage Test is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause the Class E

Coverage Test to be satisfied on a pro forma basis after giving effect to all payments pursuant to this clause (Q);

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

(S) during the Reinvestment Period, if the Reinvestment Overcollateralization Test is not satisfied on the related Determination Date, for deposit to the Collection Account as Principal Proceeds for the purchase of additional Collateral Obligations in an amount equal to the lesser of (i) 50% of the remaining Interest Proceeds after application of Interest Proceeds pursuant to (A) through (R) above and (ii) the amount necessary to cause the Reinvestment Overcollateralization Test to be satisfied as of such Determination Date, after application of Principal Proceeds as described in "—Application of Principal Proceeds" below on the current Payment Date;

(T) to the payment of any indemnities due to the Trustee in each of its capacities under the Indenture and the Collateral Administrator under the Indenture and the Collateral Administration Agreement not paid pursuant to clause (A)(2) above due to the limitation contained therein, in an amount equal to the lesser of (x) the amount of such unpaid indemnities and (y) the excess, if any, of (1) a cumulative amount of $75,000 over (2) the aggregate amount of all payments made prior to such Payment Date pursuant to this clause (T);

(U) (1) *first*, any accrued and unpaid Subordinated Management Fee, together with interest thereon if previously deferred due to the operation of the Priority of Payments (after giving effect to any Current Deferred Management Fee in respect of such Payment Date) and (2) *second*, at the election of the Portfolio Manager, any accrued and unpaid Cumulative Deferred Management Fee;

(V) to the payment of any Administrative Expenses not paid pursuant to clauses (A)(2) or (T) above due to the limitation contained therein;

(W) any amounts due to any Hedge Counterparty under any Hedge Agreement pursuant to an early termination (or partial termination) of any Hedge Agreement not otherwise paid pursuant to clause (C) above;

(X) at the direction of the Portfolio Manager (in its sole discretion), to deposit in the Supplemental Reserve Account the amount (which amount may be all or a portion of any remaining Interest Proceeds) designated by the Portfolio Manager for application to a Permitted Use; *provided* that (i) the amount deposited into the Supplemental Reserve Account pursuant to this clause (X) on such Payment Date may not exceed $1,000,000 and (ii) after giving effect to any deposit into the Supplemental Reserve Account pursuant to this clause (X) on such Payment Date, amounts on deposit in the Supplemental Reserve Account may not exceed $5,000,000;

(Y) to pay the Holders of the Subordinated Notes in an amount necessary (taking into account all payments made to the Holders of the Subordinated Notes on prior Payment Dates) to cause the Incentive Management Fee Threshold to be satisfied; *provided* that if, with respect to any Payment Date following the end of the Ramp-Up Period

	upon which a Moody's Ramp-Up Failure or an S&P Rating Failure has occurred and is continuing, such amounts available for distribution pursuant to this clause (Y) shall instead be used first for application as Principal Proceeds pursuant to "—Application of Principal Proceeds" below at the direction of the Portfolio Manager as either a payment on the Secured Notes or to reinvest in additional Collateral Obligations on such Payment Date in an amount sufficient to obtain Moody's and S&P's confirmation of the initial ratings of each applicable Class of the Secured Notes (or, to the extent a Moody's Effective Date Deemed Rating Confirmation has occurred, S&P's written confirmation of the initial ratings of the Secured Notes), and thereafter, at the election of the Portfolio Manager subject to the requirements described under "Use of Proceeds—Ramp-Up Period," retained in the Interest Collection Account as Interest Proceeds; and (Z) any remaining Interest Proceeds shall be paid as follows: (i) 20% of such remaining Interest Proceeds to the Portfolio Manager as the Incentive Management Fee and (ii) 80% of such remaining Interest Proceeds to the Holders of the Subordinated Notes.
Application of Principal Proceeds.....	On each Payment Date (other than a Post-Acceleration Payment Date or the Stated Maturity), Principal Proceeds that are transferred to the Payment Account in accordance with the Indenture (which will not include (i) amounts required to meet funding requirements with respect to Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations that are deposited in the Revolver Funding Account, (ii) during the Reinvestment Period, Principal Proceeds that have previously been reinvested in Collateral Obligations or that the Portfolio Manager intends (with notice to the Trustee and the Collateral Administrator) to invest in Collateral Obligations during the next Interest Accrual Period (in the case of this clause (ii), it being understood that the Portfolio Manager may designate Principal Proceeds that it intends to reinvest in Collateral Obligations during the next Interest Accrual Period as set forth above unless such next Interest Accrual Period will occur (in whole or in part) after the end of the Reinvestment Period, in which case, only Principal Proceeds relating to purchases of Collateral Obligations for which the trade date has occurred and the settlement date has not occurred may be so retained or (iii) following the Reinvestment Period, Principal Proceeds received from Credit Risk Obligations and Unscheduled Principal Payments that have previously been reinvested in Collateral Obligations) will be applied in the following order of priority: (A) to pay the amounts referred to in clauses (A) through (E) of "—Application of Interest Proceeds" above (and in that order and in the same manner and order of priority stated therein), but only to the extent not paid in full thereunder; (B) to pay the amounts referred to in clause (F) of "—Application of Interest Proceeds" above but only to the extent not paid in full thereunder and to the extent necessary to cause all Class A Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date on a pro forma basis after giving effect to any payments made through this clause (B); (C) to pay the amounts referred to in clause (H) of "—Application of Interest Proceeds" above but only to the extent not paid in full

thereunder and to the extent necessary to cause all Class B Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date on a pro forma basis after giving effect to any payments made through this clause (C);

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

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

(F) to pay the amounts referred to in clause (Q) of "—Application of Interest Proceeds" above but only to the extent not paid in full thereunder and to the extent necessary to cause the Class E Coverage Test to be met as of the related Determination Date on a pro forma basis after giving effect to any payments made through this clause (F);

(G) if the Class B Notes are or would become the Controlling Class on such Payment Date or if all principal of and interest on all Priority Classes with respect to the Class B Notes will be paid in full on such Payment Date (determined after application of the Priority of Payments on a pro forma basis as of the related Determination Date), to pay the amounts referred to in clause (G) of "—Application of Interest Proceeds" above to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis and would not cause all of the interest on or principal of all Priority Classes with respect to the Class B Notes to not be paid in full on such Payment Date;

(H) if the Class B Notes are or would become the Controlling Class on such Payment Date or if all principal of and interest on all Priority Classes with respect to the Class B Notes will be paid in full on such Payment Date (determined after application of the Priority of Payments on a pro forma basis as of the related Determination Date), to pay the amounts referred to in clause (I) of "—Application of Interest Proceeds" above to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis and would not cause all of the interest on or principal of all Priority Classes with respect to the Class B Notes to not be paid in full on such Payment Date;

(I) if the Class C Notes are or would become the Controlling Class on such Payment Date or if all principal of and interest on all Priority Classes with respect to the Class C Notes will be paid in full on such Payment Date (determined after application of the Priority of Payments on a pro forma basis as of the related Determination Date), to pay the amounts referred to in clause (J) of "—Application of Interest Proceeds" above to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a

pro forma basis and would not cause all of the interest on or principal of all Priority Classes with respect to the Class C Notes to not be paid in full on such Payment Date;

(J) if the Class C Notes are or would become the Controlling Class on such Payment Date or if all principal of and interest on all Priority Classes with respect to the Class C Notes will be paid in full on such Payment Date (determined after application of the Priority of Payments on a pro forma basis as of the related Determination Date), to pay the amounts referred to in clause (L) of "—Application of Interest Proceeds" above to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis and would not cause all of the interest on or principal of all Priority Classes with respect to the Class C Notes to not be paid in full on such Payment Date;

(K) if the Class D Notes are or would become the Controlling Class on such Payment Date or if all principal of and interest on all Priority Classes with respect to the Class D Notes will be paid in full on such Payment Date (determined after application of the Priority of Payments on a pro forma basis as of the related Determination Date), to pay the amounts referred to in clause (M) of "—Application of Interest Proceeds" above to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis and would not cause all of the interest on or principal of all Priority Classes with respect to the Class D Notes to not be paid in full on such Payment Date;

(L) if the Class D Notes are or would become the Controlling Class on such Payment Date or if all principal of and interest on all Priority Classes with respect to the Class D Notes will be paid in full on such Payment Date (determined after application of the Priority of Payments on a pro forma basis as of the related Determination Date), to pay the amounts referred to in clause (O) of "—Application of Interest Proceeds" above to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis and would not cause all of the interest on or principal of all Priority Classes with respect to the Class D Notes to not be paid in full on such Payment Date;

(M) if the Class E Notes are or would become the Controlling Class on such Payment Date or if all principal of and interest on all Priority Classes with respect to the Class E Notes will be paid in full on such Payment Date (determined after application of the Priority of Payments on a pro forma basis as of the related Determination Date), to pay the amounts referred to in clause (P) of "—Application of Interest Proceeds" above to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis and would not cause all of the interest on or principal of all Priority Classes with respect to the Class E Notes to not be paid in full on such Payment Date;

(N) if the Class E Notes are or would become the Controlling Class on such Payment Date or if all principal of and interest on all Priority Classes with respect to the Class E Notes will be paid in full on such Payment Date (determined after application of the Priority of Payments on a pro forma basis as of the related Determination Date), to

pay the amounts referred to in clause (R) of "—Application of Interest Proceeds" above to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis and would not cause all of the interest on or principal of all Priority Classes with respect to the Class E Notes to not be paid in full on such Payment Date;

(O) (1) if the Secured Notes are to be redeemed on such Payment Date in connection with a Tax Event, a Special Redemption, an Optional Redemption or a Clean-Up Call Redemption, to the payment of the Redemption Price (without duplication of any payments received by any Class of Secured Notes pursuant to "—Application of Interest Proceeds" above or under clause (A) through (N) of this "—Application of Principal Proceeds") in accordance with the Note Payment Sequence, or (2) on any Payment Date on or after the Secured Notes have been paid in full, if the Subordinated Notes are to be redeemed on such Payment Date in connection with an Optional Redemption or a Clean-Up Call Redemption of the Subordinated Notes, the remaining funds after payment of, or establishment of, a reasonable reserve for Administrative Expenses for, payment of all amounts payable prior to the Subordinated Notes in accordance with this "—Application of Principal Proceeds" will be distributed to the Holders of the Subordinated Notes in redemption of such Subordinated Notes;

(P) during the Reinvestment Period, to the Collection Account as Principal Proceeds to invest in Eligible Investments (pending the purchase of additional Collateral Obligations) and/or to the purchase of additional Collateral Obligations;

(Q) after the Reinvestment Period, Principal Proceeds received with respect to any Reinvestable Obligation to the Collection Account as Principal Proceeds to invest in Eligible Investments (pending the purchase of additional Collateral Obligations) and/or to the purchase of additional Collateral Obligations;

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

(S) after the Reinvestment Period, to pay the amounts referred to in clauses (T), (U), (V), (W) and (Y) of "—Application of Interest Proceeds" above only to the extent not already paid (in that order and in the same manner and order of priority stated therein but without regard to any limitations therein); and

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

Application of Interest Proceeds and Principal Proceeds on Post-Acceleration Payment Date or on the Stated Maturity.	On each Post-Acceleration Payment Date or on the Stated Maturity, all Interest Proceeds and all Principal Proceeds that are transferred to the Payment Account in accordance with the Indenture will be applied in the following order of priority: (A) to pay all amounts under clauses (A) through (C) of "—Application of Interest Proceeds" above in that order and in the same manner and order of priority and subject to the limitations stated therein; *provided* that the Administrative Expense Cap shall not apply to amounts payable (including indemnities) to the Trustee, the Collateral Administrator or to Citibank, N.A. in each of its capacities under the Transaction Documents following commencement of the liquidation of the Assets as described under "Description of the Notes—The Indenture—Events of Default"; (B) to the payment of accrued and unpaid interest (and defaulted interest thereon) on the Class A-1 Notes until such amount has been paid in full; (C) to the payment of principal of the Class A-1 Notes until such amount has been paid in full; (D) to the payment of accrued and unpaid interest (and defaulted interest thereon) on the Class A-2 Notes until such amount has been paid in full; (E) to the payment of principal of the Class A-2 Notes until such amount has been paid in full; (F) to the payment of *first* accrued and unpaid interest and *then* any Deferred Interest on the Class B Notes until such amounts have been paid in full; (G) to the payment of principal of the Class B Notes until such amount has been paid in full; (H) to the payment of *first* accrued and unpaid interest and *then* any Deferred Interest on the Class C Notes until such amounts have been paid in full; (I) to the payment of principal of the Class C Notes until such amount has been paid in full; (J) to the payment of *first* accrued and unpaid interest and *then* any Deferred Interest on the Class D Notes until such amounts have been paid in full; (K) to the payment of principal of the Class D Notes until such amount has been paid in full; (L) to the payment of *first* accrued and unpaid interest and *then* any Deferred Interest on the Class E Notes until such amounts have been paid in full;

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

(N) to pay the amounts referred to in clause (T) of "—Application of Interest Proceeds" above only to the extent not already paid;

(O) to the payment of (1) *first*, any Administrative Expenses not paid pursuant to clause (A) above due to the Administrative Expense Cap (in the priority stated therein) and (2) *second*, *pro rata* any amounts due to any Hedge Counterparty under any Hedge Agreement pursuant to an early termination (or partial termination) of such Hedge Agreement not otherwise paid pursuant to clause (A) above;

(P) to the payment of (1) *first*, any accrued and unpaid Subordinated Management Fee, together with interest thereon if previously deferred due to the operation of the Priority of Payments, and (2) *second*, any accrued and unpaid Cumulative Deferred Management Fee;

(Q) to the Holders of the Subordinated Notes until the Incentive Management Fee Threshold has been satisfied; and

(R) (i) 20% of the remaining Interest Proceeds and Principal Proceeds to the Portfolio Manager as the Incentive Management Fee and (ii) 80% of the remaining Interest Proceeds and Principal Proceeds to the Holders of the Subordinated Notes.

The proceeds from any liquidation of the Assets may only be distributed on a Payment Date.

Management Fees: ..... On each Payment Date, the Portfolio Manager is entitled to receive a Management Fee that is payable in accordance with the Priority of Payments and consists of:

(i) a Base Management Fee in the amount of 0.15% *per annum* of the Fee Basis Amount at the beginning of the Collection Period relating to such Payment Date;

(ii) a Subordinated Management Fee in the amount of 0.35% *per annum* of the Fee Basis Amount at the beginning of the Collection Period relating to such Payment Date; and

(iii) an Incentive Management Fee in the amount of 20% of remaining Interest Proceeds and Principal Proceeds after the Incentive Management Fee Threshold has been satisfied,

in each case as calculated and subject to the limitations described under "Description of the Notes—Priority of Payments" and "The Portfolio Management Agreement."

Security for the Secured Notes:

General ..... The Secured Notes will be secured by the Assets, which include the various accounts pledged under the Indenture. In purchasing Collateral Obligations, the Issuer will generally be required to reasonably believe that the Collateral Quality Test, the Coverage Tests, the Concentration Limitations and various other criteria will be satisfied (or, unless otherwise explicitly provided for in the Indenture, maintained or

	improved). In removing and replacing Defaulted Obligations and Credit Risk Obligations, the Issuer will be required to meet various other specified criteria. See "Security for the Secured Notes." Substantially all of the Collateral Obligations will be rated below investment grade and accordingly will have greater credit risk than investment grade corporate obligations. See "Risk Factors—Relating to the Collateral Obligations—Below investment-grade Assets involve particular risks."
Collateral Obligations.....	An obligation meeting the requirements set forth below, whether pledged to the Trustee on the Closing Date, during the Ramp-Up Period or thereafter, will constitute a "**Collateral Obligation**." An obligation will be eligible for purchase by the Issuer and will be eligible to be pledged by the Issuer to the Trustee as a Collateral Obligation if it is a Senior Secured Loan, Senior Unsecured Loan, Second Lien Loan (including, but not limited to, interests in bank loans acquired by way of a purchase or assignment) or Participation Interest that as of the date of acquisition by the Issuer (or the date the Issuer commits to acquire): (i) is U.S. Dollar denominated and is not convertible by (a) the Issuer or (b) the obligor of such Collateral Obligation into any other currency, with any payments under such Collateral Obligation to be made only in U.S. Dollars; (ii) is not a Defaulted Obligation (unless such obligation is being acquired in connection with a Bankruptcy Exchange); (iii) is not a lease; (iv) if (x) a Deferrable Obligation, is not currently deferring payment of any accrued and unpaid interest which would have otherwise been due and continues to remain unpaid, or (y) a Partial Deferrable Obligation, is not currently in default with respect to the portion of the interest due thereon to be paid in cash on each payment date with respect thereto; (v) 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 amortization or prepayment at a price of less than par; (vi) does not constitute Margin Stock; (vii) has payments that do not and will not subject the Issuer to withholding tax or other similar tax (except for withholding taxes which may be payable with respect to commitment fees and other similar fees associated with Collateral Obligations constituting Revolving Collateral Obligations, Delayed Drawdown Collateral Obligations or Letter of Credit) unless the related obligor is required to make "gross-up" payments that ensure that the net amount actually received by the Issuer (after payment of all taxes, whether imposed on such obligor or the Issuer) will equal the full amount that the Issuer would have received had no such taxes been imposed;

(viii) has a Moody's Rating higher than or equal to "Caa3" and an S&P Rating higher than or equal to "CCC-" (unless such obligation is being acquired in a Bankruptcy Exchange);

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

(x) is not the subject of a Securities Lending Agreement;

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

(xii) does not have an "f," "r," "p," "pi," "q," "sf" or "t" subscript assigned by S&P or an "sf" subscript assigned by Moody's;

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

(xiv) is not subject to a tender offer, voluntary redemption, exchange offer, conversion or other similar action (each, an "**Offer**") for a price less than its purchase price *plus* all accrued and unpaid interest;

(xv) is issued by an entity that is Domiciled in the United States of America or is not an Emerging Market Obligor;

(xvi) is not a Bond or a Prefunded Letter of Credit;

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

(xviii) either (A) is issued by an entity that is treated for U.S. federal income tax purposes as a corporation that is not a United States real property holding corporation as defined in Section 897(c)(2) of the Code for U.S. federal income tax purposes, unless the stock is of a class that is regularly traded on an established securities market and the Issuer holds no more than 5% of such class of stock, all within the meaning of Section 897(c)(3) of the Code, (B) is treated as indebtedness for U.S. federal income tax purposes and is not a United States real property interest as defined under Section 897 of the Code, or (C) the Issuer has received written advice from Ashurst LLP or Lowenstein Sandler LLP or an opinion of other nationally recognized U.S. tax counsel experienced in such matters to the effect that the acquisition, ownership or disposition of such obligation 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 or otherwise subject the Issuer to U.S. federal income tax on a net income tax basis;

(xix) is not an Equity Security or convertible into an Equity Security or an obligation with attached equity warrants;

(xx) is not a Structured Finance Obligation or a Synthetic Security;

(xxi) is scheduled to pay interest annually or more frequently; and

	(xxii) other than Collateral Obligations constituting additional issuances of obligations by an issuer to a previous issue of obligations, DIP Collateral Obligations and Collateral Obligations arising from a restructuring, is an obligation of an obligor that is part of an issue (which, with respect to loans, shall mean all tranches under a single credit facility) with an original issuance amount of at least equal to $100,000,000.
Portfolio Management:	Management of the Assets will be conducted by the Portfolio Manager pursuant to a portfolio management agreement to be entered into between the Issuer and the Portfolio Manager (the "**Portfolio Management Agreement**"). Under the Portfolio Management Agreement, and subject to the limitations of the Indenture, the Portfolio Manager will manage the selection, acquisition, reinvestment and disposition of the Assets, including exercising rights and remedies associated with the Assets, disposing of the Assets and certain related functions.
Use of Proceeds:	The net cash proceeds of the offering of the Notes will be applied by the Issuer to repay interim financing for the Collateral Obligations acquired prior to the Closing Date and to purchase additional Collateral Obligations on and after the Closing Date, all of which will be pledged under the Indenture by the Issuer to the Trustee for the benefit of the Secured Parties. See "Use of Proceeds."
Contributions:	At any time during or after the Reinvestment Period, any Holder of Notes may, by notice given in accordance with the Indenture, (i) make a contribution of cash or (ii) solely in the case of holders of Certificated Secured Notes and Certificated Subordinated Notes, designate any portion of Interest Proceeds or Principal Proceeds that would otherwise be distributed on its Notes in accordance with the Priority of Payments, to the Issuer as a contribution (each, a "**Contribution**" and each such Holder, a "**Contributor**"). The Portfolio Manager, on behalf of the Issuer, may accept or reject any Contribution in its reasonable discretion, subject to the proviso in the immediately preceding sentence. If a Contribution is accepted, it will be received into the Contribution Account and applied by the Portfolio Manager on behalf of the Issuer to a Permitted Use as directed by the Contributor at the time such Contribution is made (or, if no direction is given by the Contributor, at the Portfolio Manager's reasonable discretion). No Contribution or portion thereof will be returned to the Contributor at any time (other than by operation of the Priority of Payments). See "Security for the Secured Notes—The Contribution Account." "**Permitted Use**" means, with respect to any Contribution received into the Contribution Account and any amount on deposit in the Supplemental Reserve Account, any of the following uses: (i) the transfer of the applicable portion of such amount to the Interest Collection Account for application as Interest Proceeds; *provided* that no Contribution or portion thereof may be so transferred or applied if such transfer and application would have the effect of causing an Interest Coverage Test that was failing immediately prior to such Contribution to be satisfied; (ii) the transfer of the applicable portion of such amount to the Principal Collection Account for application as Principal Proceeds; (iii) the transfer of the applicable portion of such amount to pay any Administrative Expenses and other costs or

	expenses associated with a Refinancing, a Re-Pricing or a Partial Redemption by Refinancing; (iv) payment of any amount necessary to receive one or more Specified Equity Securities (provided that the Portfolio Manager will use commercially reasonable efforts to dispose of any such Specified Equity Security no later than three years after the acquisition thereof), in each case subject to the limitations set forth in the Indenture; and (v) to the purchase of Secured Notes as described in "Description of the Notes—Issuer Purchases of Secured Notes." "**Specified Equity Securities**" means securities or interests resulting from the exercise of an option, warrant, right of conversion, pre-emptive right, rights offering, credit bid or similar right in connection with the workout or restructuring of a Collateral Obligation or an equity security or interest received in connection with the workout or restructuring of a Collateral Obligation, in each case to the extent such security or interest does not constitute Margin Stock. The acquisition of Specified Equity Securities will not be required to satisfy the Investment Criteria. The holding of Specified Equity Securities will be subject to certain requirements set forth in the Indenture.
Purchase of Collateral Obligations; Ramp-Up Period:	The Issuer will use its commercially reasonable efforts to have purchased or to have entered into binding agreements to purchase by the earlier of (a) March 2, 2015 and (b) the date selected by the Portfolio Manager in its sole discretion, Collateral Obligations in an amount sufficient to satisfy the Aggregate Ramp-Up Par Condition (the period from the Closing Date to such date being the "**Ramp-Up Period**"). The Collateral Obligations purchased on or before the Closing Date, together with additional Collateral Obligations purchased during the Ramp-Up Period, must satisfy, as of the end of the Ramp-Up Period, the Collateral Quality Test, the Concentration Limitations and the Overcollateralization Ratio Tests. If Collateral Obligations having an aggregate principal balance of at least the Aggregate Ramp-Up Par Amount are purchased by the end of the Ramp-Up Period and no Moody's Ramp-Up Failure or S&P Rating Failure has occurred, any excess funds on deposit in the Ramp-Up Account will, on the next succeeding Determination Date, be transferred to the Collection Account as Interest Proceeds or Principal Proceeds, at the direction of the Portfolio Manager (or, if the Issuer has not purchased (or entered into binding commitments to purchase) Collateral Obligations with an aggregate principal balance at least equal to the Aggregate Ramp-Up Par Amount, the Trustee shall transfer funds from the Ramp-Up Account into the Collection Account as Principal Proceeds in the amount of such shortfall, and thereafter transfer any remaining amounts in the Ramp-Up Account into the Collection Account as Interest Proceeds or Principal Proceeds, at the direction of the Portfolio Manager), subject to satisfaction of the Ramp-Up Interest Deposit Restriction. See "Security for the Secured Notes—The Ramp-Up Account." If, by the Determination Date relating to the first Payment Date, a Moody's Ramp-Up Failure or an S&P Rating Failure occurs, the Issuer and the Portfolio Manager on its behalf will be required to take the steps described under "Use of Proceeds—Ramp-Up Period."

Reinvestment Period:	The "**Reinvestment Period**" will be the period from and including the Closing Date to and including the earliest of (i) the Payment Date in October 2018, (ii) the date on which the maturity of the Secured Notes is accelerated due to an Event of Default as described under "Description of the Notes—The Indenture—Events of Default," (iii) the end of the Collection Period related to a Redemption Date in connection with an Optional Redemption (other than a Refinancing or a Partial Redemption by Refinancing) and (iv) the date on which the Portfolio Manager reasonably determines and notifies the Issuer, the Rating Agencies, the Trustee and the Collateral Administrator that it can no longer reinvest in additional Collateral Obligations in accordance with the Indenture or the Portfolio Management Agreement. Once terminated, the Reinvestment Period (x) cannot be reinstated in the case of a termination under clause (iv) and (y) cannot be reinstated without the consent of the Portfolio Manager and, in the case of termination under clause (ii), without the acceleration having been rescinded, no other events that would terminate the Reinvestment Period have occurred and are continuing and, if the default giving rise to such termination has occurred as a result of an Event of Default under clause (f) of the definition thereof, a Majority of the Controlling Class having consented to such reinstatement. See "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria."
Other information:	
Listing and Trading	This Offering Circular has been approved by the Central Bank as competent authority under the Prospectus Directive. The Central Bank only approves this Offering Circular as meeting the requirements imposed under Irish and EU Law pursuant to the Prospectus Directive. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC and/or which are to be offered to the public in any Member State of the European Economic Area. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. There can be no assurance that such listing will be approved or maintained. See "Listing and General Information." There is currently no secondary market for the Notes and none may develop.
Governing Law	The Notes and the Indenture will be governed by, and construed in accordance with, the laws of the State of New York.
Tax Matters	See "U.S. Federal Income Tax Considerations."
ERISA	See "Certain ERISA and Legal Investment Considerations."
Additional Issuance	At any time during the Reinvestment Period, the Co-Issuers may issue and sell additional Notes of each Class (on a *pro rata* basis with respect to each Class of Notes, except that a larger proportion of Subordinated Notes may be issued) and/or additional secured or unsecured notes of one or more new classes that are junior in right of payment to the Secured Notes and use the net proceeds to purchase additional Collateral Obligations or for other purposes permitted under the Indenture if the conditions for such additional issuance described under "Description of the Notes—The Indenture—Additional Issuance" are met.

RISK FACTORS

An investment in the Notes involves certain risks, including risks related to the assets 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 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 forth in this Offering Circular before investing in the Notes.

Relating to General Commercial Risks

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

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

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 Obligations may be organized in, or otherwise Domiciled in, certain of such countries currently suffering from economic distress, or other countries that may begin to suffer economic distress, and the uncertainty and market instability in any such country may increase the likelihood of default by such Obligor. In the event of its insolvency, any such Obligor, by virtue of being organized in such a jurisdiction or having a substantial percentage of its revenues or assets in such a jurisdiction, may be more likely to be subject to bankruptcy or insolvency proceedings in such jurisdiction at the same time as such jurisdiction is itself potentially unstable.

Collateral Obligation performance may not continue to improve.

Negative economic trends nationally as well as in specific geographic areas of the United States could result in an increase in loan defaults and delinquencies. Though levels of defaults and delinquencies have been decreasing from peak levels, there is a material possibility that economic activity will be volatile or will slow, and some obligors may be significantly and negatively impacted by negative economic trends. A continuing decreased ability of obligors to obtain refinancing (particularly as high levels of required refinancings approach) may result in an

economic decline that could delay an economic recovery and cause a deterioration in loan performance generally and defaults of Collateral Obligations. There is no way to determine whether such trends in the credit markets will continue, improve or worsen in the future.

Illiquidity in the CDO, leveraged finance and fixed income markets may affect the holders of the Notes.

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

Regardless of current or future market conditions, certain Collateral Obligations purchased by the Issuer will have only a limited trading market (or none). The Issuer's investment in illiquid debt obligations may restrict its ability to dispose of investments in a timely fashion and for a fair price, as well as its ability to take advantage of market opportunities. Illiquid debt obligations may trade at a discount from comparable, more liquid investments. In addition, adverse developments in the primary market for leveraged loans may reduce opportunities for the Issuer to purchase recent issuances of Collateral Obligations. More particularly, the ability of private equity sponsors and leveraged loan arrangers to effectuate new leveraged buy-outs and the ability of the Issuer to purchase such assets may be partially or significantly limited. There has been a recent increase in primary leveraged loan market activity, but there can be no assurance that such increase will persist or that the primary leveraged loan market will not return to its previous levels or cease altogether for a period of time. The impact of another liquidity crisis on the global credit markets may adversely affect the management flexibility of the Portfolio Manager in relation to the portfolio and, ultimately, the returns on the Notes to investors.

Relating to the Notes

Investor Suitability.

An investment in the Notes will not be appropriate for all investors. Structured investment products like the Notes are complex instruments, and typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. Any investor interested in purchasing Notes should conduct its own investigation and analysis of the product and consult its own professional advisers as to the risks involved in making such a purchase.

Need to Seek Independent Advice; Lack of Hypothetical Performance Scenarios.

None of the Initial Purchaser, the Portfolio Manager, the Trustee, the Collateral Administrator or any Affiliate of any of them is providing investment, accounting, tax or legal advice in respect of the Notes and will not have a fiduciary relationship with any investor or prospective investor in the Notes. No financial hypothetical performance scenarios, modeling runs or return analyses are included in this Offering Circular and no financial hypothetical performance scenarios, modeling runs or return analyses previously provided may be relied upon by a prospective purchaser in considering its investment.

The actual performance of the Notes will be affected by, among other things, (i) the amount and frequency of principal payments on the Collateral Obligations, which are dependent upon, among other things, any other payments received at or in advance of the scheduled maturity of Collateral Obligations (whether through sale, maturity, redemption, default or other liquidation or disposition) and (ii) the financial condition of the issuers of the Collateral Obligations and the characteristics thereof, including the existence and frequency of exercise of any optional or mandatory redemption features (including applicable redemption prices), the prevailing level of interest rates, the actual default rate and the actual level and timing of recoveries on, among other Collateral Obligations, any Defaulted Obligations, Credit Risk Obligations and Current Pay Obligations, the frequency of tender or exchange offers for such Collateral Obligations and the extent to which Collateral Obligations may be acquired in the circumstances set forth in the Indenture or otherwise and the reinvestment rates obtained in connection with the purchase of such Collateral Obligations or in connection with the reinvestment of proceeds in Eligible Investments. It is expected that, with respect to a substantial portion of the Collateral Obligations, the obligor thereof will have the right or obligation to cause them to be mandatorily or optionally redeemed or otherwise repaid at various times and subject to various conditions.

The Notes will have limited liquidity; the Notes are subject to substantial transfer restrictions.

Currently, no market exists for the Notes. The Initial Purchaser is under no obligation to make a market for the Notes. The Notes are illiquid investments and there is no established secondary market for the Notes. Over the past four years, securities issued in securitization transactions (such as the Notes) have experienced historically high volatility and significant fluctuations in market value. Additionally, some potential purchasers of such securities now view securitization products as an inappropriate investment, further reducing the number of potential purchasers of the Notes. Although a secondary market in the Notes may develop, there can be no assurance that it would provide the Holders of the Notes with liquidity of investment or will continue for the life of the Notes. Consequently, a purchaser of Notes must be prepared to hold the Notes until their Stated Maturity.

In addition, 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. The Notes will not be registered under the Securities Act or any state or other securities laws, and the Co-Issuers have no plans, and are under no obligation, to register the Notes under the Securities Act or the securities law of any state or other jurisdiction.

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

The Initial Purchaser will have no obligation to monitor the performance of the Assets or the actions of the Portfolio Manager or the Issuer and will have no authority to advise the Portfolio Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Portfolio Manager and/or the Issuer, as the case may be. If the Initial Purchaser or one of its affiliates acts as Hedge Counterparty or Selling Institution or owns Notes, it will have no responsibility to consider the interests of any holders of Notes in actions it takes in such capacities. While the Initial Purchaser may own Notes at any time, they have no obligation to make any investment in any Notes and may sell at any time any Notes they purchase.

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

The Notes are limited recourse obligations of the Issuer and the Secured Notes (other than the Class D Notes and the Class E Notes) are non-recourse obligations of the Co-Issuer; therefore, the Notes are payable solely from the Collateral Obligations and all other Assets pledged by the Issuer pursuant to the Indenture. None of the Trustee, the Collateral Administrator, the Portfolio Manager, the Initial Purchaser or any of their respective affiliates or the Co-Issuers' affiliates or any other person or entity will be obligated to make payments on the Notes. Consequently, holders of the Notes must rely solely on distributions on the Assets and, after an Event of Default, proceeds from the liquidation of the Assets, for payments on the Notes. If distributions on such Assets or, after an Event of Default, proceeds from the liquidation of the Assets are insufficient to make payments on the Notes, no other assets (in particular, no assets of the Portfolio Manager, the holders of the Notes, the Initial Purchaser, the Trustee, the Collateral Administrator, or any affiliates of any of the foregoing) will be available for payment of the deficiency

and all obligations of the Co-Issuers and any claims against the Co-Issuers in respect of the Notes will be extinguished and will not revive.

The Subordinated Notes are unsecured obligations of the Issuer.

The Subordinated Notes are limited recourse obligations of the Issuer. The Subordinated Notes will not be secured by any of the Assets, and will not generally be entitled to exercise remedies under the Indenture and, while the Secured Notes are outstanding, the Trustee will have no obligation to act on behalf of the holders of Subordinated Notes. Distributions to holders of the Subordinated Notes will be made solely from distributions on the Assets and, after an Event of Default, proceeds from the liquidation of the Assets, after all other payments have been made pursuant to the Priority of Payments. There can be no assurance that the distributions on the Assets or, after an Event of Default, proceeds from the liquidation of the Assets, will be sufficient to make distributions to holders of the Subordinated Notes after making payments that rank senior to payments on the Subordinated Notes. The Issuer's ability to make distributions to the holders of the Subordinated Notes will be limited by the terms of the Indenture. If distributions on the Assets or, after an Event of Default, proceeds from the liquidation of the Assets, are insufficient to make distributions on the Subordinated Notes, no other assets (including, without limitation, assets of the Portfolio Manager, the holders of the Notes, the Initial Purchaser, the Trustee, the Collateral Administrator, or any affiliates of any of the foregoing) will be available for any such distributions. See "Description of the Notes—The Subordinated Notes."

The subordination of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes will affect their right to payment; Control of remedies in an Event of Default.

The Class A-1 Notes are subordinated to certain amounts payable by the Issuer to other parties as set forth in the Priority of Payments (including taxes, Administrative Expenses, Base Management Fees and certain payments under the Hedge Agreements); the Class A-2 Notes are subordinated on each Payment Date to the Class A-1 Notes and certain amounts to which the Class A-1 Notes are subordinate; the Class B Notes are subordinated on each Payment Date to the Class A Notes and certain amounts to which the Class A Notes are subordinate; the Class C Notes are subordinated on each Payment Date to the Class B Notes and certain amounts to which the Class B Notes are subordinate; the Class D Notes are subordinated on each Payment Date to the Class C Notes and certain amounts to which the Class C Notes are subordinate; the Class E Notes are subordinated on each Payment Date to the Class D Notes and certain amounts to which the Class D Notes are subordinate; and the Subordinated Notes are subordinated on each Payment Date to the Secured Notes and certain amounts to which the Secured Notes are subordinate and certain fees and expenses (including, but not limited to, the diversion of Interest Proceeds to purchase additional Collateral Obligations if the Reinvestment Overcollateralization Test is not satisfied, unpaid Administrative Expenses and certain Management Fees), in each case to the extent described herein.

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

In addition, if an Event of Default occurs, the holders of the Controlling Class of Notes (which will be the most senior Class then outstanding) will be entitled to determine the remedies to be exercised under the Indenture. See "Description of the Notes—The Indenture—Events of Default." Remedies pursued by the Controlling Class could be adverse to the interests of the holders of the Notes 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. However, the Collateral Obligations may be sold and liquidated only if, among other things, the conditions described under "Description of the Notes—The Indenture—Events of Default" are satisfied.

Each Holder of Notes will agree, and each beneficial owner of Notes will be deemed to agree pursuant to the Indenture that it may not, prior to the date which is one year (or if longer, any applicable preference period) and one day after the payment in full of all Notes, institute against, or join any other Person in instituting against, the Issuer, the Co-Issuer or any Tax Subsidiary any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other proceedings under Cayman Islands, U.S. federal or state bankruptcy or similar laws. If such provision failed to be enforceable under applicable bankruptcy laws, then the filing or presentation of such a petition could result in one or more payments on the Secured Notes made during the period prior to such filing being deemed to be preferential transfers subject to avoidance by the bankruptcy trustee or similar official exercising authority with respect to the Issuer's bankruptcy estate. It could also result in the bankruptcy court, trustee or receiver liquidating the Assets notwithstanding required class voting required for such liquidation pursuant to the Indenture. If such provision is determined to be unenforceable or is violated by one or more Holders or beneficial owners, the petitioning Holder(s) or beneficial owner(s) will be subject to the Bankruptcy Subordination Agreement described under "Description of the Notes—The Indenture—Petitions for bankruptcy". However, a bankruptcy court may find that the Bankruptcy Subordination Agreement is not enforceable on the ground that it violates an essential policy underlying U.S. bankruptcy law or other applicable bankruptcy or insolvency law.

Yield considerations on the Subordinated Notes.

The yield to each holder of the Subordinated Notes will be a function of the purchase price paid by such holder for its Subordinated Notes and the timing and amount of dividends and other distributions made in respect of the Subordinated Notes during the term of the transaction. Each prospective purchaser of the Subordinated Notes should make its own evaluation of the yield that it expects to receive on the Subordinated Notes. Prospective investors should be aware that the timing and amount of dividends and other distributions will be affected by, among other things, the performance of the Collateral Obligations purchased by the Issuer. Each prospective investor should consider the risk that an Event of Default and other adverse performance will result in a lower yield on the Subordinated Notes than that anticipated by such investor. In addition, if the Issuer fails any Coverage Test, amounts that would otherwise be distributed as dividends to the holders of the Subordinated Notes on any Payment Date may be paid to other investors in accordance with the Priority of Payments. Each prospective purchaser should consider that any such adverse developments could result in its failure to recover fully its initial investment in the Subordinated Notes.

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

The Subordinated Notes represent a highly leveraged investment in the Assets. Therefore, the market value of the Subordinated Notes would be anticipated to be significantly affected by, among other things, changes in the market value of the Assets, changes in the distributions on the Assets, defaults and recoveries on the Assets, capital gains and losses on the Assets, prepayments on Assets and the availability, prices and interest rates of Assets and other risks associated with the Assets as described in "—Relating to the Collateral Obligations". Accordingly, the amount of distributions, if any, to be made on the Subordinated Notes may vary significantly from Payment Date to Payment Date for various reasons and the Subordinated Notes may not be paid in full and may be subject to up to 100% loss. Furthermore, the leveraged nature of each subordinated Class of Notes may magnify the adverse impact on each such Class of changes in the market value of the Assets, changes in the distributions on the Assets, defaults and recoveries on the Assets, capital gains and losses on the Assets, prepayments on Assets and availability, prices and interest rates of Assets.

The Assets may be insufficient to redeem the Notes in an Event of Default.

It is anticipated that the proceeds received by the Issuer on the Closing Date from the issuance of the Notes, net of certain fees and expenses, will be less than the aggregate principal amount of the Notes. Consequently, it is anticipated that on the Closing Date the Assets would be insufficient to redeem the Secured Notes and Subordinated Notes in the event of an Event of Default under the Indenture.

Distributions will be made on a strictly sequential basis on a Post-Acceleration Payment Date.

Following an Event of Default and acceleration of the maturity of the Notes (whether or not the Assets have been liquidated), proceeds of the liquidation of the Assets and all available Interest Proceeds and Principal Proceeds will be allocated after paying accrued and unpaid senior fees and expenses and certain amounts under any Hedge

Agreements in accordance with the Priority of Payments. As a result, Interest Proceeds that would otherwise have been used to pay interest on (or, in the case of the Subordinated Notes, make distributions of Interest Proceeds to) Junior Classes will instead be used to pay principal of Priority Classes. If the Secured Notes are accelerated and the Assets are not promptly liquidated, Junior Classes will remain outstanding without the payment of any amounts for an unforeseeable amount of time. In general, the application of the Priority of Payments relating to Post-Acceleration Payment Dates will decrease the likelihood that Junior Classes of Secured Notes will be repaid in full or that further distributions will be made in respect of the Subordinated Notes.

The Indenture may require Mandatory Redemption of the Secured Notes for failure to satisfy Coverage Tests.

If the Coverage Tests with respect to any Class or Classes of Secured Notes are not met, Interest Proceeds that otherwise would have been paid or distributed to the holders of the Notes of each Class that is subordinated to such Class or Classes and Principal Proceeds that would otherwise have been reinvested in Collateral Obligations will instead be used to redeem the Secured Notes of the most senior Class or Classes then outstanding to the extent necessary to satisfy the applicable Coverage Tests, as described under "Description of the Notes—Priority of Payments." This could result in an elimination, deferral or reduction in the payments of Interest Proceeds to the holders of the Deferrable Notes and/or the Subordinated Notes, as the case may be. In addition, this could also result in an increase in the average weighted interest rate payable by the Issuer on the Secured Notes, which would adversely affect the Issuer.

The Indenture may require a Special Redemption of the Secured Notes upon rating confirmation failure.

After the Ramp-Up Period, a redemption of the Secured Notes may result from a failure to obtain from each Rating Agency a confirmation of its initial ratings of each Class of the Secured Notes, as applicable. See "Description of the Notes—Special Redemption." In the event of an early redemption, the holders of the Secured Notes will be repaid prior to the respective Stated Maturity dates of such Secured Notes. Interest Proceeds or Principal Proceeds diverted for this purpose would not be available to make distributions in respect of the Subordinated Notes. In addition, such a special redemption of Secured Notes could require the Portfolio Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realized value of the Collateral Obligations sold.

Extension of the Non-Call Period.

In connection with a Partial Redemption by Refinancing, the Holders of a Majority of the Subordinated Notes may, with the written consent of the Portfolio Manager (exercised in its sole discretion), direct that the end of the Non-Call Period for all Classes of Notes and all obligations providing the Refinancing be extended to a date after the related Redemption Date. Such extension would have the effect of preventing a further Refinancing of such Class(es) of Secured Notes until such date and preventing the optional redemption in whole of the Notes until such date.

The Notes are subject to Optional Redemption, Partial Redemption by Refinancing and Clean-Up Call Redemption.

A Majority of the Subordinated Notes may cause the Secured Notes to be redeemed in whole, and a Majority of the Subordinated Notes may cause the Subordinated Notes to be redeemed in whole as described under "Description of the Notes—Optional Redemption and Partial Redemption by Refinancing" and "Description of the Notes—The Subordinated Notes—Optional Redemption." Any such Optional Redemption of the Notes may occur on any Payment Date after the expiration of the Non-Call Period (or, with respect to the Subordinated Notes only, on any Business Day after the Non-Call Period) or on any Payment Date following a Tax Event. Upon direction of a Majority of the Subordinated Notes, the Issuer may apply Refinancing Proceeds and/or the proceeds from the sale of Assets to pay the applicable Redemption Price of the Secured Notes and the Subordinated Notes, as applicable. In the event of an early redemption, the holders of the Secured Notes and the Subordinated Notes will be repaid prior to the respective Stated Maturity dates of such Notes. There can be no assurance that, upon any such redemption, the Sale Proceeds realized and other available funds would permit any distribution on the Subordinated Notes after all required payments are made to the holders of the Secured Notes and payment in full of (and/or creation of a reserve for) all expenses of the Co-Issuers. In addition, unless an Optional Redemption is funded wholly with Refinancing

Proceeds, the Optional Redemption could require the Portfolio Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realized value of the Collateral Obligations sold.

The Issuer will not sell any Collateral Obligations or obtain Refinancing in connection with an Optional Redemption of the Secured Notes in whole unless certain conditions described under "Description of the Notes—Optional Redemption and Partial Redemption by Refinancing" are satisfied. In addition, a Majority of the Subordinated Notes may cause any Class of the Secured Notes to be redeemed, in whole but not in part, with the proceeds of a Refinancing as described under "Description of the Notes—Optional Redemption and Partial Redemption by Refinancing" on any Payment Date after the expiration of the Non-Call Period. The Issuer will obtain Refinancing in connection with a Partial Redemption by Refinancing only if certain conditions described under "Description of the Notes—Optional Redemption and Partial Redemption by Refinancing" are satisfied. Accordingly, a more junior Class of Secured Notes may be redeemed in whole from Refinancing Proceeds even if a more senior Class of Secured Notes remains outstanding. Holders of Secured Notes that are refinanced may not be able to reinvest the proceeds of such redeemed Secured Notes in assets with comparable interest rates or maturity.

The Indenture provides that the holders of the Subordinated Notes will not have any cause of action against any of the Co-Issuers, the Portfolio Manager, the Collateral Administrator or the Trustee for any failure to obtain a Refinancing. In the event that a Refinancing is obtained meeting the requirements of the Indenture, the Issuer and, at the direction of the Portfolio Manager, the Trustee will amend the Indenture to the extent necessary to reflect the terms of the Refinancing and no consent for such amendments will be required from the holders of any Class of Notes, other than the Majority of the Subordinated Notes directing the redemption. No assurance can be given that any such amendments to the Indenture or the terms of any Refinancing will not adversely affect the holders of the Subordinated Notes who do not form a part of the Majority of the Subordinated Notes directing such redemption.

At the direction of the Portfolio Manager in accordance with the Indenture, the Notes will be subject to redemption, in whole but not in part, on any Payment Date occurring on or after the Business Day on which the aggregate principal balance of the Collateral Obligations and Eligible Investments is reduced to 15% of the Aggregate Ramp-Up Par Amount or less. Any redemption of Subordinated Notes in connection with a Clean-Up Call Redemption will be made from any remaining proceeds after the payment of all required amounts described in this Offering Circular. The timing of a Clean-Up Call Redemption could impact the return to the holders of the Subordinated Notes.

The Secured Notes (other than the Class A-1 Notes) are Subject to Re-Pricing.

On any Business Day on or after the end of the Non-Call Period, at the written direction of the holders of at least a Majority of the Subordinated Notes, the Issuer will reduce the spread over LIBOR applicable with respect to any Class of Floating Rate Notes other than the Class A-1 Notes. Such Re-Pricing could occur for example, if interest rates on investments similar to the applicable Class of Secured Notes fall below current levels and may occur at a time when the applicable Class(es) of Secured Notes are trading in the market at a premium. The exercise of the Re-Pricing option may reduce or eliminate such premium on such Class(es) of Secured Notes, as applicable, and may occur at a time when other investments bearing the same rate of interest relative to the level of risk assumed may be difficult or expensive to acquire. See "Description of the Notes—Re-Pricing." In addition, if any holders of a Re-Priced Class do not consent to the proposed Re-Pricing within the time period described herein, the Issuer (or the Re-Pricing Intermediary on behalf of the Issuer) will have the right to cause the non-consenting holders to sell their Notes of the Re-Priced Class on the Re-Pricing Date to one or more transferees at a sale price equal to par plus accrued interest to (but excluding) the Re-Pricing Date. The consequence of such a sale to such non-consenting holder will be similar to that of an early redemption of such Class of Secured Notes, as applicable. See "—The Notes are subject to Optional Redemption, Partial Redemption by Refinancing and Clean-Up Call Redemption" above. Holders that participate in a Re-Pricing may recognize taxable income in respect of their Notes in excess of any distributions made on their Notes during the taxable year in which the Re-Pricing occurs, and may recognize short term capital gain or loss if they sell, exchange, retire, or otherwise dispose of their Notes within one year after the Re-Pricing, even if such gain or loss otherwise would have been long-term capital gain or loss. Holders should consult their tax advisors regarding the U.S. federal income tax consequences to them of participating in a Re-Pricing.

The Class A-1 Notes are not subject to Re-Pricing. As a result, a Majority of the Subordinated Notes will not have the ability to cause the Issuer to lower the spread of the Class A-1 Notes in circumstances where it would be beneficial to holders of other Classes.

The Reinvestment Period may terminate earlier than expected.

Although the Reinvestment Period is expected to terminate on the Payment Date occurring in October 2018, the Reinvestment Period may terminate prior to such date if (i) the maturity of any Class of Secured Notes is accelerated due to an Event of Default as described under "Description of the Notes—The Indenture—Events of Default," (ii) a Majority of the Subordinated Notes elects to effect an Optional Redemption (not including a Partial Redemption by Refinancing) or (iii) the Portfolio Manager notifies the Issuer, the Rating Agencies, the Trustee and the Collateral Administrator that it can no longer make investments in additional Collateral Obligations in accordance with the Indenture or the Portfolio Management Agreement. Such early termination of the Reinvestment Period may shorten the expected lives of the Notes and could adversely affect returns on the Subordinated Notes.

Additional issuances of Notes may have different terms; additional issuances of Notes and certain Permitted Uses may have the effect of preventing or curing the failure of the Coverage Tests and the occurrence of an Event of Default.

At any time during the Reinvestment Period, the Co-Issuers may issue and sell additional Notes of each Class (on a *pro rata* basis with respect to each Class of Notes, except that a larger proportion of Subordinated Notes may be issued), and/or additional notes of one or more new secured or unsecured classes that are junior in right of payment to the Secured Notes, and use the net proceeds to purchase additional Collateral Obligations or for other purposes permitted under the Indenture if the conditions for such additional issuance described under "Description of the Notes—The Indenture—Additional Issuance" are met. Any such additional issuance will be made only with the consent of a Majority of the Subordinated Notes and the Portfolio Manager (and, in the case of the additional issuance of Secured Notes, a Majority of the Class A-1 Notes (so long as the Class A-1 Notes remain outstanding)). No assurance can be given that the issuance of additional notes having different interest rates than existing Classes of Secured Notes may not adversely affect the holders of any Class of Notes.

In addition, at any time during or after the Reinvestment Period, Contributions received into the Contribution Account and amounts deposited into the Supplemental Reserve Account may be directed to be applied as Principal Proceeds by the related Contributor (or, if no direction is given by the Contributor, by the Portfolio Manager at its reasonable discretion), in the case of a Contribution, or the Portfolio Manager, in the case of a deposit into the Supplemental Reserve Account.

The use of additional issuance proceeds, Contributions or deposits into the Supplemental Reserve Account as Principal Proceeds may have the effect of causing a Coverage Test that was otherwise failing to be cured or to modify the effect of events that would otherwise give rise to an Event of Default and permit the Controlling Class to exercise remedies under the Indenture.

The Notes may be affected by interest rate risks, including mismatches between the Notes and the Collateral Obligations.

Although the Collateral Obligations will generally bear interest at floating rates based on London interbank offered rates and the amount of fixed rate Collateral Obligations included in the Assets will be limited, a portion of the Collateral Obligations may be based on other indices, and there will be mismatches between the floating rates applicable to the Collateral Obligations and the LIBOR applicable to the Floating Rate Notes, as well as timing mismatches based on different reset dates for such floating rates and mismatches between the floating rates applicable to the Collateral Obligations. No assurance can be made that the portion of floating rate Collateral Obligations that bear interest based on indices other than LIBOR will not increase in the future. Moreover, the aggregate outstanding principal balance of Floating Rate Notes may be different than the aggregate principal balance of the floating rate Collateral Obligations. In addition, any payments of principal of or interest on Collateral Obligations received during a Collection Period occurring during the Reinvestment Period and not reinvested in Collateral Obligations during such Collection Period will be reinvested in Eligible Investments maturing not later than the Business Day immediately preceding the next Payment Date. There is no requirement that such Eligible Investments bear interest at a floating rate, and the interest rates available for such Eligible Investments are

inherently uncertain. As a result of such mismatches, changes in the level of LIBOR or any other applicable floating rate index could adversely affect the ability of the Co-Issuers or the Issuer, as applicable, to make payments on the Notes. To the extent described herein, the Issuer may enter into Hedge Agreements to reduce the effect of any such interest rate mismatch. However, the Issuer will not enter into any Hedge Agreements on the Closing Date and there can be no assurance that the Issuer will enter into such Hedge Agreements thereafter or that, if entered into, such Hedge Agreements will significantly reduce the effect of such interest rate mismatch. The Subordinated Notes will be subordinated to the payment of interest on the Secured Notes. There can be no assurance that the Collateral Obligations and the Eligible Investments will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Secured Notes and to make distributions to the Holders of the Subordinated Notes, nor that the Hedge Agreements will ensure any particular return on such Notes.

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

The Interest Rate on each Class of Floating Rate Notes is based upon LIBOR and therefore may fluctuate from one Interest Accrual Period to another in response to changes in LIBOR; the Subordinated Notes do not bear a stated rate of interest. Several years ago, LIBOR experienced high volatility and significant fluctuations relative to historical norms. It is likely that LIBOR will continue to fluctuate and we make no representation as to what LIBOR will be in the future. Because the Floating Rate Notes bear interest based upon three-month LIBOR (other than during the first Interest Accrual Period), there may be a basis mismatch between the Floating Rate Notes and the underlying Collateral Obligations and Eligible Investments with interest rates based on an index other than LIBOR, interest rates based on LIBOR for a different period of time or even three-month LIBOR for a different accrual period. In addition, some Collateral Obligations or Eligible Investments may bear interest at a fixed rate. It is possible that LIBOR payable on the Floating Rate Notes may rise (or fall) during periods in which LIBOR (or another applicable index) with respect to the various Collateral Obligations and Eligible Investments is stable or falling (or rising but capped at a level lower than LIBOR for the Floating Rate Notes). No assurance can be made that the portion of floating rate Collateral Obligations of the Issuer that bear interest based on indices other than LIBOR will not increase in the future. Some Collateral Obligations, however, may have LIBOR floor arrangements that may help mitigate this risk, but there is no requirement for any Collateral Obligation to have a LIBOR floor and there is no guarantee that any such LIBOR floor will fully mitigate the risk of falling LIBOR. If LIBOR payable on the Floating Rate Notes rises during periods in which LIBOR (or another applicable index) with respect to the various Collateral Obligations and Eligible Investments is stable or during period in which the Issuer owns Collateral Obligations or Eligible Investments bearing interest at a fixed rate, is falling or is rising but is capped at a lower level, "excess spread" (i.e., the difference between the interest collected on the Collateral Obligations and the sum of the interest payable on the Secured Notes and certain transaction fees payable by the Issuer) that otherwise would be available as credit support may instead be used to pay interest on the Secured Notes. There may also be a timing mismatch between the Floating Rate Notes and the underlying Collateral Obligations as the LIBOR (or other applicable index) on such Collateral Obligations may adjust more frequently or less frequently or on different dates than LIBOR on the Floating Rate Notes. Such a mismatch could result in the Issuer not collecting sufficient Interest Proceeds to make interest payments on the Secured Notes.

The Issuer may, but is not expected to, enter into interest rate swap transactions to hedge any interest rate or timing mismatch.

The Weighted Average Lives of the Notes may vary.

The Stated Maturity of the Notes is the Payment Date in October 2026. The average life of each Class of Notes is expected to be shorter than the number of years until its respective Stated Maturity. Each such average life may vary due to various factors affecting the early retirement of Collateral Obligations, the timing and amount of sales of such Collateral Obligations, the ability of the Portfolio Manager to invest collections and proceeds in additional Collateral Obligations, and the occurrence of any Mandatory Redemption, Optional Redemption, Partial Redemption by Refinancing, Clean-Up Call Redemption or Special Redemption. Retirement of the Collateral Obligations prior to their respective final maturities will depend, among other things, on the financial condition of the issuers of the underlying Collateral Obligations and the respective characteristics of such Collateral Obligations, including the existence and frequency of exercise of any optional redemption, mandatory redemption or sinking fund features, the prevailing level of interest rates, the redemption prices, the actual default rates and the actual amount collected on any Defaulted Obligations and the frequency of tender or exchange offers for such Collateral

Obligations. In particular, loans are generally prepayable at par, and a high proportion of loans could be prepaid. The ability of the Issuer to reinvest proceeds in obligations with comparable interest rates that satisfy the reinvestment criteria specified herein may affect the timing and amount of payments received by the holders of Notes and the yield to maturity of the Notes. See "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria."

Exercise of rights.

Many rights under the Transaction Documents relating to the Notes (including without limitation the right to remove the Portfolio Manager and certain rights in connection with an Event of Default) may only be exercised by Holders of one or more than one Class of Notes or Holders of a portion of any Class of Notes. The exercise of such rights could be adverse to Holders of Notes that do not have the ability to exercise such rights, and the failure to exercise a right because Holders of a Class or a portion of a Class must act in concert with one or more other Classes to exercise such right and insufficient Holders are willing to do so could also be adverse to Holders of one or more Classes of Notes or Holders of a portion of any Class of Notes. When exercising its rights under the Transaction Documents relating to the Notes, a Holder has no obligation to take into account the effect on other Holders.

Amendments to the Indenture.

The Indenture may be amended, and in many cases may be amended without the consent of Holders of Notes. Such amendments could be adverse to certain owners of Notes. In addition, certain amendments will require the consent of the Holders of only a Majority of a Class and/or the Holders of certain Classes, but not others. The interests of non-voting Holders could be adversely affected by the consents of others. In connection with certain other amendments, the Indenture will provide a Majority of any Class the right to object to such amendment. The interests of non-objecting Classes (or non-objecting owners within an objecting Class) may be adversely affected by any such objection. In the event that Holders do not object to such an amendment within a specified timeframe, they will be deemed to have consented to such amendment. See "Description of the Notes—The Indenture—Modification of Indenture."

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

No representation is made as to the proper characterization of the Notes for legal investment, financial institution regulatory, financial reporting or other purposes, as to the ability of particular investors to purchase the Notes under applicable legal investment or other restrictions or as to the consequences of an investment in the Notes for such purposes or under such restrictions. Certain regulatory or legislative provisions applicable to certain investors may have the effect of limiting or restricting their ability to hold or acquire the Notes, which in turn may adversely affect the ability of investors in the Notes who are not subject to those provisions to resell their Notes in the secondary market.

In response to the recent downturn in the credit markets and the global economic crisis, various agencies and regulatory bodies of the United States federal government and in Europe have taken or are considering taking actions to address the financial crisis. These actions include, but are not limited to, the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), which was signed into law on July 21, 2010, and which imposes a new regulatory framework over the U.S. financial services industry and the consumer credit markets in general, and proposed and actual regulations by the SEC and the Commodity Futures Trading Commission ("**CFTC**") that, if enacted and/or implemented as currently anticipated, would significantly alter the manner in which asset-backed securities, including securities similar to the Notes, are issued and structured and increase the reporting obligations of the issuers and asset managers of such securities.

Pursuant to the Dodd-Frank Act, the CFTC has promulgated a range of new regulatory requirements that may affect the pricing, terms and compliance costs associated with Hedge Agreements that may be entered into by the Issuer from time to time. Some or all of the Hedge Agreements may be affected by requirements for central clearing with a derivatives clearinghouse organization, by initial and variation margin requirements of clearing organizations or otherwise required by law, reporting obligations in respect of Hedge Agreements, documentation responsibilities, and other matters that may significantly increase costs to the Issuer and/or the Portfolio Manager, lead to the Issuer's inability to purchase additional Collateral Obligations or have unforeseen legal consequences on the Issuer or the

Portfolio Manager or have other material adverse effects on the Issuer or the holders. In addition, recently adopted CFTC rules under the Dodd-Frank Act include "swaps" along with "commodities" as contracts which if traded by an entity may cause that entity to fall within the definition of a "commodity pool" under the Commodity Exchange Act and the Portfolio Manager to fall within the definition of a "commodity pool operator" ("**CPO**"). Although the CFTC has recently provided guidance that certain securitization transactions, including CLOs, will be excluded from the definition of "commodity pool", it is unclear if such exclusion will apply to all CLOs, and in certain instances, the collateral manager of a securitization vehicle may be required to register as a CPO with the CFTC or apply for an exemption from registration. The Issuer (or the Portfolio Manager on behalf of the Issuer) will not be permitted to enter into a Hedge Agreement unless (i) it obtains an opinion of counsel that (x) either (1) the Issuer will not be a "commodity pool" as defined in Section 1a(10) of the Commodity Exchange Act, as amended, solely due to the Issuer's entry into such Hedge Agreement or (2) if the Issuer would be a commodity pool, (a) the Portfolio Manager, and no other party, would be the "commodity pool operator" and "commodity trading advisor" and (b) with respect to the Issuer as the commodity pool, the Portfolio Manager is eligible for an exemption from registration as commodity pool operator and commodity trading advisor with respect to the Issuer and all conditions precedent to obtaining such an exemption have been satisfied and (y) such Hedge Agreement is a Permitted Hedge, (ii) it obtains the prior written consent of a Majority of the Controlling Class and (iii) the Global Rating Agency Condition is satisfied.

The requirements of any exemption from regulation of the Portfolio Manager as a CPO with respect to the Issuer could cause the Issuer or the Portfolio Manager to be subject to registration and reporting requirements that may involve material costs to the Issuer. The scope of the requirements described above and related compliance costs is uncertain but could adversely affect the amount of funds available to make payments on the Notes. While the Issuer may be excluded from the definition of "commodity pool" or the Portfolio Manager may satisfy the requirements of an exemption from the registration requirements described above, the conditions of any such exclusion or exemption may constrain the extent to which the Issuer may be able to enter into swap transactions. In particular, the limits imposed by such exclusion or exemptions may prevent the Issuer from entering into a Hedge Agreement that the Portfolio Manager believes would be advisable or result in the Issuer incurring financial risks that would have been hedged absent such limits.

Given the broad scope and sweeping nature of these changes and the fact that final implementing rules and regulations have not yet been enacted, the potential impact of these actions on the Issuer, any of the Notes or any holders of Notes is unknown, and no assurance can be made that the impact of such changes would not have a material adverse effect on the prospects of the Issuer or the value or marketability of the Notes. In particular, if transactions are not exempted from any such new rules or regulations, the costs of compliance with such rules and regulations could have a material adverse effect on the Issuer and the holders of Notes. If the Issuer were unable to comply with such rules and regulations (because of excessive cost, unavailability of information or otherwise), an Event of Default could result. Liquidation of the Assets as a result of an Event of Default could have a material adverse effect on the holders of Notes, particularly the Subordinated Notes.

In addition, proposed rules regarding risk retention by sponsors of asset-backed securities could potentially limit the ability of the Issuer to issue additional Notes or undertake any Partial Redemption by Refinancing. Furthermore, no assurance can be made that the United States federal government or any U.S. regulatory body (or other authority or regulatory body) will not continue to take further legislative or regulatory action in response to the economic crisis or otherwise, and the effect of such actions, if any, cannot be known or predicted.

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

The Final Draft ITS were published in the Official Journal of the European Union on June 5, 2014 and came into force on June 25, 2014 (such enacted regulation being the "**Final ITS**"). The Final Draft RTS were published

in the Official Journal of the European Union on June 13, 2014 and came into force on July 3, 2014 (such enacted regulation being the "**Final RTS**"). Except in very limited circumstances, the Final RTS and Final ITS replace in their entirety the Article 122a Guidelines.

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

On July 22, 2013, EU Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") became effective. Article 17 of AIFMD required the EU Commission to adopt level 2 measures similar to those in Article 404, permitting EEA managers of alternative investment funds ("**AIFMs**") to invest in securitizations on behalf of the alternative investment funds ("**AIFs**") they manage only if the originator, sponsor or original lender has explicitly disclosed that it will retain on an ongoing basis, a material net economic interest of not less than 5% in respect of certain specified credit risk tranches or asset exposures and also to undertake certain due diligence requirements. Commission Delegated Regulation 231/2013 (the "**AIFMD Level 2 Regulation**") included those level 2 measures. Although the requirements in the AIFMD Level 2 Regulation are similar to those which apply under Article 404, they are not identical. In particular, the AIFMD Level 2 Regulation requires AIFMs to ensure that the sponsor or originator of a securitization meets certain underwriting and originating criteria in granting credit, and imposes more extensive due diligence requirements on AIFMs investing in securitizations than are imposed on Affected 404 Investors under Article 404. Furthermore, AIFMs who discover after the assumption of a securitization exposure that the retained interest does not meet the requirements, or subsequently falls below 5% of the economic risk, are required to take such corrective action as is in the best interests of investors. It is unclear how this last requirement is expected to be addressed by AIFMs should those circumstances arise. The requirements of the AIFMD Level 2 Regulation apply to new securitizations issued on or after January 1, 2011.

In addition, AIFMD provides that AIFs must have a designated AIFM with responsibility for portfolio and risk management. Although the portfolio and risk management provisions of AIFMD apply only to EEA AIFMs when managing any AIF, the disclosure and transparency requirements of AIFMD will apply to any non-EEA AIFs which are to be marketed in the EEA after July 22, 2013 (subject to any applicable transitional period for AIFs which commenced marketing prior to July 22, 2013 and subject to the implementation of AIFMD under national law). The Issuer expects to be exempt from AIFMD as a "securitisation special purpose entity". In the United Kingdom, the Financial Conduct Authority (the "**FCA**") has issued a policy statement in relation to the implementation of AIFMD in the United Kingdom, which in effect confirms that the FCA regards any issue of debt securities which does not constitute a "collective investment scheme" (within the meaning of section 235 of the Financial Services and Markets Act 2000) as similarly falling outside the scope of the AIFMD. However, in providing such guidance, the FCA referred to the possibility that the European Securities and Markets Authority ("**ESMA**") will, in due course, provide guidance on the meaning of a "securitisation special purpose entity" under the AIFMD. ESMA has not yet given any formal guidance on the application of this exemption. If AIFMD were to apply to the Issuer as a non-EEA AIF and the Issuer engaged in any marketing in the EEA, the Issuer would be subject to the disclosure and transparency requirements of AIFMD, which require, among other things, that investors in the European Union receive initial and periodic disclosures concerning any AIF which is marketed to them; that annual financial reports of the AIF must be prepared in compliance with the AIFMD and made available to investors; that periodic reports

relating to the AIF must be filed with the competent regulatory authority in each EU member state in which the fund has been marketed. All or any of these regulatory requirements may adversely affect the Portfolio Manager's ability to achieve the Issuer's investment objective, and may result in additional costs and expenses for the Issuer. In addition, it is unclear whether or not the Issuer would be able to comply with such disclosure requirements. It is also unclear what position will be taken by regulators in other EEA Member States in their interpretation and implementation of AIFMD.

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

Accordingly, all investors whose investment activities are subject to local investment laws and regulations, regulatory capital requirements, or review by regulatory authorities should consult with their own legal, accounting and other advisors in determining whether, and to what extent, the Notes will constitute legal investments for them or are subject to investment or other restrictions, unfavorable accounting treatment, capital charges or reserve requirements.

The Volcker Rule may negatively affect the liquidity and the value of certain Classes of the Notes.

Section 619 of the Dodd-Frank Act added a provision to federal banking law to generally prohibit certain banking entities (including Citigroup and its affiliates) from engaging in proprietary trading or from acquiring or retaining an ownership interest in, or sponsoring or having certain relationships with, a hedge fund or private equity fund, subject to certain exemptions (such statutory provision together with implementing regulations, the "**Volcker Rule**"). The relevant U.S. federal agencies adopted final regulations with respect to the Volcker Rule on December 10, 2013. Banking entities that are subject to the Volcker Rule have until July 21, 2015 to bring any existing activities and investments into compliance, though the Federal Reserve announced on April 7, 2014 that it intends to grant two additional one-year extensions, which together would extend the conformance period until July 21, 2017. Although not required by the implementing regulations adopted December 10, 2013, the order issued by the Federal Reserve extending the conformance period to July 21, 2015 requires that banking entities develop and implement a conformance plan to terminate prohibited activities and divest impermissible investments by the end of the conformance period. Banks are expected to establish their compliance programs "as soon as practicable and in no case later than the end of the conformance period."

The Volcker Rule includes as a covered fund any entity that would be an investment company but for the exemptions provided by Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act. Therefore, absent an exemption, the Issuer would be a covered fund. The Issuer expects to qualify for the "loan securitization exemption," which applies to an asset-backed security issuer the assets of which, in general, consist only of loans, assets or rights (including certain types of securities) designed to assure the servicing or timely distribution of proceeds to holders or that are related or incidental to purchasing or otherwise acquiring and holding the loans. In order to qualify for the loan securitization exemption, the Issuer will not be permitted to purchase securities (such as bonds and floating rate notes), which may limit or reduce the returns available to the Notes, especially the Subordinated Notes.

If the Issuer were determined to not qualify for the loan securitization exemption, or were otherwise determined to be a covered fund, there would be limitations on the ability of banking entities to purchase or retain any Class deemed to be "ownership interests," which would be expected to include the Subordinated Notes, but could also potentially include other Classes. Depending on market conditions, this could significantly and negatively affect the liquidity and market value of the affected Classes. Moreover, the ability of Citigroup to make a market in the affected Classes would be subject to certain limitations, which could, if Citigroup otherwise had decided to make a market in such securities, further negatively affect liquidity and market value of the affected Classes. In addition, if the Issuer were determined to be a covered fund and Citigroup were determined to have sponsored or organized and offered the Issuer's Notes, Citigroup and its affiliates may not be permitted to engage in certain transactions with the

Issuer, possibly including the sale of loans to the Issuer. This could negatively affect the Issuer and Portfolio Manager's ability to manage the portfolio of Assets.

Changes in Tax Law; No Gross-Up in Respect of Notes.

All payments made by the Issuer under the Notes will be made without any deduction or withholding for or on account of any tax unless such deduction or withholding is required by any applicable law or pursuant to a voluntary agreement entered into with a taxing authority in connection with FATCA, as modified by the practice of any relevant governmental revenue authority, then in effect. Although no withholding tax or deduction is currently imposed on the payments of interest or principal on the Notes, there can be no assurance that, as a result of any change in any applicable law, treaty, rule, regulation, or interpretation thereof (whether by official or informal means), the payments on the Notes would not in the future become subject to withholding taxes or deductions. In the event that any withholding tax or deduction is imposed on payments of interest or other payments on the Notes, the Issuer will not "gross up" payments to the Holders of the Notes.

Changes in Tax Law; Imposition of Tax on Issuer.

The Issuer is not currently subject to U.S. federal income tax or Cayman Islands tax. However, there can be no assurance that the Issuer will not in the future be subject to tax by the United States, the Cayman Islands or some other jurisdiction as a result of a change in law (including, for example, previously proposed U.S. federal income tax legislation that would tax certain foreign corporations that are managed and controlled in the United States as U.S. corporations). In the event that tax is imposed on the Issuer, the Issuer's ability to repay the Notes may be impaired. See "— Issuer may be Subject to Withholding under FATCA and Holders may be Subject to Withholding or Forced Sale for Failure to Provide Certain FATCA Information".

Changes in Tax Law; Imposition of Tax on Non-U.S. Holders.

Interest and principal payments on the Notes to a Non-U.S. Holder (as defined in "U.S. Federal Income Tax Considerations—Introduction") and gain recognized on the sale, exchange or retirement of the Notes by a 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 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. 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. See "—Issuer may be Subject to Withholding under FATCA and Holders may be Subject to Withholding or Forced Sale for Failure to Provide Certain FATCA Information".

Changes in Tax Law; No Gross-Up in Respect of Collateral Obligations.

A Collateral Obligation will be eligible for purchase by the Issuer if, at the time it is purchased, either the payments thereon are not subject to U.S. withholding tax or foreign withholding tax or the obligor thereof is required to make "gross up" payments that cover the full amount of any such withholding taxes (other than for fees received with respect to Revolving Collateral Obligations, Delayed Drawdown Collateral Obligations or Letter of Credit). However, there can be no assurance that, as a result of any change in any applicable law, treaty, rule, regulation or interpretation thereof, the payments on the Collateral Obligations would not in the future become subject to withholding taxes imposed by the United States or another jurisdiction. In that event, if the obligors of such Collateral Obligations were not then required to make "gross up" payments that cover the full amount of any such withholding taxes, the amounts available to make payments on the Notes would accordingly be reduced. There can be no assurance that remaining payments on the Collateral Obligations would be sufficient to make timely payments of interest on and payment of principal at the Stated Maturity of each Class of the Notes or that there would be amounts available to pay dividends and make other distributions on the Notes.

Changes in Tax Law; Proposed Amendment to Portfolio Interest Rules.

Proposals are made from time to time to amend the Code. One recent proposal, if enacted, would, among other things, amend the portfolio interest rules in a manner that would impose a 30% withholding tax on interest payments received by foreign corporations such as the Issuer on U.S. corporate obligations. This provision would not override

treaty agreements but the Issuer does not benefit from any treaties. The provision is proposed to be effective to obligations issued more than one year after the date of enactment.

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

U.S. Trade or Business.

Upon the issuance of the Notes, Ashurst LLP will deliver an opinion generally to the effect that, under current law, assuming compliance with the Indenture (and certain other documents) and based upon certain factual representations made by the Issuer and/or the Portfolio Manager, and assuming the correctness of all opinions and advice of counsel that permit the Issuer to take or fail to take any action under the Transaction Documents based upon such opinions or advice, although the matter is not free from doubt, the Issuer will not be treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes. The opinion of Ashurst LLP will be based on certain factual assumptions, covenants and representations as to the Issuer's contemplated activities. The Issuer intends to conduct its affairs in accordance with such assumptions and representations. However, you should be aware that the opinion referred to above will be predicated upon the Portfolio Manager's compliance with certain tax restrictions set out in the Indenture and the Portfolio Management Agreement (the "**Tax Investment Guidelines**"), which are intended to prevent the Issuer from engaging in activities which could give rise to a trade or business within the United States. Although the Portfolio Manager has generally undertaken to comply with the Tax Investment Guidelines, the Portfolio Manager is permitted to depart from the Tax Investment Guidelines if it obtains an opinion from nationally recognized tax counsel (or written advice from Ashurst LLP or Lowenstein Sandler LLP) that the departure will not cause the Issuer to be treated as engaged in a trade or business within the United States. There can be no assurance that any such opinion or advice of tax counsel will be consistent with Ashurst LLP's current views and opinion standards, and any such departures would not be covered by the opinion of Ashurst LLP referred to above. Furthermore, the Portfolio Manager is not obligated to monitor changes in law that could affect whether the Issuer is treated as engaged in a U.S. trade or business. The Portfolio Manager might act in accordance with the Tax Investment Guidelines notwithstanding the issuance of new decisions by the courts, new legislation or official guidance (regardless of whether such new interpretation, legislation or guidance would either merely increase the risk that the Issuer would be, or actually cause the Issuer to be, engaged in a U.S. trade or business). In addition, although the Portfolio Manager can be removed for cause, the definition of "cause" in the context of violations of the Tax Investment Guidelines is not clear. Such violations will not constitute "cause" if they do not, and cannot reasonably be expected to have, a material adverse effect on the Holders. It is not certain that a violation of the Tax Investment Guidelines that causes an increase in the risk that the Issuer will be engaged in a trade or business in the United States for U.S. federal income tax (without actually having that effect) will be treated as reasonably being expected to have such a material adverse effect. The opinion of special U.S. tax counsel is based on the Transaction Documents as of the Closing Date and, accordingly, will not address any potential U.S. federal income tax effect of any supplemental indenture.

In addition, the opinion of Ashurst LLP and any such other advice or opinions are not binding on the IRS or the courts, and no ruling will be sought from the IRS regarding this, or any other, aspect of the U.S. federal income tax treatment of the Issuer. Accordingly, in the absence of authority on point, the U.S. federal income tax treatment of the Issuer is not entirely free from doubt, and there can be no assurance that positions contrary to those stated in the opinion of Ashurst LLP or any such other advice or opinions may not be asserted successfully by the IRS.

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

To reduce the risk that the Issuer will be engaged in a trade or business in the United States, if the Issuer acquires or holds a Taxed Asset, the Issuer will either (i) sell or otherwise dispose of all or a portion of such Taxed Asset in accordance with the provisions of the Indenture, or (ii) set up in accordance with the requirements of the Indenture one or more wholly owned special purpose vehicles (to the extent one is not already in existence) of the Issuer that is treated as a corporation for U.S. federal income tax purposes (a "**Tax Subsidiary**") to receive and hold any such Taxed Asset; *provided* that the Issuer shall not form a Tax Subsidiary if the ownership of such Tax Subsidiary by the Issuer would, in the sole reasonable determination of the Portfolio Manager, cause the Issuer to be

treated as a "covered fund" under the Volcker Rule. Each Tax Subsidiary will be required at all times to have at least one independent director meeting the requirements of an "Independent Director" as set forth in the Tax Subsidiary's organizational documents complying with any applicable Rating Agency rating criteria. The Issuer will cause the purposes and permitted activities of any such Tax Subsidiary to be restricted solely to the acquisition, holding and disposition of such Taxed Asset and will require such Tax Subsidiary to distribute 100% of the proceeds of any sale of such assets, net of any tax liabilities, to the Issuer. Income on such Taxed Assets will be subject to U.S. federal income tax, and possibly state and local tax, at regular corporate rates and distributions by such Tax Subsidiaries to the Issuer (or, in the case of non-U.S. Tax Subsidiaries, amounts distributed to the Tax Subsidiary) attributable to such income may also be subject to U.S. withholding tax.

Issuer may be Subject to Withholding under FATCA and Holders may be Subject to Withholding or Forced Sale for Failure to Provide Certain FATCA Information.

FATCA imposes a 30% withholding tax on certain payments of U.S. source income and gross proceeds from the sale of property that produces certain U.S. source income to certain non-United States persons that are "foreign financial institutions," such as the Issuer, and certain "non-financial foreign entities", unless certain conditions are satisfied. Generally, the withholding tax is phased in over several years and applies to payments of U.S. source income, to certain gross proceeds paid on or after January 1, 2017 and certain "foreign passthru payments" (described below) no earlier than January 1, 2017. As a general matter, FATCA withholding tax will not be imposed if (i) the payment is made with respect to an obligation outstanding on or prior to June 30, 2014 (that has not been modified on or after June 30, 2014, and treated as reissued for U.S. federal income tax purposes) (a "**Grandfathered Obligation**"), or (ii) if required to do so, the Issuer (and each foreign withholding agent (if any) in the chain of custody of payments made to the Issuer) enters into an agreement (an "**FFI Agreement**") with the U.S. Internal Revenue Service (the "**IRS**") that requires the Issuer to satisfy certain withholding tax and information reporting requirements regarding its U.S. holders. For this purpose, the term "obligation" does not include obligations that lack a definitive expiration or term (such as savings or demand deposits) or equities. The debt obligations held by the Issuer generally should be Grandfathered Obligations if such obligations were outstanding as of (and not modified after) June 30, 2014 (even if the Issuer purchases the obligation after June 30, 2014).

If it is required to do so in order to avoid FATCA withholding, the Issuer expects to enter into an FFI Agreement. Under the terms of such an agreement, the Issuer is expected to be obligated to comply with certain withholding tax obligations imposed on payments made to Recalcitrant Holders (generally, certain foreign financial institutions that fail to enter into an FFI Agreement and certain holders, including non-financial foreign entities, that fail to provide certain information to the Issuer that would enable the Issuer to comply with its own information reporting obligations. Accordingly, the Issuer will be obligated to withhold tax at a 30% rate on certain "foreign passthru payments" made to Recalcitrant Holders. Such withholding would begin no earlier than January 1, 2017. Preliminary guidance that was not included in the final regulations suggested that a payment on a Note will be treated as a foreign passthru payment to the extent of the amount of the payment multiplied by a ratio equal to the Issuer's average U.S. assets to its average total assets, determined as of specified testing dates. U.S. assets likely will be defined broadly for purposes of this determination. Although the final regulations do not contain the above formulation the Treasury has indicated that rules defining foreign passthru payments will be issued at a later date. Thus, it is unclear if the eventual rule for withholding with respect to the foreign passthru payments described above will adopt this assets based approach. Further, a debt obligation (such as the Notes) that does not produce U.S. source payments will be grandfathered if the obligation is outstanding six months after the adoption of final regulations addressing withholding on foreign passthru payments. Because such regulations have yet to be adopted and payments on the Notes are expected to be comprised solely of non-U.S. source payments, the Notes (other than Subordinated Notes and any other Class of Notes characterized as equity for U.S. federal income tax purposes in the Issuer) should not be subject to tax since such securities should be treated as grandfathered for U.S. federal income tax purposes. The Subordinated Notes (and any other Class of Notes characterized as equity for U.S. federal income tax purposes in the Issuer) are not eligible for grandfathering because they represent equity in the Issuer for U.S. federal income tax purposes. See "U.S. Federal Income Tax Considerations—FATCA."

In addition, if an FFI Affiliate of the Issuer is not FATCA compliant (i.e., it fails to comply with (and is not exempted from complying with) FATCA), the Issuer itself may be prohibited from complying with FATCA. For this purpose, an "FFI Affiliate" generally is a "foreign financial institution", as defined in Section 1471(d)(4) of the Code (an "**FFI**"), that is deemed to be part of an affiliated group that includes the Issuer (where, in general, such

affiliates and the Issuer are deemed related through more than 50% ownership). For example, if an FFI owns (for U.S. federal income tax purposes) more than 50% of the Issuer's equity and such FFI equity owner is not FATCA compliant, the Issuer may not be eligible to comply with FATCA. Furthermore, in certain cases, if an entity is deemed (for U.S. federal income tax purposes) to own more than 50% of the equity of both (i) the Issuer and (ii) another FFI, such other FFI may be treated as an FFI Affiliate of the Issuer for this purpose and, thus, if such other FFI is not FATCA compliant, the Issuer may be prohibited from complying with FATCA. For these purposes, ownership by a person of the Majority of the Subordinated Notes of the Issuer is likely to constitute the requisite ownership by that person of the Issuer. Similarly ownership by a person of a majority of the ordinary share capital of another FFI or, in the case of another FFI which is a special purpose entity similar to the Issuer, of the most junior class and any other class treated as equity for U.S. federal tax purposes of such other FFI, is likely to constitute the requisite ownership by that person of such other FFI.

Although the Issuer will not prohibit any holder from accumulating more than 50% of the Issuer's equity, it does retain the right to force the sale of all or any portion of such equity if such holding prevents the Issuer from complying with FATCA. For these purposes, the Issuer may sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA.

The Cayman Islands have entered into a Model 1 intergovernmental agreement (the "**US IGA**") with the United States and have entered into a similar intergovernmental agreement (the "**UK IGA**") with the United Kingdom (together with the US IGA, the "**IGAs**"). The Issuer will be required to comply with the Cayman Islands Tax Information Authority Law (2013 Revision)(as amended) together with regulations and guidance notes made pursuant to such Law (the "**Cayman FATCA Legislation**") that give effect to the IGAs. To the extent the Issuer cannot be treated as a Non-Reporting Cayman Islands Financial Institution (as defined in the IGAs) by taking advantage of one of the categories set out in Annex II to the IGAs (for example by being a Sponsored Investment Entity (as defined in the IGAs)), the Issuer will be a "Reporting Cayman Islands Financial Institution" (as defined in the IGAs). As such, the Issuer is required to register with the IRS to obtain a Global Intermediary Identification Number (for the purposes of the US IGA only) and to report to the Cayman Islands Tax Information Authority any payments made to (i) Specified US Persons with respect to US Reportable Accounts and (ii) Specified UK Persons with respect to UK Reportable Accounts (each such term as defined in the relevant IGA). The Cayman Islands Tax Information Authority will exchange such information with the IRS or HMRC as the case may be under the terms of the relevant IGA. Under the terms of the US IGA, withholding will not be imposed on payments made to the Issuer unless the IRS has specifically listed the Issuer as a non-participating financial institution, or on payments made by the Issuer (except perhaps with respect to passthru payment withholding) to the Noteholders unless the Issuer has otherwise assumed responsibility for withholding under United States tax law.

The Issuer is permitted to enter into a supplemental indenture without the consent of holders to provide for the issuance of new Notes of a Class of Notes or the creation of sub-classes of such Class of Notes (in each case, with new identifiers) if it determines that one or more beneficial owners of such Class of Notes is a Recalcitrant Holder. The intent of such a supplemental indenture would be to allow holders of such Class that are not Recalcitrant Holders to take an interest in such new Note(s) or sub-class(es) in order to isolate the identity of the Recalcitrant Holder(s) and lessen the likelihood that holders, other than any applicable Recalcitrant Holder(s), would be subject to withholding due to the failure of a Recalcitrant Holder to provide the Issuer with Holder FATCA Information. However, there can be no assurance that any such supplemental indenture will be entered into or, if it is, that it will have the effect of eliminating or reducing withholding on any holder's Notes caused by a Recalcitrant Holder.

If the Issuer fails to comply with FATCA, it could be subject to a material amount of withholding that would substantially reduce the amount of cash available to pay all its holders, and such withholding may be allocated disproportionately to a particular Class of holders (including holders that have provided the Issuer with all requested information) and there will be no "gross up" (or any other additional amount) payable by way of compensation to the holders for the deducted amounts. In addition, if the Issuer reasonably believes that it is required under FATCA (including a voluntary agreement entered into with a taxing authority) to closeout any holder for failing to comply with its requests for identifying information, it may cause the forced transfer of Notes (including some held by compliant holders) and such transfers may be for less than the fair market value of such Notes.

Under the Indenture, each Holder or beneficial owner of a Note will agree to or be deemed to agree to (i) provide the Issuer or an authorized agent acting on its behalf (and any applicable Intermediary) with the Holder FATCA Information and to take any other action reasonably necessary (in the determination of the Issuer, the

Portfolio Manager or their respective agents) to enable the Issuer or an Intermediary to comply with FATCA and (ii) permit the Issuer, the Portfolio Manager, any applicable Intermediary and the Trustee (on behalf of the Issuer) or their respective agents, if required to avoid FATCA withholding, to (x) share such information with the IRS and other governmental taxing authorities, (y) compel or effect the sale of Notes held by any such holder that fails to comply with the foregoing requirements or if such holder's ownership would prevent the Issuer from qualifying as, or complying with any obligations or requirements imposed on, a "Participating FFI" within the meaning of the Code or any Treasury Regulations promulgated thereunder or a "deemed-compliant FFI" within the meaning of the Code or any Treasury Regulations promulgated thereunder, or otherwise prevents the Issuer from complying with FATCA and (z) make other amendments to the Indenture to enable the Issuer to comply with FATCA.

United Kingdom and Cayman Islands Information Sharing Agreement.

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

Investor's Obligation to Provide Tax Forms other than in connection with FATCA.

Under the terms of the Indenture, each investor in Notes must provide the Issuer and its agents with any documentation reasonably requested by the Issuer to permit the Issuer and its agents to (i) make payments to the investor without, or at a reduced rate of, deduction or withholding, (ii) qualify for a reduced rate of withholding or deduction in any jurisdiction from or through which the Issuer receives payments on its assets and (iii) satisfy its tax reporting and other obligation.

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 your investment in a Note, please see the summary under "U.S. Federal Income Tax Considerations" below.

Certain U.S. investors are subject to additional reporting requirements.

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

specified foreign financial assets to file IRS Form 8938. In addition, certain non-resident alien individuals may be required to file Form 8938, notwithstanding the availability of any special treatment under an income tax treaty. However, in general, such form is not required to be filed with respect to the Notes if they are held through a U.S. payer, such as a U.S. financial institution, a U.S. branch of a non-U.S. bank, and certain non-U.S. branches or subsidiaries of U.S. financial institutions.

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

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

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

Each of the Issuer and the Co-Issuer is a recently incorporated or organized entity and has no prior operating history or investment track record. Accordingly, neither the Issuer nor the Co-Issuer has a performance history for a prospective investor to consider in making its decision to invest in the Notes.

Notes Issued in additional issuances may not be fungible for U.S. federal income tax purposes with the Notes issued in the original Offering.

Whether any new notes would be fungible for U.S. federal income tax purposes with the Notes issued on the Closing Date would depend on whether the issuance of such new notes would be treated as a "qualified reopening" within the meaning of U.S. Treasury regulations. This determination will depend on facts that cannot be determined at this time, possibly including the date on which such issuance occurs, the yield of the outstanding Notes at that time (based on their fair market value) and whether any outstanding Notes are publicly traded or quoted at that time (which will depend, in part, on whether the outstanding stated principal amount of the outstanding Notes exceeds $100 million and whether the Notes are treated as debt for U.S. federal income tax purposes). In addition, potential investors should note that Notes issued after June 30, 2014 which are expressed to be consolidated and form a single series with previously issued Notes may not be treated as a qualified reopening and thus, may not be grandfathered under FATCA, even if the previously issued Notes originally were grandfathered under FATCA (such Notes, "**Grandfathered Notes**"). Finally, the issuance of Notes after June 30, 2014 which are expressed to be consolidated and form a single series with Notes that otherwise qualify as Grandfathered Notes should not, as a legal matter, affect the grandfathering status of the previously Grandfathered Notes. However, potential investors in the Notes should be aware that, as a practical matter, it may not be possible for a paying agent or an intermediary to differentiate between Grandfathered Notes and non-Grandfathered Notes of the same series held in a securities account and that no Note in the series may be treated by the paying agent or Intermediary as Grandfathered Notes. In light of this, a paying agent or Intermediary may withhold on payments in respect of a Grandfathered Note.

Restrictions on Affected Banks Purchasing Class E Notes and Subordinated Notes.

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

State and local taxes may reduce a Holder's anticipated return on the Notes.

In addition to the federal income tax consequences described in "U.S. Federal Income Tax Considerations" and "Certain ERISA and Legal Investment Considerations" herein, potential investors should consider the state and local income tax consequences of the acquisition, ownership, and disposition of the Notes. State and local income tax law may differ substantially from the corresponding federal law, and this Offering Circular does not purport to describe

any aspect of the income tax laws of any state or local jurisdiction. Therefore, potential investors should consult their own tax advisors with respect to the various state or local tax consequences of an investment in the Notes.

Limited Funds Available to the Issuer to Pay its Operating Expenses.

The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Collateral Administrator, the Portfolio Manager and the Administrator and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited as described in "Overview of Terms—Priority of Payments." In the event that such funds are not sufficient to pay the expenses incurred by the Issuer, the ability of the Issuer to operate effectively may be impaired, and the Issuer, any Tax Subsidiary, the Trustee, the Collateral Administrator, the Portfolio Manager and/or the Administrator may not be able to defend or prosecute legal proceedings that may be brought against them or that they might otherwise bring to protect the interests of the Issuer. In addition, service providers who are not paid in full, including the Administrator which provides the directors to the Issuer, have the right to resign. This could lead to the Issuer being in default under the Companies Law and potentially being struck from the register of companies and dissolved.

Third Party Litigation.

The Issuer's investment activities subject it to the normal risks of becoming involved in litigation by third parties. The expense of defending against claims by third parties, including involuntary bankruptcy petitions, and paying any amounts pursuant to settlements or judgments would generally be borne by the Issuer and would reduce the Interest Proceeds and Principal Proceeds available for distribution and the Issuer's net assets.

Purchase of Collateral Obligations through one or more Tax Subsidiaries.

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

The Notes are not guaranteed by the Co-Issuers, the Initial Purchaser, the Portfolio Manager, any Hedge Counterparty, the Collateral Administrator or the Trustee.

None of the Co-Issuers, the Initial Purchaser, the Portfolio Manager, any Hedge Counterparty, the Collateral Administrator or the Trustee or any affiliate thereof makes any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) to investors of ownership of the Notes and no purchaser 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 such purchaser of ownership of the Notes. Each purchaser of any Class of the Notes, by its acceptance thereof, will be deemed, and each purchaser of the Certificated Subordinated Notes and Certificated Secured Notes, by its acceptance thereof, will be required, to represent to the Issuer and the Initial Purchaser, among other things, that such purchaser has consulted with its own legal, regulatory, tax, business, investment, financial, and accounting advisors regarding investment in the Notes as such purchaser has deemed necessary and that the investment by such purchaser is within its powers and authority, is permissible under applicable laws governing such purchase, has been duly authorized by it and complies with applicable securities laws and other laws.

Non-Compliance with restrictions on ownership of the Notes and the United States Investment Company Act of 1940 could adversely affect the Issuer.

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

If the SEC or a court of competent jurisdiction were to find that the Issuer or the Co-Issuer is required, but in violation of the Investment Company Act had failed, to register as an investment company, possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors in the Issuer and the Co-Issuer could sue the Issuer and the Co-Issuer and recover any damages caused by the violation; and (iii) any contract to which the Issuer and/or the Co-Issuer is party that is made in violation of the Investment Company Act or whose performance involves such violation would be unenforceable by any party to the contract unless a court were to find that under the circumstances enforcement would produce a more equitable result than non-enforcement and would not be inconsistent with the purposes of the Investment Company Act. In addition, such a finding would constitute an Event of Default under the Indenture. Should the Issuer or the Co-Issuer be subjected to any or all of the foregoing, the Issuer and the Co-Issuer would be materially and adversely affected.

If the Issuer determines that a holder or beneficial owner of the Notes that is a U.S. person was not a Qualified Purchaser at the time of its acquisition of the Notes, the Issuer will have the right, at its option, to require such person to dispose of its Notes to a person or entity that is qualified to hold the Notes immediately upon receipt of a notice from the Issuer that the relevant holder or beneficial owner was not a Qualified Purchaser.

Book-Entry holders are not considered holders under the Indenture.

Holders of beneficial interests in any Notes held in global form will not be considered holders of such Notes under the Indenture. After payment of any interest, principal or other amount to DTC, neither the Issuer nor the Co-Issuer will have any responsibility or liability for the payment of such amount by DTC or to any holder of a beneficial interest in a Note. DTC 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 DTC (and if such person is not a participant in DTC on the procedures of the participant through which such person holds such interest) with respect to the exercise of any rights of a holder of a Note under the Indenture. Notes held in global form will make FATCA Compliance more difficult and could lead to compulsory sales of Notes. See also "Description of the Notes—Compulsory Sales."

Holders of the Notes 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 Trustee to DTC, and DTC will be required to credit such distributions to the accounts of its participants which thereafter will be required to credit them to the accounts of the applicable holders of the Notes, either directly or indirectly through indirect participants.

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

On June 2, 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 Secured Notes and all information provided to the rating agency in connection with the surveillance of such rating, in each case, contemporaneous with the provision of such information to the applicable rating agency and (iii) provide access to such website to other rating agencies that have made certain certifications to the arranger regarding their use of the information. In this transaction, the "arranger" is the Issuer.

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

Under Rule 17g-5, rating agencies providing the requisite certifications described above may issue unsolicited ratings of the Secured Notes which may be lower and, in some cases, significantly lower than the ratings provided by the Rating Agencies. The unsolicited ratings may be issued prior to, on or after the Closing Date and will not be

reflected herein. Issuance of any unsolicited rating will not affect the issuance of the Notes. Such unsolicited ratings could have a material adverse effect on the price and liquidity of the Secured Notes and, for regulated entities, could adversely affect the value of the Secured Notes as a legal investment or the capital treatment of the Secured Notes.

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

Ratings are not recommendations to purchase, hold or sell any security or other obligation; Future actions of any Rating Agency and other NRSROs can adversely affect the market value or liquidity of the Notes.

Ratings provided by the Rating Agencies are statements of opinion and not statements of fact. A rating is not a recommendation to purchase, hold or sell any security or other obligation nor does it comment on market price, marketability, investor preference or suitability of any security or other obligation. Ratings should not be relied upon in making any investment decision.

The Rating Agencies may change their published ratings criteria or methodologies for securities such as the Notes at any time in the future. In fact, S&P has recently revised certain criteria that may affect securities such as the Notes. Further, the Rating Agencies may retroactively apply any such new standards to the ratings of the Notes. Any such action could result in a substantial lowering, suspension or withdrawal of any rating assigned to any Note, despite the fact that such Note might still be performing fully to the specifications set forth for such Note in this Offering Circular and the related Transaction Documents. Additionally, any Rating Agency may, at any time and without any change in its published ratings criteria or methodology, lower, suspend or withdraw any rating assigned by it to any Class of Notes. If any rating initially assigned to any Note is subsequently lowered, suspended or withdrawn for any reason, Holders of the Notes may not be able to resell their Notes without a substantial discount. Additionally, such a reduction or withdrawal to the ratings on any Class of Notes may trigger a Restricted Trading Period, which 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 Assets.

In addition to the ratings assigned to the Notes, the Issuer will be utilizing ratings assigned by the Rating Agencies to obligors of individual Collateral Obligations. Such ratings will primarily be publicly available ratings. There can be no assurance that the Rating Agencies will continue to assign such ratings utilizing the same methods and standards utilized today despite the fact that such Collateral Obligations might still be performing fully to the specifications set forth in the related underlying instruments. Any change in such methods and standards could result in a significant rise in the number of CCC Collateral Obligations or Caa Collateral Obligations in the Assets, which could cause the Issuer to fail to satisfy the Overcollateralization Ratio Test or the Reinvestment Overcollateralization Test on subsequent Determination Dates, which failure could lead to the early amortization of some or all of one or more Classes of the Notes in the case of a failure to satisfy the Overcollateralization Ratio Test or, in the case of a failure of the Reinvestment Overcollateralization Test, a reduction in the amount of Interest Proceeds available to make payments on the Subordinated Notes. See "Description of the Notes—Mandatory Redemption" and "Security for the Secured Notes—The Coverage Tests and the Reinvestment Overcollateralization Test."

Also, under Rule 17g-5, an NRSRO not currently rating the Secured Notes will be able to have access to the information that the Co-Issuers have provided to the Rating Agencies to allow them to rate, or undertake credit rating surveillance on, the Notes. Any NRSRO accessing such information may, in its sole discretion, provide an unsolicited rating on any of the Notes. There can be no assurance that any such unsolicited rating assigned by an NRSRO (other than the Rating Agencies) on any of the Notes will not be lower than the ratings of such Notes then assigned by the Rating Agencies, and any such unsolicited rating may be lowered, suspended or withdrawn at any time. If such unsolicited rating is lower than the ratings then assigned by the Rating Agencies, the market value of such Notes may be adversely affected and the liquidity of such Notes may be significantly reduced.

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

On a monthly basis, excluding any month in which a Payment Date occurs, the Issuer will compile and the Issuer will make available (or cause to be compiled and made available) to each Rating Agency, the Trustee, the Portfolio Manager, the Initial Purchaser and, upon written request therefor as provided in the Indenture, to any Holder or beneficial owner of a Note, a monthly report (the "**Monthly Report**") determined as of the last day of the prior calendar month, setting forth certain information with respect to the Collateral Obligations in respect of the immediately preceding month, including certain loss and delinquency information on the Collateral Obligations and measurements of certain investment criterion. In preparing and furnishing the Monthly Reports, the Issuer will rely conclusively on the accuracy and completeness of the information or data regarding the Collateral Obligations that has been provided to it by the Collateral Administrator (which, in turn, will be relying conclusively on the accuracy and completeness on certain information provided to it by the Portfolio Manager) pursuant to the terms of the Collateral Administration Agreement, and the Issuer will not verify, recompute, reconcile or recalculate any such information or data. On each Payment Date, the Issuer will render to each Rating Agency then rating a Class of Secured Notes, the Trustee, the Portfolio Manager, the Initial Purchaser, and, upon written request therefor as provided in the Indenture, to any Holder or beneficial owner of a Note, a report containing all the information in a Monthly Report as well as setting forth, among other things, certain information as to the distributions being made on such Payment Date, and the fees to be paid to the Portfolio Manager, the Collateral Administrator and the Trustee (the "**Distribution Report**"). Neither such information nor any other financial information furnished to Holders of the Notes will be audited and reported upon, and nor will an opinion be expressed, by an independent public accountant.

Prevention of Money Laundering and Terrorism.

The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the "**USA PATRIOT Act**"), signed into law on and effective as of October 26, 2001, requires that financial institutions, a term that includes banks, broker-dealers and investment companies, establish and maintain compliance programs to guard against money laundering activities. The USA PATRIOT Act requires the Secretary of the Treasury to prescribe regulations in connection with anti-money laundering policies of financial institutions. The U.S. Federal Reserve Board, the Treasury and the SEC are currently studying what types of investment vehicles should be required to adopt anti-money laundering procedures, and it is unclear at this time whether such procedures will apply to pooled investment vehicles such as the Co-Issuers. Future rules and regulations regarding money laundering or proceeds of crime could regulate the Issuer or the Co-Issuer. In addition, in April 2000, the Treasury published proposed regulations that would require certain investment advisors to establish an anti-money laundering program. It is possible that there could be promulgated legislation or regulations that would require the Issuer, the Co-Issuer, the Initial Purchaser, the Portfolio Manager or other service providers to the Co-Issuers, in connection with the establishment of anti-money laundering procedures, to share information with governmental authorities with respect to investors in the Notes. Such legislation and/or regulations could require the Co-Issuers to implement additional restrictions on the transfer of the Notes. The Co-Issuers reserve the right to request such information as is necessary to verify the identity of investors in the Notes, and the source of the payment of subscription monies, or as is necessary to comply with any customer identification programs required by Financial Crimes Enforcement Network and/or the SEC or such information as may be required in order for the Issuer to discharge its obligations under the laws of the Cayman Islands (including pursuant to the Proceeds of Crime Law (as amended)). In the event of delay or failure by the applicant to produce any information required for verification purposes, an application for or transfer of the Notes and the subscription monies relating thereto may be refused.

International Investing.

Certain of the Collateral Obligations may consist of obligations of, or securities issued by, obligors located in non-U.S. jurisdictions, including certain tax advantaged jurisdictions described herein. Investing outside the United States may involve greater risks than investing in the United States. These risks include: (i) less publicly available information; (ii) varying levels of governmental regulation and supervision; and (iii) the difficulty of enforcing legal rights in a foreign jurisdiction and uncertainties as to the status, interpretation and application of laws. Moreover, foreign companies are generally not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to United States companies.

Foreign markets also have different clearance and settlement procedures, and in certain markets there have been times when settlements have failed to keep pace with the volume of transactions, making it difficult to conduct such transactions. Delays in settlement could result in periods when assets of the Issuer are uninvested and no return is earned thereon. The inability of the Issuer to make intended Collateral Obligation purchases due to settlement problems or the risk of intermediary counterparty failures could cause the Issuer to miss investment opportunities. The inability to dispose of a Collateral Obligation due to settlement problems could result either in losses to the Issuer due to subsequent declines in the value of such Collateral Obligation or, if the Issuer has entered into a contract to sell the obligation, could result in possible liability to the purchaser. Transaction costs of buying and selling foreign obligations, including brokerage, tax and custody costs, also are generally higher than those involved in domestic transactions. Furthermore, foreign financial markets, while generally growing in volume, have, for the most part, substantially less volume than U.S. markets, and obligations of many foreign companies are less liquid and their prices more volatile than obligations of comparable domestic companies.

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

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

Regulation U Requirements.

Regulation U ("**Regulation U**") issued by the Board of Governors of the Federal Reserve System (the "**FRB**") governs certain extensions of credit that are secured by margin stock ("**Margin Stock**") as defined under Regulation U by persons other than securities broker-dealers (such persons, "**Regulation U Lenders**"). Under current interpretations of Regulation U by the FRB and its staff, the purchase of a debt security such as the Notes in a private placement may constitute an extension of credit. Among other things, Regulation U generally imposes certain limits on the amount of credit that Regulation U Lenders may extend that is used to purchase or carry Margin Stock ("**Purpose Credit**"). The provisions of the Indenture and the Portfolio Management Agreement are intended to ensure that the credit extended by purchasing the Notes is not Purpose Credit. Regulation U Lenders are not subject to the Regulation U credit limits with respect to extensions of credit that are not Purpose Credit.

Regulation U also generally requires Regulation U Lenders (other than persons that are banks within the meaning of Regulation U) who are not otherwise exempted from the registration requirements to register with the FRB. Under an interpretation of Regulation U by the FRB staff, Qualified Institutional Buyers purchasing debt securities in a transaction in compliance with Rule 144A are not required to register with the FRB where the proceeds of the securities are not Purpose Credit. Non-U.S. Persons purchasing Notes in reliance on Regulation S who do not have their principal place of business in a Federal Reserve District of the FRB also are not required to register with the FRB. However, other purchasers of the Notes should consider whether they are required to register with the FRB. In addition, purchasers of Notes subject to the registration requirements of Regulation U, as well as any purchasers of the Notes that are "banks" within the meaning of Regulation U, also may be subject to certain additional requirements under Regulation U. If the registration or other requirements of Regulation U are applicable to a purchaser of Notes, and such purchaser does not comply with such requirements, such failure may affect the enforceability of such purchaser's Notes. Purchasers of the Notes should consult their own legal advisors as to Regulation U and its application to them.

Relating to the Portfolio Manager

Performance history of the Portfolio Manager may not be indicative of future results.

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

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

Because the composition of the Assets will vary over time, the performance of the Assets depends heavily on the skills of the Portfolio Manager in analyzing, selecting and managing the Collateral Obligations. As a result, the Co-Issuers will be highly dependent on the financial and managerial experience of the investment professionals employed by the Portfolio Manager who are assigned to select and manage the Assets and perform the other obligations of the Portfolio Manager under the Portfolio Management Agreement. There is no assurance that such persons will continue to be employed by the Portfolio Manager or will continue to be assigned to select and manage the Assets or to perform the Portfolio Manager's other obligations and any such changes may be made without notice to, or the consent of, the Issuer. Employment arrangements between such persons and the Portfolio Manager may exist, but the Issuer is not a direct beneficiary of such arrangements, which arrangements are in any event subject to change without notice to, or the consent of, the Issuer. The Portfolio Manager may add additional employees to select and manage the Assets and perform the other obligations of the Portfolio Manager at any time without notice to, or the consent of, the Issuer. Any such additional employees 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 to the persons appointed by the Portfolio Manager to perform such obligations may have an adverse effect on the Assets, in which event payments on the Notes could be reduced or delayed.

The Portfolio Manager may resign or be removed in certain circumstances described herein. See "The Portfolio Management Agreement—Removal, Resignation and Replacement of the Portfolio Manager." No resignation or removal of the Portfolio Manager will be effective until a substitute Portfolio Manager has been appointed. However, there can be no assurance that any successor to BlueMountain as the Portfolio Manager upon the resignation or removal of BlueMountain in such capacity will have the same level of skill in performing the obligations of the Portfolio Manager, in which event payments on the Notes could be reduced or delayed. See "The Portfolio Management Agreement—Removal, Resignation and Replacement of the Portfolio Manager."

The Investment Professionals of the Portfolio Manager will attend to matters unrelated to the investment activities of the Issuer.

The Portfolio Manager has informed the Issuer that the investment professionals associated with the Portfolio Manager are actively involved in other investment activities not concerning the Issuer and will not be able to devote all of their time to the Issuer's business and affairs. In addition, individuals not currently associated with the Portfolio Manager may become associated with the Portfolio Manager and the performance of the Collateral Obligations may also depend on the financial and managerial experience of such individuals. See "The Portfolio Management Agreement" and "The Portfolio Manager."

Relating to the Collateral Obligations

Credit Rating Uncertainties.

Credit ratings of assets represent the rating agencies' opinions regarding their credit quality and are not a guarantee of quality. A credit rating is not a recommendation to buy, sell or hold assets and may be subject to revision or withdrawal at any time by the assigning rating agency. In the event that a rating assigned to any Collateral Obligation is lowered for any reason, no party is obligated to provide any additional support or credit enhancement with respect to such Collateral Obligation. Rating agencies attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value; therefore, ratings may not fully reflect the true risks of an investment. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events, so that an obligor's current financial condition may be better or worse than a rating indicates. Further, rating agencies may change credit rating methodology in response to recent legislative and regulatory initiatives. Consequently, credit ratings of any Collateral Obligation (as is also the case in respect of the Secured Notes) should be used only as a preliminary indicator of investment quality and should not be considered a completely reliable indicator of investment quality. Rating reductions or withdrawals may occur for any number of reasons and may affect numerous assets at a single time or within a short period of time, with material adverse effects upon the Notes. It is possible that many credit ratings of assets included in or similar to the Collateral Obligations will be subject to significant or severe adjustments downward.

Below investment-grade Assets involve particular risks.

The Assets will consist primarily of non-investment grade loans or interests in non-investment grade loans, which are subject to liquidity, market value, credit, interest rate, reinvestment and certain other risks. It is anticipated that the Assets generally will be subject to greater risks than investment grade corporate obligations.

These risks could be exacerbated to the extent that the portfolio is concentrated in one or more particular types of Collateral Obligations. While a limited amount of concentration of certain Collateral Obligations with respect to any particular obligor, region or industry is expected to exist at the end of the Ramp-Up Period, redemptions of Collateral Obligations and the disposition by the Issuer of Collateral Obligations and any subsequent reinvestment in other Collateral Obligations may result in a greater concentration in any one obligor, region or industry, and such concentration could subject the Notes to a greater degree of risk with respect to collateral defaults by such obligor, and such concentration of the Issuer's portfolio in any one industry or region could subject the Notes to a greater degree of risk with respect to economic downturns relating to such industry or region.

Any reinvestment by the Issuer with amounts from the redemption or disposition of Collateral Obligations would also expose the Issuer to the market conditions prevailing at the time of such sale and reinvestment and could result in adverse changes in characteristics and quality of the Collateral Obligations. Prices of the Assets may be volatile, and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including but not limited to changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic and international economic or political events, developments or trends in any particular industry, and the financial condition of the obligors of the Assets. The current uncertainty affecting the United States economy and the economies of other countries in which obligors of Collateral Obligations are Domiciled and the possibility of increased volatility in financial markets could adversely affect the value and performance of the Collateral Obligations.

Obligors of below investment-grade Assets may be highly leveraged and may not have available to them more traditional methods of financing. During an economic downturn, a sustained period of rising interest rates, or a period of fluctuating exchange rates (in respect of those issuers located in non-U.S. countries), such issuers may be more likely to experience financial stress and may be unable to meet their debt obligations due to the issuers' inability to meet specific projected business forecasts or the unavailability of financing. All risks associated with the Issuer's investment in such Assets will be borne by the Holders of the Notes, beginning with the Subordinated Notes as the most junior Class.

Most of the Assets expected to be purchased by the Issuer have only a limited trading market. The illiquidity of such Assets may restrict the Issuer's ability to dispose of such Collateral Obligations in a timely fashion and for a fair price as well as its ability to take advantage of market opportunities. Prices of the Assets may be volatile and

will generally fluctuate due to a variety of factors that are inherently difficult to predict, including but not limited to changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic and international economic or political events, developments or trends in any particular industry, and the financial condition of the obligors of the Assets. In particular, the market for non-investment grade loans has experienced periods of severe price volatility and reduced liquidity. Additionally, loans and interests in loans have significant liquidity and market value risks since they are not generally traded in organized exchange markets but are traded by banks and other institutional investors engaged in loan syndications. Because loans are privately syndicated and loan agreements are privately negotiated and customized, loans are not purchased or sold as easily as publicly traded securities. In addition, historically the trading volume in the loan market has been small relative to the high-yield debt securities market.

Leveraged loans have historically experienced greater default rates than has been the case for investment grade securities. There can be no assurance as to the levels of defaults and/or recoveries that may be experienced on the Collateral Obligations.

A non-investment grade loan or an interest in a non-investment grade loan is generally considered speculative in nature and may become a Defaulted Obligation for a variety of reasons. Upon any Collateral Obligation becoming a Defaulted Obligation, such Defaulted Obligation may become subject to either substantial workout negotiations or restructuring, which may entail, among other things, a substantial reduction in the interest rate, a substantial write-down of principal, and a substantial change in the terms, conditions and covenants with respect to such Defaulted Obligation. In addition, such negotiations or restructuring may be quite extensive and protracted over time, and therefore may result in substantial uncertainty with respect to the ultimate recovery on such Defaulted Obligation. The liquidity for Defaulted Obligations may be limited, and to the extent that Defaulted Obligations are sold, it is highly unlikely that the proceeds from such sale will be equal to the amount of unpaid principal and interest thereon. Furthermore, there can be no assurance that the ultimate recovery on any Defaulted Obligation will be at least equal to either the minimum recovery rate assumed by either Rating Agency in rating any Class of the Secured Notes or any recovery rate used in connection with any analysis of the Notes that may have been prepared by the Initial Purchaser for or at the direction of holders of any Notes.

Covenant-Lite Loans.

Up to 60.0% of the Collateral Principal Amount may be composed of Cov-Lite Loans. Generally, Cov-Lite Loans either do not require the borrower to maintain debt service or other financial ratios or do not contain common restrictions on the ability of the borrower to change significantly its operations or to enter into other significant transactions that could affect its ability to repay such loans. As a result, the Issuer's exposure to losses may be increased, which could result in an adverse impact on the Issuer's ability to repay the Notes. In addition, in the current economic environment, the market prices of Cov-Lite Loans may be depressed.

Unsecured Loans.

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

Second Lien Loans.

The Collateral Obligations may include Second Lien Loans, each of which will be secured by a pledge of collateral, but which is subordinated (with respect to liquidation preferences with respect to pledged collateral) to other secured obligations of the obligors secured by all or a portion of the collateral securing such secured loan. Second Lien Loans are typically subject to intercreditor arrangements, the provisions of which may prohibit or restrict the ability of the holder of a Second Lien Loan to (i) exercise remedies against the collateral with respect to their second liens; (ii) challenge any exercise of remedies against the collateral by the first lien lenders with respect

to their first liens; (iii) challenge the enforceability or priority of the first liens on the collateral; and (iv) exercise certain other secured creditor rights, both before and during a bankruptcy of the borrower. In addition, during a bankruptcy of the obligor, the holder of a Second Lien Loan may be required to give advance consent to (a) any use of cash collateral approved by the first lien creditors; (b) sales of collateral approved by the first lien lenders and the bankruptcy court, so long as the second liens continue to attach to the sale proceeds; and (c) debtor-in-possession financings.

Refinancing Risk.

A significant portion of the Collateral Obligations will consist of loans for which most or all of the principal is due at maturity. The ability of such obligor to make such a large payment upon maturity typically depends upon its ability either to refinance the Collateral Obligation prior to maturity or to generate sufficient cash flow to repay the Collateral Obligation at maturity. The ability of an obligor to accomplish any of these goals will be affected by many factors, including the availability of financing at acceptable rates to such obligor, the financial condition of such obligor, the marketability of the collateral (if any) securing such Collateral Obligation, the operating history of the related business, tax laws and the prevailing general economic conditions. Consequently, such obligor may not have the ability to repay the Collateral Obligation at maturity and, unless it is able to refinance such debt, it could default in payment at maturity, which could result in losses to the Issuer.

Significant numbers of obligors on loans may face the need to refinance their debt over the next few years, and significant numbers of collateralized loan obligation transactions (historically an important source of funding for loans) have reached or are close to reaching the end of their reinvestment periods or the final maturities of their own debt. As a result, there could be significant pressure on the ability of obligors on loans to refinance their debt over the next few years unless a significant volume of new collateralized loan obligation transactions or other sources of funding develop. If such sources of funding do not develop, significant defaults in Collateral Obligations could occur, and there could be downward pressure on the prices and markets for debt instruments, including Collateral Obligations.

Acquisition of Collateral Obligations prior to the Closing Date.

Prior to the Closing Date, the Issuer entered into total return swap transactions (collectively, the "**TRS**") with Citibank, N.A. ("**Citibank**" and, in its capacity as counterparty to the TRS, the "**Warehouse Provider**"), an affiliate of the Initial Purchaser. The TRS references a portfolio of bank loans, which are expected to satisfy the criteria expected to be applicable to the purchase by the Issuer of Collateral Obligations. Such assets are being selected by the Portfolio Manager, subject to the approval of the Warehouse Provider, to serve as reference assets for the TRS, and will be purchased by a wholly owned, special purpose vehicle subsidiary of the Warehouse Provider or an affiliate of the Warehouse Provider (the "**Warehouse Subsidiary**") as a hedge to the Warehouse Provider's obligations under the TRS. On the Closing Date, the TRS will be terminated. It is expected that the Issuer will acquire the bank loans in the TRS reference portfolio from the Warehouse Subsidiary through the Closing Merger described below.

The Issuer has posted a defined amount of cash collateral with the Warehouse Provider to secure its obligations under the TRS. Funds for such cash collateral were raised by the Issuer through the issuance of subordinated loans ("**Warehouse Subordinated Loans**") to funds or accounts managed by the Portfolio Manager (the "**Subordinated Loan Holders**").

It is anticipated that the Subordinated Loan Holders will purchase approximately 100% of the Subordinated Notes on the Closing Date.

Under the TRS, the Warehouse Provider is obligated to pay to the Issuer amounts equal to all interest income and certain other amounts actually paid on the assets referenced by the TRS, in exchange for periodic financing payments from the Issuer computed based on the outstanding notional amount of the reference portfolio. Upon removal of a reference asset, the Issuer either is entitled to receive a payment from the Warehouse Provider in an amount equal to the realized gains on the reference asset, or is required to make a payment to the Warehouse Provider in an amount equal to the realized losses on the reference assets, as applicable. On the Closing Date, (x) if the amounts owed to the Issuer under the TRS exceed the amounts owed to the Warehouse Provider thereunder, the Issuer will receive the net amount of such payments and the cash collateral will be returned to the Issuer and (y) if the amounts owed to the Warehouse Provider under the TRS exceed the amounts owed to the Issuer thereunder, the net amount of such payments will be deducted from the cash collateral and the remainder of the cash collateral will be returned to the Issuer. The Warehouse Provider will also pay to the Issuer on the Closing Date an amount in respect of unpaid interest and unpaid delayed compensation accrued to the Closing Date on the TRS reference portfolio. On the Closing Date, the Warehouse Subordinated Loans will be repaid by the Issuer for an amount equal to the amounts received by the Issuer as described in this paragraph (including an amount equal to unpaid interest and unpaid delayed compensation) and the Issuer will thereafter cancel the Warehouse Subordinated Loans.

On the Closing Date, the Issuer expects to use a portion of the proceeds from the issuance of the Notes to pay merger consideration to the sole member of the Warehouse Subsidiary, and the Warehouse Subsidiary to then merge into the Issuer, with the Issuer being the entity surviving such merger (such merger transaction, the "**Closing Merger**"). Under the terms of the Closing Merger, the rights and property of the Warehouse Subsidiary (including the Collateral Obligations and Eligible Investments (if any) purchased by such Warehouse Subsidiary as a hedge for the Warehouse Provider's obligations under the TRS) will immediately vest in the Issuer. In addition, the Issuer will become liable for and subject, in the same manner as the Warehouse Subsidiary, to all funding obligations on any Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations and all other liabilities and obligations related to the Collateral Obligations previously owned by the Warehouse Subsidiary. So far as each of the Issuer and the Warehouse Provider is aware, no claim, cause or proceeding, whether civil (including arbitration) or criminal, is pending by or against either Warehouse Subsidiary. Further, so far as each of the Issuer and the Warehouse Provider is aware, no petition or other similar proceeding has ever been filed or order made or resolution adopted to wind up or liquidate the Warehouse Subsidiary in any jurisdiction. It was a condition to the issuance of the Notes that a search of certain public filing records be concluded that reveals no effective notices of any security interest or other lien (other than those to be released on the Closing Date) against the Warehouse Subsidiary.

It is expected that the Issuer will acquire from the Warehouse Subsidiary (through the Closing Merger) the bank loans in the TRS reference portfolio at prices that are expected to be equal to the respective acquisition costs of such assets upon addition to the TRS reference portfolio. As part of such sale to the Issuer, the Issuer will pay to the sole member of the Warehouse Subsidiary an amount equal to unpaid interest and delayed compensation accrued to the Closing Date on such bank loans. After the Closing Date, it is expected that the Issuer will receive any unpaid interest accrued to the Closing Date on the bank loans acquired through the Closing Merger.

Market valuation deviations from cost of purchase are expected to occur.

Because the Issuer will acquire the assets as described above at prices determined prior to the Closing Date, the prevailing market prices of such Collateral Obligations on the Closing Date may be higher or lower than such purchase prices. If the market price of any such Collateral Obligation increases from the date on which its price was determined to the Closing Date (or the settlement date of such Collateral Obligation, if later), the Issuer will on the Closing Date (or the settlement date of such Collateral Obligation, if later) hold a Collateral Obligation whose market value exceeds its cost of purchase. Likewise, if the market price of any such Collateral Obligation decreases from the date on which its price was determined to the Closing Date (or the settlement date of such Collateral Obligation, if later), the Issuer will on the Closing Date (or the settlement date of such Collateral Obligation, if later) hold a Collateral Obligation whose market value is less than its cost of purchase. Such market valuation deviations from cost of purchase are expected to occur, and the deviations could be material (either individually or in the aggregate).

By its acquisition of such Collateral Obligations, the Issuer is deemed to have consented on behalf of itself and prospective investors in the Issuer to such transactions, and, by its purchase of Notes, each holder is deemed to have consented on behalf of itself to such acquisitions described above and the arrangements described above in relation to such acquisitions.

There is limited disclosure about the Collateral Obligations in this Offering Circular.

The Issuer and the Portfolio Manager will not be required to provide the holders of the Notes, the Collateral Administrator or the Trustee with financial or other information (which may include material non-public information) it receives relating to the Collateral Obligations and related documents. The Portfolio Manager also will not disclose to any of these parties the contents of any notice it receives pursuant to the Collateral Obligations or related documents. In particular, the Portfolio Manager will not have any obligation to keep any of these parties informed as to matters arising in relation to any Collateral Obligations, except with respect to: (i) the receipt or non-receipt, on an aggregate basis, of principal, interest, or other amounts of collections or recoveries; (ii) the cancellation of any Collateral Obligations; (iii) default amounts in respect of the Collateral Obligations; and (iv) certain other information required to be reported under the Portfolio Management Agreement, the Collateral Administration Agreement and the Indenture.

The holders of the Notes, the Collateral Administrator and the Trustee will not have any right to inspect any records relating to the Collateral Obligations, and the Portfolio Manager will not be obligated to disclose any further information or evidence regarding the existence or terms of, or the identity of any obligor on, any Collateral Obligations, unless (i) specifically required by the Portfolio Management Agreement or (ii) following its receipt of a written request from the Trustee or the Collateral Administrator, the Portfolio Manager in its sole discretion determines that the disclosure of such further information or evidence regarding the existence or terms of, or the identity of any obligor on, any Collateral Obligation to the Trustee or the Collateral Administrator would not be prohibited by applicable law or the underlying instruments relating to such Collateral Obligation, in which case the Portfolio Manager will disclose such further information or evidence to the Trustee or the Collateral Administrator, as the case may be; *provided*, neither the Trustee nor the Collateral Administrator may disclose such further information or evidence to any third party. Furthermore, the Portfolio Manager may demand that any persons requesting that information execute confidentiality agreements before being provided with the information.

Participation on creditors' committees.

The Issuer may (through the Portfolio Manager) participate on committees formed by creditors to negotiate the management of financially troubled companies that may or may not be in bankruptcy or the Issuer may seek to negotiate directly with the debtors with respect to restructuring issues. If the Issuer does join a creditors' committee,

the participants of the committee would be interested in obtaining an outcome that is in their respective individual best interests and there can be no assurance of obtaining results most favorable to the Issuer in such proceedings. By participating on such committees, the Issuer may be deemed to have duties to other creditors represented by the committees, which might expose the Issuer to liability to such other creditors who disagree with the Issuer's actions.

Lender liability considerations and equitable subordination can affect the Issuer's rights with respect to Collateral Obligations; the Issuer's investment activities may expose it to third party litigation.

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

In addition, under common law principles that in some cases form the basis for lender liability claims, if a lender or bondholder (a) intentionally takes an action that results in the undercapitalization of a borrower to the detriment of other creditors of such borrower, (b) engages in other inequitable conduct to the detriment of such other creditors, (c) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (d) uses its influence as a stockholder to dominate or control a borrower to the detriment of other creditors of such borrower, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors, a remedy called "**equitable subordination**." Because of the nature of the Assets, the Assets may be subject to claims of equitable subordination.

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

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

The Issuer's investment activities also subject it to the normal risks of becoming involved in litigation by third parties. This risk would be somewhat greater if the Issuer were to exercise control or significant influence over a company's direction. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would be borne by the Issuer and would reduce the amounts available for payment to holders of Notes. The Portfolio Manager and certain others would also be indemnified by the Issuer in connection with such litigation, subject to certain conditions, further reducing such available amounts.

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

Loans are generally prepayable in whole or in part at any time at the option of the obligor thereof at par *plus* accrued unpaid interest thereon. Prepayments on loans may be caused by a variety of factors which are often difficult to predict. Consequently, there exists a risk that loans purchased at a price greater than par may experience a capital loss as a result of such a prepayment. In addition, principal proceeds received upon such a prepayment are subject to reinvestment risk. Any inability of the Issuer to reinvest payments or other proceeds in Assets with comparable interest rates that satisfy the Investment Criteria specified herein may adversely affect the timing and amount of payments received by the holders of Notes and the yield to maturity of the Notes and the distributions on the Subordinated Notes. There is no assurance that the Issuer will be able to reinvest proceeds in assets with comparable interest rates that satisfy the Investment Criteria or (if it is able to make such reinvestments) as to the length of any delays before such investments are made. The rate of prepayments, amortization and defaults may be influenced by various factors including:

- changes in obligor performance and requirements for capital;

- the level of interest rates;
- lack of credit being extended and/or the tightening of credit underwriting standards in the commercial lending industry; and
- the overall economic environment, including any fluctuations in the recovery from the current economic conditions.

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

Unspecified use of proceeds.

The net proceeds from the issuance of the Notes on the Closing Date (after making the payments and deposits described under "Use of Proceeds") and the proceeds received from time to time in respect of Collateral Obligations previously purchased by the Issuer will be invested in Collateral Obligations and Eligible Investments that will not have been disclosed to investors. Purchasers 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 Portfolio Manager and, accordingly, will be dependent upon the judgment and ability of the Portfolio Manager in investing and managing the proceeds of the Notes and the Assets, and in identifying investments over time and the relevant restrictions in the Indenture and the Portfolio Management Agreement. No assurance can be given that the Portfolio Manager will be successful in obtaining suitable investments or that, if such investments are made, the objectives of the Issuer will be achieved.

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

A portion of the initial Collateral Obligations is expected to be purchased after the Closing Date as described herein. The ability of the Issuer to acquire an initial portfolio of Collateral Obligations that satisfies the Investment Criteria at the projected prices, ratings, rates of interest and any other applicable characteristics will be subject to market conditions and availability of such Collateral Obligations and will be further limited by certain investment guidelines that the Portfolio Manager expects to adhere to in order to ensure that the Issuer does not become subject to U.S. income tax. Any inability of the Issuer to acquire Collateral Obligations that satisfy the Investment Criteria specified herein may adversely affect the timing and amount of payments received by the holders of Notes and the yield to maturity of the Secured Notes and the distributions on the Subordinated Notes. There is no assurance that the Issuer will be able to acquire Collateral Obligations that satisfy the Investment Criteria.

Investing in loans involves particular risks.

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

Participations by the Issuer in a Selling Institution's portion of a loan typically result in a contractual relationship only with such Selling Institution, not with the borrower. In the case of a Participation Interest, the Issuer will generally have the right to receive payments of principal, interest and any fees to which it is entitled only from the institution selling the participation and only upon receipt by such Selling Institution of such payments from the borrower. By holding a Participation Interest in a loan, the Issuer generally will have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set off against the borrower, and the Issuer may not directly benefit from the collateral supporting the loan in which it has purchased the participation. As a result, the Issuer will assume the credit risk of both the borrower and the institution selling the participation, which will remain the legal owner of record of the applicable loan. In the event of the insolvency of the Selling Institution, the Issuer, by owning a Participation Interest, may be treated as a general unsecured creditor of the Selling Institution, and may not benefit from any set off between the Selling Institution and the borrower. In addition, the Issuer may purchase a participation from a Selling Institution that does not itself retain any portion of the applicable loan and, therefore, may have limited interest in monitoring the terms of the loan agreement and the

continuing creditworthiness of the borrower. When the Issuer holds a Participation Interest in a loan it will not have the right to vote under the applicable loan agreement with respect to every matter that arises thereunder, and it is expected that each Selling Institution will reserve the right to administer the loan sold by it as it sees fit and to amend the documentation evidencing such loan in all respects. Selling Institutions voting in connection with such matters may have interests different from those of the Issuer and may fail to consider the interests of the Issuer in connection with their votes.

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

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

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

Certain risks of Hedge Agreements.

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

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

In connection with the early termination of a Hedge Agreement, that is not a result of a Priority Hedge Termination Event, any amounts due to a Hedge Counterparty under the relevant Hedge Agreement are

subordinated to certain amounts payable by the Issuer to other parties as set forth in the Priority of Payments (including taxes, Administrative Expenses, Base Management Fees, Subordinated Management Fees and certain payments under the Hedge Agreements), the Secured Notes and certain fees and expenses (including, but not limited to, the diversion of Interest Proceeds to purchase additional Collateral Obligations if the Reinvestment Overcollateralization Test is not satisfied, unpaid Administrative Expenses and certain Management Fees). However, based on a recent U.S. bankruptcy court decision, where the Hedge Counterparty becomes a debtor in a case under the United States Bankruptcy Code, such subordination provision may not be enforceable. If this provision were not enforceable, any termination payment owed to the defaulting Hedge Counterparty could be required to be paid through the Priority of Payments at a priority that is senior to the payment with respect to the Secured Notes.

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

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

In general, if payments on Collateral Obligations are avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured, either from the initial recipient (such as the Issuer) or from subsequent transferees of such payments (such as the holders of the Notes). To the extent that any such payments are recaptured from the Issuer, the resulting loss will be borne by the holders of the Notes in inverse order of seniority as described above under "—Relating to the Notes—The subordination of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes will affect their right to payment; Control of remedies in an Event of Default." However, a court in a bankruptcy or insolvency proceeding would be able to direct the recapture of any such payment from a holder of Notes only to the extent that such court has jurisdiction over such holder or its assets. Moreover, it is likely that avoidable payments could not be recaptured directly from a holder that has given value in exchange for its Note, in good faith and without knowledge that the payments were avoidable. Nevertheless, since there is no judicial precedent relating to a structured transaction such as the Notes, there can be no assurance that a holder of Notes will be able to avoid recapture on this or any other basis.

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

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

relationships with important suppliers, access to the capital markets or other sources of liquidity and otherwise become incapable of restoring itself as a viable entity. If for this or any other reason, a Chapter 11 reorganization is converted to or becomes a liquidation, the liquidation value of the obligor may not equal the liquidation value that was believed to exist at the time of purchase of the Collateral Obligation. *Third*, the duration of a bankruptcy case is difficult to predict. A creditor's return on investment can be adversely affected by delays while a plan of reorganization is being negotiated, approved by parties in interest and confirmed by the bankruptcy court until it ultimately becomes effective. For example, in general, unsecured creditors' claims for interest accrued between the bankruptcy filing and a reorganization plan's consummation are not allowed. *Fourth*, the administrative costs of the debtor and official committees in connection with the bankruptcy case are frequently high and will be paid out of the debtor's estate prior to any return to general unsecured creditors. If the bankruptcy case involves protracted or difficult litigation, or turns into a liquidation, substantial assets may be devoted to such administrative costs; a creditor's costs in monitoring and enforcing its investment also may substantially increase. Certain claims that have priority by law (for example, claims for taxes) also may be significant.

Liens arising by operation of law may take priority over the Trustee's security interest in an obligor's collateral securing a Collateral Obligation and impair the Issuer's recovery on a Collateral Obligation in the event of a default or foreclosure on such Collateral Obligation.

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

Impact of Uninvested Cash Balances.

To the extent the Portfolio Manager (on behalf of the Issuer) maintains cash balances invested in short term investments instead of higher yielding loans, portfolio income will be reduced which will result in reduced amounts available for distributions on the Notes, in particular the Subordinated Notes. On the Closing Date, the Issuer is expected to have significant unused proceeds. This will likely reduce the amount of Interest Proceeds that would otherwise be available to distribute to the holders of the Subordinated Notes, particularly on the initial Payment Date. 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.

Relating to Certain Conflicts of Interest

In general, the transaction 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 Portfolio Manager, its clients and its affiliates and Citigroup and its affiliates. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

The Issuer will be subject to various conflicts of interest involving the Portfolio Manager.

(References in this conflicts discussion to the Portfolio Manager include the Affiliates of the Portfolio Manager, including, as applicable, any account, portfolio or investment company for which the Portfolio Manager or any Affiliate serves as a manager or investment advisor, unless otherwise specified or the context otherwise requires.)

The Portfolio Manager manages investments for clients and accounts other than the Issuer, including entities similar to the Issuer that invest in debt obligations that may be the same as the Collateral Obligations, and with the same or similar objectives as the Issuer. Thus, the Portfolio Manager may, at the same or approximately the same time, buy or sell for such clients and, as applicable, accounts, debt obligations it also buys or sells for the Issuer. In that case, the Portfolio Manager will seek to allocate such purchases and sales to such clients, accounts and the Issuer on a basis it considers equitable in light of the prevailing circumstances, to the extent that the Portfolio

Manager believes such investments would be appropriate for the Issuer to purchase. The Portfolio Manager may also purchase debt obligations for other clients that are senior to, or have interests adverse to, those it buys or sells for the Issuer. The Portfolio Manager is not under any obligation to share any investment opportunity, idea or strategy with the Issuer. As a result the Portfolio Manager may compete with the Issuer for appropriate investment opportunities.

Alternatively, the Portfolio Manager may buy or sell for one client or account a debt obligation that it does not buy or sell for the Issuer or another client or account, even though the debt obligation is eligible to be bought or sold by the Issuer, if the Portfolio Manager believes the circumstances warrant. The Portfolio Manager will endeavor not to favor any client or account over the Issuer. In addition, the Portfolio Manager may buy for a client or account a debt obligation that it sells for the Issuer, or vice versa, due to differing investment objectives or other factors. In such cases, the Portfolio Manager may arrange for the client and the Issuer to be seller and buyer to each other.

The Portfolio Manager will not direct the Trustee to purchase any debt obligation to be included in the Assets from the Portfolio Manager or any of its Affiliates as principal or to sell Assets to the Portfolio Manager or any of its Affiliates as principal which would, in either case, be in violation of applicable law. Any such purchase or sale will be effected in a transaction on terms that would be representative of a transaction entered into on an arm's-length basis and in accordance with the Portfolio Management Agreement. The Portfolio Manager will not direct the Trustee to purchase any debt obligation for inclusion in the Assets from any account or portfolio for which the Portfolio Manager or any of its Affiliates serves as investment adviser, or direct the Trustee to sell a Collateral Obligation to any account or portfolio for which the Portfolio Manager or any of its Affiliates serve as investment adviser which would, in either case, be in violation of applicable law. Any such purchase or sale with an account or portfolio for which the Portfolio Manager or an Affiliate serves as adviser will be effected in a transaction on terms that would be representative of a transaction entered into on an arm's-length basis and in accordance with the Portfolio Management Agreement. The Portfolio Manager may have, however, a potentially conflicting division of loyalties and responsibilities regarding such sales.

The Portfolio Manager will (except in limited circumstances permitted by law) generally make its investment decisions on behalf of the Issuer based on public information, and (except in limited circumstances permitted by law) will not have access to (and will be precluded from directing any purchases or sales based on) material non-public information concerning any issuer of or obligor on the Collateral Obligations. As a result, the Portfolio Manager may not possess all of the information relating to issuer of or obligor on the Collateral Obligations that other investors (or prospective investors) in securities or obligations of such issuers or obligors (including without limitation, lenders, portfolio managers or other market participants) may have, and consequently the Portfolio Manager may from time to time take actions on behalf of the Issuer (including, without limitation, purchasing, selling or making other decisions) with respect to Collateral Obligations that it would not take were it in possession of material non-public information known to other market participants.

Because the Portfolio Manager also acts as an investment advisor to other clients, its principals, employees and Affiliates will necessarily not devote their full time to the Issuer, and there might be conflicts in the allocation of their time among the Issuer and those clients.

The Portfolio Manager will use its commercially reasonable efforts to obtain best execution for all orders placed with respect to the Collateral Obligations but will not necessarily be obtaining the best available execution with respect to any particular purchase, and will consider all circumstances it reasonably believes to be relevant, including, without limitation, price, the size of the transaction, the nature of the market for such obligation, the time constraints of the transaction, general market trends, the reputation and experience of the broker dealer involved and research and other brokerage services furnished to the Portfolio Manager or its Affiliates. Such services may be used by the Portfolio Manager or its Affiliates in connection with its other advisory activities or investment operations. Notwithstanding the foregoing, in placing orders for loans, which are generally privately negotiated principal transactions, the Portfolio Manager may select the agent bank or selling party in its discretion in a manner consistent with the objective of obtaining best execution. The selection of the agent or selling party will be determined by the Portfolio Manager based upon a number of factors, including the availability of purchaser or sellers, the selling or purchase price, dealer spread or commission, the size and difficulty of the transaction, the desired time of the trade, confidentiality, execution and operational capabilities, ongoing borrower diligence, reputation for integrity, sound financial condition and practices and research or other services provided. The Portfolio Manager may in the future select brokers or dealers affiliated with the Portfolio Manager. The Issuer

acknowledges and agrees that the Portfolio Manager will not be deemed to have acted unlawfully, or to have breached a fiduciary duty to the Issuer, or be in breach of any obligation owing to the Issuer, or otherwise, solely by reason of its having caused the Issuer to pay a member of a securities exchange, a broker or a dealer a commission for effecting a transaction for the Issuer in excess of the amount of commission another member of an exchange, broker or dealer would have charged if the Portfolio Manager determined in good faith that the commission paid was reasonable in relation to the brokerage or research services provided by such member, broker or dealer, viewed in terms of that particular transaction or the Portfolio Manager's overall responsibilities with respect to its accounts, including the Issuer, as to which it exercises investment discretion.

The Portfolio Manager may, to the extent permitted by applicable law and in accordance with its compliance policies and procedures, aggregate purchase and sale orders of obligations placed with respect to Assets with similar orders being made simultaneously for other accounts managed by the Portfolio Manager or its Affiliates. In the event that a purchase or sale of Assets occurs as part of any aggregate sale or purchase orders, the objective of the Portfolio Manager and any of its Affiliates involved in such transaction shall be to allocate the obligations so purchased or sold, as well as expenses incurred in the transaction, among the Issuer and other accounts in an equitable manner. Nevertheless, the Issuer and Portfolio Manager acknowledge that under some circumstances, such allocation may adversely affect the Issuer with respect to the price or prices of the positions obtainable or salable. Whenever the Issuer and one or more other investment advisory clients of the Portfolio Manager have available funds for investment, investments suitable and appropriate for each will be allocated in a manner believed by the Portfolio Manager to be equitable to each, although such allocation may result in a delay in one or more client accounts being fully invested that would not occur if such an allocation were not made. In addition, the Issuer acknowledges and agrees that due to differing investment objectives or for other reasons, the Portfolio Manager and its Affiliates may purchase securities or loans of an issuer for one client and at approximately the same time recommend selling or sell the same or similar types of securities or loans for another client.

The Portfolio Manager and its Affiliates (including any account, portfolio or investment company for which the Portfolio Manager or any Affiliate serves as manager or investment advisor) 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 Obligations, or may have a financial or other interest in sellers of Participation Interests.

The Portfolio Manager and its Affiliates (including any account, portfolio or investment company for which the Portfolio Manager or any Affiliate serves as manager or investment advisor) may invest for their own accounts or for the accounts of others in debt obligations that would be appropriate investments for the Issuer and they have no duty, in making such investments, to act in a way that is favorable to the Issuer or the holders of the Notes. Such investments may be different from those made on behalf of the Issuer. In addition, the Portfolio Manager and its Affiliates (including any account, portfolio or investment company for which the Portfolio Manager or its Affiliates serve as manager or investment advisor) may invest in securities or loans that are *pari passu*, senior or junior to, or have interests different from or adverse to, the Collateral Obligations. In such instances, the Portfolio Manager and its Affiliates may in their discretion make investment recommendations and decisions that may be the same as or different from those made with respect to the Issuer's investments. The Portfolio Manager and its Affiliates may in the future serve as Portfolio Manager for, invest in or be affiliated with other entities organized to issue collateralized debt obligations secured by loans, high yield debt securities or emerging market bonds and loans. The Portfolio Manager may at certain times be simultaneously seeking to purchase or sell investments for the Issuer and any similar entity for which it serves as Portfolio Manager at such time, or for its Affiliates (including any account, portfolio or investment company for which the Portfolio Manager or any Affiliate serves as manager or investment advisor). It is the intention of the Portfolio Manager that all Collateral Obligations will be purchased and sold by the Issuer in accordance with the Portfolio Management Agreement on terms prevailing in the market. See "The Portfolio Management Agreement."

On the Closing Date, certain funds managed by the Portfolio Manager and/or its Affiliates are expected to purchase a portion of the aggregate outstanding principal amount of the Class E Notes and approximately 100% of the aggregate outstanding principal amount of the Subordinated Notes; *provided*, that such ownership of the Subordinated Notes and the Class E Notes does not violate the fiduciary duties of the Portfolio Manager or its Affiliates. In addition, the Portfolio Manager, its Affiliates or clients, funds or accounts for which the Portfolio Manager or its Affiliates acts as investment adviser and one or more individuals affiliated with BlueMountain may

own Notes at any time. No such person will be required to hold any Notes acquired by it on the Closing Date or otherwise for any length of time. As a result of any such acquisition, the Portfolio Manager, its Affiliates and clients, funds and accounts over which the Portfolio Manager or any of its Affiliates has discretionary voting authority may have a Majority or Supermajority position in the Subordinated Notes or any other Class of Notes at any time and are expected to have at least a Supermajority position in the Subordinated Notes on the Closing Date. Under the Indenture, the Portfolio Manager, its affiliates and funds and accounts over which the Portfolio Manager or any of its affiliates has discretionary voting authority will not be prohibited from exercising voting or any other rights with respect to such position, except as described below or in "The Portfolio Management Agreement—Voting of Portfolio Manager Notes." The Portfolio Manager and such affiliates, funds and accounts may exercise such rights, or refrain from exercising such rights, in a manner that is contrary to the best interests of the other holders of Subordinated Notes or the holders of other Notes.

Except as otherwise described herein, investors do not and will not have an opportunity to select or evaluate any of the assets, or to review the Issuer's portfolio. The Portfolio Manager will select all of the Issuer's investments, and the quality of its decisions will determine the Issuer's success or failure. Notwithstanding the foregoing, the Portfolio Manager may discuss the composition of the Issuer's portfolio with the holders of the Portfolio Manager Notes, other beneficial owners of Notes and other stakeholders in the transaction at any time on, prior to or following the Closing Date.

The interests of the holders of the Subordinated Notes may be adverse to those of the holders of the Senior Notes. Although the Portfolio Manager or one of its Affiliates may at times be a holder of the Subordinated Notes or other Notes, its interests and incentives will not necessarily be aligned with those of the other holders of Notes (or of the holders of any particular Class of the Notes). In addition, the Portfolio Manager, its clients and its Affiliates (including any account, portfolio or fund for which the Portfolio Manager or any Affiliate serves as manager or investment advisor) may invest in obligations that would be appropriate as Collateral Obligations. Such investments may be different from those made on behalf of the Issuer.

Upon the original issuance of the Collateral Obligations, Affiliates of the Portfolio Manager may have placed, arranged, participated or underwritten certain of the Collateral Obligations. The Issuer may, from time to time, purchase Collateral Obligations from Affiliates of the Portfolio Manager on terms then prevailing in the market and in accordance with the Portfolio Management Agreement. Affiliates of the Portfolio Manager may have ongoing relationships (including engaging in securities or derivatives transactions) with obligors whose Collateral Obligations are pledged to secure the Notes and may own either equity securities or debt obligations (including Collateral Obligations) issued by such obligors. In addition, Affiliates of the Portfolio Manager may invest in securities that are senior to, or have interests different from or adverse to, the Collateral Obligations. From time to time the Portfolio Manager may purchase or sell Collateral Obligations through Affiliates of the Portfolio Manager. The Portfolio Manager has advised the Issuer that it is the Portfolio Manager's intention that all Collateral Obligations will be purchased by the Issuer on terms then prevailing in the market and in accordance with the Portfolio Management Agreement.

The Issuer will be subject to various conflicts of interest involving Citigroup.

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 the Citigroup Companies, to the Issuer, the Trustee, the Portfolio Manager, the issuers of the Collateral Obligations and others, as well as in connection with the investment, trading and brokerage activities of the Citigroup Companies. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

Citigroup will serve as initial purchaser for the Secured Notes 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 of the Citigroup Companies may from time to time hold Notes for investment, trading or other purposes. None of the Citigroup Companies are required to own or hold any Notes and may sell any Notes held by them at any time. Citibank, N.A. will serve as Trustee under the Indenture, and will be paid fees for such service by the Issuer.

Prior to the Closing Date, the Issuer entered into the TRS with Citibank, an affiliate of Citigroup, as the Warehouse Provider. To hedge its exposure under the TRS, the Warehouse Provider caused one or more Affiliates

to purchase the loans in the TRS reference portfolio. Under the TRS, subject to netting, the Issuer is obligated to make certain payments to the Warehouse Provider and the Warehouse Provider is obligated to make certain payments to the Issuer. On the Closing Date, the Issuer is expected to acquire such loans from the Warehouse Provider or its Affiliates through the Closing Merger. See "*—Relating to the Collateral Obligations—Acquisition of Collateral Obligations prior to the Closing Date*."

Certain Eligible Investments may be issued, managed or underwritten by one or more of the Citigroup Companies. One or more of the Citigroup Companies may provide investment banking, commercial banking, asset management, financing and financial advisory services and products to the Portfolio Manager, its affiliates, and funds managed by the Portfolio 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 Portfolio Manager, its affiliates, and funds managed by the Portfolio Manager and its affiliates. As a result of such transactions or arrangements, one or more of the Citigroup Companies may have interests adverse to those of the Issuer and holders of the Notes.

One or more of the Citigroup Companies may:

- have placed or underwritten, or acted as a financial arranger, structuring agent or advisor in connection with the original issuance of, or may act as a broker or dealer with respect to, certain of the Collateral Obligations;
- act as trustee, paying agent and in other capacities in connection with certain of the Collateral Obligations or other classes of securities issued by an issuer of a Collateral Obligation or an affiliate thereof;
- be a counterparty to issuers of certain of the Collateral Obligations under swap or other derivative agreements;
- lend to certain of the issuers of Collateral Obligations or their respective affiliates or receive guarantees from the issuers of those Collateral Obligations or their respective affiliates;
- provide other investment banking, asset management, commercial banking, financing or financial advisory services to the issuers of Collateral Obligations or their respective affiliates; or
- have an equity interest, which may be a substantial equity interest, in certain issuers of the Collateral Obligations or their respective affiliates.

When acting as a trustee, paying agent or in other service capacities with respect to a Collateral Obligation, the Citigroup Companies will be entitled to fees and expenses senior in priority to payments to such Collateral Obligation. When acting as a trustee for other classes of securities issued by the issuer of a Collateral Obligation or an affiliate thereof, the Citigroup Companies will owe fiduciary duties to the holders of such other classes of securities, which classes of securities may have differing interests from the holders of the class of securities of which the Collateral Obligation is a part, and may take actions that are adverse to the holders (including the Issuer) of the class of securities of which the Collateral Obligation is a part. As a counterparty under swaps and other derivative agreements, the Citigroup Companies might take actions adverse to the interests of the Issuer, including, but not limited to, demanding collateralization of its exposure under such agreements (if provided for thereunder) or terminating such swaps or agreements in accordance with the terms thereof. In making and administering loans and other obligations, the Citigroup Companies might take actions including, but not limited to, restructuring a loan, foreclosing on or exercising other remedies with respect to a loan, requiring additional collateral or other credit enhancement, charging significant fees and interest, placing the obligor in bankruptcy or demanding payment on a loan guarantee or under other credit enhancement. The Issuer's purchase, holding and sale of Collateral Obligations may enhance the profitability or value of investments made by the Citigroup Companies in the issuers thereof. As a result of all such transactions or arrangements between the Citigroup Companies and issuers of Collateral Obligations or their respective affiliates, the Citigroup Companies may have interests that are contrary to the interests of the Issuer and the holders of the Notes.

As part of their regular business, the Citigroup 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 Citigroup 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 Citigroup 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 Citigroup Companies may from time to time enter into financing and derivative transactions (including repurchase transactions) with third parties (including the Portfolio Manager and its affiliates) with respect to the Notes, and the Citigroup Companies in connection therewith may acquire (or establish long, short or derivative financial positions with respect to) Notes, Collateral Obligations or one or more portfolios of financial assets similar to the portfolio of Collateral Obligations acquired by (or intended to be acquired by) the Issuer, including the right to exercise the voting rights with respect to such Notes or other assets.

The Citigroup Companies may, by virtue of the relationships described above or otherwise, at the date hereof or at any time hereafter, be in possession of information regarding certain of the issuers of Collateral Obligations and their respective affiliates, that is or may be material in the context of the Notes and that is or may not be known to the general public. None of the Citigroup 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.

The Rating Agencies may have certain conflicts of interest.

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

DESCRIPTION OF THE NOTES

The Indenture and the Secured Notes

All of the Notes will be issued pursuant to the Indenture. However, only the Secured Notes will be secured obligations of the Issuer. The following summary describes certain provisions of the Secured Notes and the Indenture and, to a limited extent, the Subordinated Notes. The summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Indenture. Additional information regarding the Subordinated Notes appears under "—The Subordinated Notes".

Status and Security

The Notes will be limited recourse obligations of the Issuer and the Secured Notes (other than the Class D Notes and the Class E Notes) will be non-recourse obligations of the Co-Issuer, secured (in the case of the Secured Notes) as described below, and will rank in priority with respect to each other as described herein. Under the terms of the Indenture, the Issuer will grant to the Trustee a security interest in the Assets to secure the Issuer's obligations under the Indenture and the Secured Notes. See "Security for the Secured Notes." To the extent these amounts are insufficient to meet payments due in respect of the Secured Notes and expenses following liquidation of the Assets, the Co-Issuers will have no obligation to pay such deficiency. See "Risk Factors—Relating to the Notes—The Notes are limited recourse obligations of the Issuer; investors must rely on available collections from the Collateral Obligations and will have no other source for payment."

Payments of interest and principal on the Secured Notes will be made from the proceeds of the Assets, in accordance with the Priority of Payments. The aggregate amount that will be available from the Assets for payment on the Secured Notes and of certain expenses of the Co-Issuers on any Payment Date will be the sum of Interest Proceeds and Principal Proceeds for the period (a "**Collection Period**") commencing immediately following the prior Collection Period (or on the Closing Date, in the case of the Collection Period relating to the first Payment Date) and ending (i) on (but excluding) the day that is eight Business Days prior to such Payment Date or (ii) in the case of the final Collection Period preceding the latest Stated Maturity of any Class of Notes or the final Collection Period preceding an Optional Redemption or a Clean-Up Call Redemption of the Notes, on the day preceding such Stated Maturity or the Redemption Date or (iii) in the case of a Refinancing, on the day prior to the Redemption Date, respectively.

Interest

The Secured Notes will bear stated interest from the Closing Date and such interest will be payable quarterly (except with respect to the first Payment Date) in arrears on each Payment Date on the aggregate outstanding principal amount thereof on the first day of the related Interest Accrual Period with respect to the Secured Notes (after giving effect to payments of principal thereof on such date). The period from and including the Closing Date to but excluding the first Payment Date and each succeeding period from and including each Payment Date to but excluding the following Payment Date (or if applicable, the Redemption Date) until the principal of the Secured Notes is paid or made available for payment, is an "**Interest Accrual Period**."

The Interest Rate for each Class of Notes with respect to each Interest Accrual Period will be the rate indicated under "Overview of Terms—Principal Terms of the Notes."

So long as any more senior Class of Secured Notes is outstanding, to the extent that funds are not available in accordance with the Priority of Payments on any Payment Date to pay the full amount of interest on Deferrable Notes or if such interest is not paid in order to satisfy the Coverage Tests, such amounts ("**Deferred Interest**") will not be due and payable on such Payment Date, but will be deferred and added to the principal balance of such Classes and, thereafter, will bear interest at the Interest Rate for such Classes until paid, and the failure to pay such Deferred Interest on such Payment Date will not be an Event of Default under the Indenture; *provided*, *however*, that any such Deferred Interest must, in any case, be paid no later than the earlier of the Redemption Date or Stated Maturity of the relevant Class of the Secured Notes. See "—The Indenture—Events of Default." Interest may be deferred (i) on the Class B Notes as long as any Class A-1 Notes or Class A-2 Notes are outstanding, (ii) on the Class C Notes as long as any Class A-1 Notes, Class A-2 Notes or Class B Notes are outstanding, (iii) on the Class D Notes as long as any Class A-1 Notes, Class A-2 Notes, Class B Notes or Class C Notes are outstanding and

(iv) on the Class E Notes so long as any Class A-1 Notes, Class A-2 Notes, Class B Notes, Class C Notes or Class D Notes are outstanding.

If any interest due and payable in respect of any Class A-1 Note or any Class A-2 Note (or, if there are no Class A-1 Notes or Class A-2 Notes outstanding, any Class B Note, or, if there are no Class B Notes outstanding, any Class C Note, or, if there are no Class C Notes outstanding, any Class D Note, or, if there are no Class D Notes outstanding, any Class E Note) is not punctually paid or duly provided for on the applicable Payment Date or at the applicable Stated Maturity and such default continues for five (5) Business Days, an Event of Default will occur. To the extent lawful and enforceable, interest on such defaulted interest will accrue at a *per annum* rate equal to the Interest Rate applicable to such Notes from time to time in each case until paid.

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

The Issuer will initially appoint the Trustee as calculation agent (the "**Calculation Agent**") for purposes of determining LIBOR for each Interest Accrual Period. The Calculation Agent will determine LIBOR for each Interest Accrual Period on the Interest Determination Date. "LIBOR," when used with respect to a Collateral Obligation, means the "libor" rate determined in accordance with the terms of such Collateral Obligation.

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

The Issuer will agree that for so long as any Secured Notes remain outstanding there will at all times be a Calculation Agent which will not control, be controlled by or be under common control with the Issuer or its affiliates or the Portfolio Manager or its affiliates. The Calculation Agent may be removed by the Issuer or the Portfolio Manager, on behalf of the Issuer, at any time. If the Calculation Agent is unable or unwilling to act as such or is removed by the Issuer or the Portfolio Manager, on behalf of the Issuer, the Issuer or the Portfolio Manager, on behalf of the Issuer, will be required to appoint promptly a replacement Calculation Agent which does not control and is not controlled by or under common control with the Issuer, the Portfolio Manager or their respective affiliates.

Principal

The Secured Notes of each Class will mature at par on the Payment Date in October 2026 (the "**Stated Maturity**" for each Class of Secured Notes), unless previously redeemed or repaid prior thereto as described herein. During the Reinvestment Period, principal will not be payable on the Secured Notes except with respect to Deferred Interest and in the limited circumstances described under "—Optional Redemption and Partial Redemption by Refinancing," "—Mandatory Redemption," "—Special Redemption," "—Clean-Up Call Redemption" "—Issuer Purchases of Secured Notes" and "—Priority of Payments—Application of Principal Proceeds." On each Payment Date after the Reinvestment Period, Principal Proceeds will be payable on the Secured Notes with respect to Deferred Interest and in the limited circumstances described under "—Optional Redemption and Partial Redemption by Refinancing," "—Mandatory Redemption," "—Special Redemption," "—Clean-Up Call Redemption," and in accordance with the priorities set forth under "—Priority of Payments—Application of Principal Proceeds."

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

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

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

Optional Redemption and Partial Redemption by Refinancing

General—Optional Redemption of Notes. The Secured Notes are redeemable, in whole but not in part, by the Co-Issuers or the Issuer, as the case may be, at the written direction of a Majority of the Subordinated Notes delivered to the Issuer, the Trustee and the Portfolio Manager at least 30 days prior to the proposed Redemption Date (unless the Trustee and the Portfolio Manager agree to a shorter notice period), on any Payment Date (i) on or after the occurrence of a Tax Event from the proceeds of the liquidation of the Assets, or (ii) on or after the end of the Non-Call Period from the proceeds of the liquidation of the Assets and/or from Refinancing Proceeds. In connection with any such Optional Redemption, the Secured Notes will be redeemed at the applicable Redemption Price.

Upon receipt of a notice of Optional Redemption of the Secured Notes, the Portfolio Manager will (unless the Redemption Price on all of the Secured Notes will be paid with Refinancing Proceeds) direct the sale of all or part of the Collateral Obligations and other Assets in an amount sufficient such that the Disposition Proceeds from such sale of Collateral Obligations and Eligible Investments in accordance with the procedures set forth below and all other funds available for such purpose in the Collection Account and the Payment Account will be at least sufficient to pay the Redemption Price on all of the Secured Notes and to pay all Administrative Expenses (regardless of the Administrative Expense Cap) and other fees and expenses payable under the Priority of Payments (including, without limitation, any amounts due to the Hedge Counterparties). If such Disposition Proceeds, Refinancing Proceeds, if applicable, and all other funds available for such purpose in the Collection Account and the Payment Account would not be sufficient to redeem the Secured Notes subject to redemption and to pay such fees and expenses, the Secured Notes may not be redeemed. The Portfolio Manager, in its sole discretion, may effect the sale of all or any part of the Collateral Obligations or other Assets through the direct sale of such Collateral Obligations or other Assets or by participation or other arrangement.

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

In connection with any Optional Redemption of the Secured Notes, at the written direction of a Majority of the Subordinated Notes to the Co-Issuers (with a copy to the Trustee), the Issuer or the Co-Issuers, as applicable, may enter into a Refinancing, and the cash proceeds thereof (the "**Refinancing Proceeds**") will be applied to pay the Redemption Price of the Secured Notes on the Redemption Date; *provided*, that (i) the agreements related to the Refinancing must contain limited recourse and non-petition provisions equivalent (*mutatis mutandis*) to those contained in the Indenture, (ii) the terms of such Refinancing and any financial institutions acting as lenders thereunder or purchasers thereof must be acceptable to a Majority of the Subordinated Notes and the Portfolio Manager and (iii) such Refinancing otherwise satisfies the conditions described in "—Redemption Procedures" below.

The holders of the Subordinated Notes will not have any cause of action against any of the Co-Issuers, the Portfolio Manager or the Trustee for any failure to obtain a Refinancing. In the event that a Refinancing is obtained meeting the requirements specified above as certified by the Portfolio Manager, the Co-Issuers and the Trustee will amend the Indenture to the extent necessary to reflect the terms of the Refinancing, and no further consent for such amendments will be required from the holders of Notes other than the Majority of the Subordinated Notes directing the redemption.

Partial Redemption by Refinancing. Upon written direction of a Majority of the Subordinated Notes delivered to the Issuer, the Trustee and the Portfolio Manager not later than thirty (30) days prior to the proposed Redemption Date, the Issuer will redeem one or more Classes of Secured Notes on or after the end of the Non-Call Period, in whole but not in part with respect to each such Class to be redeemed, from Refinancing Proceeds; *provided* that the terms of such Refinancing and any financial institutions acting as lenders thereunder or purchasers thereof must be acceptable to a Majority of the Subordinated Notes and acceptable to the Portfolio Manager and such Refinancing otherwise satisfies the conditions described below. In connection with a Partial Redemption by Refinancing, a Majority of the Subordinated Notes may, with the written consent of the Portfolio Manager (exercised in its sole discretion), direct that (i) the Indenture be amended to provide that a subsequent Partial Redemption by Refinancing on any date after the related Redemption Date will not be permitted and/or (ii) the end of the Non-Call Period for all Classes of Notes (and all classes of obligations providing the Refinancing) be extended to a date after the related Redemption Date.

The Issuer will obtain Refinancing in connection with a Partial Redemption by Refinancing only if (i) the spread over LIBOR of the refinancing obligations is lower than the spread over LIBOR with respect to each Class of Secured Notes being refinanced, (ii) on the day of such Refinancing, the sum of (A) the Refinancing Proceeds, (B) Interest Proceeds, so long as, after giving effect to such payment, there is expected to be sufficient Interest Proceeds available on the succeeding Payment Date to pay in full all amounts required to be paid pursuant to the "Overview of Terms—Priority of Payments—Application of Interest Proceeds" prior to distributions to the Subordinated Notes, (C) any amounts on deposit in, or to be deposited into, the Contribution Account and (D) any amounts on deposit in, or to be deposited into, the Supplemental Reserve Account that are designated to pay fees, costs, charges and expenses incurred in connection with such Refinancing, will be at least sufficient to pay the sum of the Redemption Prices (*provided* that, Holders of 100% of the aggregate outstanding amount of any Class of Secured Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class of Secured Notes) with respect to the Class(es) of Secured Notes to be redeemed *plus* any reasonable fees, costs, charges and expenses incurred in connection with such Refinancing, (iii) the Refinancing Proceeds are used to make such redemption, (iv) the agreements relating to the Refinancing contain limited recourse and non-petition provisions equivalent (mutatis mutandis) to those contained in the Indenture, (v) notice is provided to S&P and Moody's, (vi) any new notes created pursuant to the Partial Redemption by Refinancing must have the same or longer maturity as the Notes outstanding prior to such Refinancing, (vii) the aggregate principal amount of any obligations providing the Refinancing is equal to the aggregate principal amount of the Secured Notes being redeemed with the proceeds of such obligations and (viii) such Refinancing is done only through the issuance of new notes and not the sale of any Assets.

Refinancing Proceeds will not constitute Interest Proceeds or Principal Proceeds but will be applied directly on the related Redemption Date pursuant to the Indenture to redeem the Secured Notes being refinanced without regard to the Priority of Payments; provided, that to the extent that any Refinancing Proceeds are not applied to redeem the Secured Notes being refinanced or to pay expenses in connection with the Refinancing, such Refinancing Proceeds will be treated as Principal Proceeds.

Redemption Procedures. Notice of any Optional Redemption or Partial Redemption by Refinancing will be given by the Trustee by first-class mail, postage prepaid, mailed not later than ten (10) Business Days prior to the applicable Redemption Date to each holder of Notes to be redeemed at such holder's address in the register maintained by the registrar under the Indenture and each Rating Agency. In addition, for so long as any Notes are listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require, notice of Optional Redemption to the holders of such Notes will also be sent by the Issuer to the Irish Stock Exchange. Secured Notes called for redemption must be surrendered at the corporate trust office of the Trustee or any paying agent (each, a "**Paying Agent**") appointed under the Indenture in order to receive the Redemption Price. The initial Paying Agent for the Secured Notes will be the Trustee.

The Co-Issuers will have the option to withdraw any such notice of redemption relating to a proposed Optional Redemption up to and including the day on which the Portfolio Manager is required to deliver to the Trustee the sale agreement or agreements or certifications as described in the following paragraph. Any withdrawal of such notice of redemption will be made by written notice to the Trustee and the Portfolio Manager and will be made by the Co-Issuers only if the Portfolio Manager is unable to deliver the sale agreement or agreements or certifications as described in the following paragraph to the Trustee. The Co-Issuers will have the option to withdraw any such

notice of redemption relating to a proposed Partial Redemption by Refinancing up to and including the day that is five Business Days prior to the proposed Redemption Date in the event the conditions applicable to a Partial Redemption by Refinancing set forth herein are not satisfied. In addition, (i) a Majority of the Subordinated Notes will have the option to withdraw any such notice of Optional Redemption or Partial Redemption by Refinancing up to and including the day that is six Business Days prior to such Redemption Date and (ii) the Portfolio Manager will have the option to withdraw any such notice of Optional Redemption or Partial Redemption by Refinancing up to and including two Business Days prior to such Redemption Date. If the Co-Issuers so withdraw any notice of redemption or are otherwise unable to complete redemption of the Notes, the Sales Proceeds received from the sale of any Collateral Obligations and other Assets sold in contemplation of such redemption may during the Reinvestment Period at the Portfolio Manager's sole discretion be reinvested in accordance with the Investment Criteria described herein. However, if the Co-Issuers do not so withdraw any notice of redemption, but do not pay the Redemption Prices of the Secured Notes on the applicable Redemption Date, an Event of Default will occur.

No Secured Notes may be optionally redeemed unless (i) in the case of any Optional Redemption which is funded, in whole or in part, from Disposition Proceeds from the sale of the Collateral Obligations and other Assets, at least five Business Days before the scheduled Redemption Date the Portfolio Manager has furnished to the Trustee evidence that the Portfolio Manager on behalf of the Issuer has entered into a binding agreement or agreements with a financial or other institution or institutions whose short-term unsecured debt obligations (other than such obligations whose rating is based on the credit of a person other than such institution) are rated (or whose obligations are supported by a financial or other institution whose short-term unsecured debt obligations are rated) at least "A-1+" by S&P and at least "P-1" by Moody's as of the date of trade to purchase (directly or by participation or other arrangement), not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Collateral Obligations and/or the Hedge Agreements at a purchase price at least equal to an amount sufficient, together with the Eligible Investments maturing, redeemable (or putable to the issuer thereof at par) on or prior to the scheduled Redemption Date and any payments to be received in respect of the Hedge Agreements, any Refinancing Proceeds and all other available funds, to pay all Administrative Expenses (regardless of the Administrative Expense Cap) and other fees and expenses payable in accordance with the Priority of Payments and to redeem all of the Secured Notes being redeemed on the scheduled Redemption Date at the applicable Redemption Price, or (ii) prior to entering into any Refinancing or selling any Collateral Obligations and/or Eligible Investments, the Portfolio Manager will certify to the Trustee that, in its judgment, the aggregate sum of (A) any expected proceeds from Hedge Agreements and the sale of Eligible Investments, (B) any Refinancing Proceeds and (C) for each Collateral Obligation, the product of its principal balance and its Market Value, will exceed the sum of (X) the aggregate Redemption Prices of the outstanding Secured Notes and (Y) all Administrative Expenses (regardless of the Administrative Expense Cap) and other fees and expenses payable pursuant to the Priority of Payments other than, in the case of a Refinancing, Administrative Expenses and other fees and expenses paid with the proceeds of a Contribution or amounts on deposit in the Supplemental Reserve Account. Any certification delivered by the Portfolio Manager as described above must include (1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Obligations, Eligible Investments and/or Hedge Agreements and (2) all calculations required as described above.

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

Mandatory Redemption

If a Coverage Test (as described under "Security for the Secured Notes—The Coverage Tests and the Reinvestment Overcollateralization Test") is not met on any Determination Date on which such Coverage Test is applicable, the Issuer will be required to apply available amounts in the Payment Account on the related Payment Date to make payments as required pursuant to the Priority of Payments (a "**Mandatory Redemption**") to the extent necessary to achieve compliance with such Coverage Tests, as described under "—Priority of Payments" below.

Special Redemption

The Secured Notes may be subject to redemption in part by the Co-Issuers or the Issuer, as applicable, on any Payment Date after the Ramp-Up Period if the Portfolio Manager notifies the Trustee (with a copy to the Collateral Administrator) at least 10 Business Days prior to the Special Redemption Date that a redemption is required in order

to obtain from each Rating Agency a confirmation of its initial ratings of each applicable Class of the Secured Notes (or, to the extent a Moody's Effective Date Deemed Rating Confirmation has occurred, written confirmation from S&P of its initial ratings of the Secured Notes) (a "**Special Redemption**"). On the first Payment Date following the Collection Period in which such notice is given (a "**Special Redemption Date**"), the amount in the Principal Collection Account representing Interest Proceeds and Principal Proceeds which must be applied to redeem the Secured Notes in order to obtain from each Rating Agency confirmation of its initial ratings of each Class of the Secured Notes (such amount, the "**Special Redemption Amount**") will be applied as described under "—Priority of Payments—Application of Principal Proceeds". Notice of Special Redemption will be given by the Trustee either by first class mail, postage prepaid, mailed as soon as reasonably practicable, and in any case not less than three (3) Business Days prior to the applicable Special Redemption Date (*provided* that such notice will not be required in connection with a Special Redemption if the Special Redemption Amount is not known on or prior to such date) to each holder of Secured Notes affected thereby at such holder's address in the register maintained by the applicable registrar under the Indenture and to both Rating Agencies or by facsimile or via email transmission to such parties. In addition, for so long as any Notes are listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require, notice of Special Redemption to the Holders of such Notes will also be sent by the Issuer to the Irish Stock Exchange.

Clean-Up Call Redemption

The Notes are redeemable at the option of the Co-Issuers acting at the direction of the Portfolio Manager (which direction shall be given so as to be received by the Issuer and the Trustee not later than 12 Business Days prior to the proposed Clean-Up Call Redemption Date), in whole but not in part (a "**Clean-Up Call Redemption**"), at the applicable Redemption Price, on any Payment Date selected by the Portfolio Manager (the date of any such redemption, the "**Clean-Up Call Redemption Date**") that occurs on or after the Business Day on which the aggregate principal balance of the Collateral Obligations and Eligible Investments is less than or equal to 15% of the Aggregate Ramp-Up Par Amount. In such event a notice of redemption shall be given by first class mail, postage prepaid, mailed not later than 10 Business Days prior to the applicable Clean-Up Call Redemption Date, to each holder of Notes and to each Rating Agency.

To effect a Clean-Up Call Redemption, the Portfolio Manager will direct the sale of Collateral Obligations. No Clean-Up Call Redemption will occur unless (A) at least 10 Business Days before the scheduled Clean-Up Call Redemption Date (or such later date as the Trustee may find reasonably acceptable), the Portfolio Manager has certified to the Trustee that the Portfolio Manager on behalf of the Issuer has entered into one or more agreements to sell, not later than two Business Days prior to the scheduled Clean-Up Call Redemption Date, all or part of the Assets at a sale price in immediately available funds at least equal to an amount sufficient, together with all other funds expected to be available on such Clean-Up Call Redemption Date, to pay the sum of (x) the Redemption Prices of the Secured Notes and (y) all Administrative Expenses (including amounts reserved to meet any post-redemption fees and expenses) and other fees and expenses payable under the Priority of Payments (without regard to the caps set forth therein) including, without limitation, any accrued, payable and unpaid Management Fees and any amounts due to the Hedge Counterparties; or (B) at least 10 Business Days prior to selling any Assets, the Portfolio Manager has certified to the Trustee that the aggregate sum of expected (A) termination payments with respect to Hedge Agreements, (B) Sale Proceeds from the sale of Eligible Investments and (C) Sale Proceeds for each Collateral Obligation, calculated as the product of its principal balance and its Market Value (expressed as a percentage of its principal balance), shall equal or exceed the sum of (x) the Redemption Prices of the Secured Notes and (y) all Administrative Expenses (including amounts reserved to meet any post-redemption fees and expenses) and other fees and expenses payable under the Priority of Payments (without regard to the caps set forth therein) including, without limitation, any accrued, payable and unpaid Management Fees and any amounts due to the Hedge Counterparties.

Notice of a Clean-Up Call Redemption will be given to the Holders and each Rating Agency as described above; however, failure to give such notice to any Holder or any defect in the notice will not impair or affect the validity of the redemption of any other Notes. Certificated Secured Notes and Certificated Subordinated Notes must be surrendered (at the place specified in the notice of Clean-Up Call Redemption) prior to payment of the applicable Redemption Price.

Any notice of Clean-Up Call Redemption may be withdrawn by the Issuer (or the Portfolio Manager on its behalf) up to the second Business Day prior to the scheduled Clean-Up Call Redemption Date by written notice to

the Trustee, the Rating Agencies and (if applicable) the Portfolio Manager only if amounts equal to the Redemption Price (including funds in the accounts available to pay the Redemption Price) are not received in full in immediately available funds by the second Business Day immediately preceding the Clean-Up Call Redemption Date. Notice of any such withdrawal of a notice of Clean-Up Call Redemption shall be given by the Trustee at the expense of the Issuer to each Holder of Notes not later than the Business Day prior to the scheduled Clean-Up Call Redemption Date. If the Clean-Up Call Redemption is cancelled, the Portfolio Manager may, in its discretion, invest all or a portion of the liquidation proceeds in accordance with the Investment Criteria; provided that if the Portfolio Manager is unable to enter into trades to reinvest such proceeds during or after the Reinvestment Period, such liquidation proceeds will be considered Principal Proceeds and transferred to the Principal Collection Account for distribution on the next Payment Date. The Issuer shall also arrange for notice of such cancellation to be published on the Irish Stock Exchange so long as any Notes are listed thereon and so long as the guidelines of such exchange so require.

Subject to satisfaction of the foregoing conditions, the Notes to be redeemed shall, on the Clean-Up Call Redemption Date, become due and payable at the Redemption Price therein specified in accordance with the Note Payment Sequence, and from and after the Clean-Up Call Redemption Date (unless the Issuer shall default in the payment of the Redemption Price and accrued interest) all the Secured Notes shall cease to bear interest on the Clean-Up Call Redemption Date. All amounts payable other than in respect of the redeemed Notes under the Priority of Payments shall cease to accrue as of the Clean-Up Call Redemption Date and shall be payable on such Clean-Up Call Redemption Date pursuant to the Priority of Payments as if such date were a Payment Date; provided that the Management Fees that would otherwise have become payable on the next succeeding Payment Date had the Notes not been redeemed prior to such Payment Date shall be payable on the Clean-Up Call Redemption Date.

If any Note called for redemption pursuant to a Clean-Up Call Redemption shall not be paid when it becomes due and payable, the principal thereof shall, until paid, bear interest from the Clean-Up Call Redemption Date at the applicable Interest Rate for each successive Interest Accrual Period such Note remains outstanding; provided that the reason for such non-payment is not the fault of the Holder of such Note.

Re-Pricing

General – Re-Pricing. On any Business Day on or after the end of the Non-Call Period, at the written direction of the holders of at least a Majority of the Subordinated Notes, the Issuer shall reduce the spread over LIBOR applicable with respect to any Class of Floating Rate Notes other than the Class A-1 Notes (such reduction with respect to any Class of Notes other than the Class A-1 Notes, a "**Re-Pricing**" and any Class of Secured Notes to be subject to a Re-Pricing, a "**Re-Priced Class**"); *provided* that the Issuer shall not effect any Re-Pricing unless each condition specified in the Indenture is satisfied with respect thereto. In connection with any Re-Pricing, the Issuer shall engage a broker-dealer (the "**Re-Pricing Intermediary**") upon the recommendation of the Portfolio Manager and subject to the approval of a Holders of at least a Majority of the Subordinated Notes and such Re-Pricing Intermediary shall assist the Issuer in effecting the Re-Pricing.

The Class A-1 Notes shall not be subject to a Re-Pricing.

Re-Pricing Procedures. At least 30 Business Days prior to the Business Day fixed by Holders of at least a Majority of the Subordinated Notes for any proposed Re-Pricing (the "**Re-Pricing Date**"), the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall deliver a notice in writing (with a copy to the Portfolio Manager, the Trustee and each Rating Agency) to each Holder of the proposed Re-Priced Class, which notice shall (i) specify the proposed Re-Pricing Date and the revised spread over LIBOR to be applied with respect to such Class, and (ii) request each holder of the Re-Priced Class to approve the proposed Re-Pricing. Failure to give a notice of Re-Pricing, or any defect therein, to any holder of any Re-Priced Class shall not impair or affect the validity of the Re-Pricing or give rise to any claim based upon such failure or defect. Any notice of a Re-Pricing may be withdrawn by a Majority of the Subordinated Notes on or prior to the fifth Business Day prior to the scheduled Re-Pricing Date by written notice to the Issuer, the Trustee and the Portfolio Manager for any reason. Upon receipt of such notice of withdrawal, the Trustee shall send such notice to the Holders of Notes and each Rating Agency.

In the event any holders of the Re-Priced Class do not deliver written consent to the proposed Re-Pricing on or before the date that is 20 Business Days prior to the proposed Re-Pricing Date, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall deliver written notice thereof (the "**Issuer's Purchase Request**") to the

consenting holders of the Re-Priced Class, specifying the aggregate outstanding amount of the Notes of the Re-Priced Class held by such non-consenting holders, and shall request each such consenting holder provide written notice to the Issuer, the Trustee, the Portfolio Manager and the Re-Pricing Intermediary if such holder would like to purchase all or any portion of the Notes of the Re-Priced Class held by the non-consenting holders (each such notice, a "**Holder's Exercise Notice**") within five Business Days after receipt of the Issuer's Purchase Request at the Redemption Price thereof. In the event the Issuer shall receive Holder's Exercise Notices with respect to more than the aggregate outstanding amount of the Notes of the Re-Priced Class held by non-consenting holders, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall cause the sale and transfer of such Notes, without further notice to the non-consenting holders thereof, on the Re-Pricing Date to the holders delivering Holder's Exercise Notices with respect thereto, *pro rata* (subject to the applicable minimum denomination requirements and DTC procedures) based on the aggregate outstanding amount of the Notes such holders indicated an interest in purchasing pursuant to their Holder's Exercise Notices. In the event the Issuer shall receive Holder's Exercise Notices with respect to less than the aggregate outstanding amount of the Notes of the Re-Priced Class held by non-consenting holders, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall cause the sale and transfer of such Notes, without further notice to the non-consenting holders thereof, on the Re-Pricing Date to the holders delivering Holder's Exercise Notices with respect thereto, and any excess Notes of the Re-Priced Class held by non-consenting holders shall be sold to a transferee designated by the Re-Pricing Intermediary on behalf of the Issuer. All sales of Notes to be effected pursuant to this paragraph shall be made at the Redemption Price with respect to such Notes, and shall be effected only if the related Re-Pricing is effected in accordance with the provisions hereof. The holder of each Secured Note, by its acceptance of an interest in the Notes, agrees to sell and transfer its Notes in accordance with the requirements of the Indenture and agrees to cooperate with the Issuer, the Re-Pricing Intermediary and the Trustee to effect such sales and transfers. The Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall deliver written notice to the Trustee and the Portfolio Manager not later than 12 Business Days prior to the proposed Re-Pricing Date confirming that the Issuer has received written commitments to purchase all Notes of the Re-Priced Class held by non-consenting holders.

The Issuer shall not effect any proposed Re-Pricing unless: (i) the Co-Issuers and the Trustee shall have entered into a supplemental indenture dated as of the Re-Pricing Date to modify the spread over LIBOR applicable to the Re-Priced Class; (ii) the Re-Pricing Intermediary confirms in writing that all Notes of the Re-Priced Class held by non-consenting holders have been sold and transferred on the same day and pursuant to the requirements of the Indenture; (iii) each Rating Agency shall have been notified of such Re-Pricing; and (iv) all expenses of the Issuer and the Trustee (including the fees of the Re-Pricing Intermediary and fees of counsel) incurred in connection with the Re-Pricing shall not exceed the amount of Interest Proceeds available after taking into account all amounts required to be paid pursuant to clauses (A) through (W) under "Overview of Terms—Priority of Payments—Application of Interest Proceeds" on the subsequent Payment Date, unless such expenses shall have been paid or shall be adequately provided for using the proceeds of a Contribution or amounts on deposit in the Supplemental Reserve Account or by an entity other than the Issuer. If the Trustee receives written notice from the Issuer that a proposed Re-Pricing is not effected by the proposed Re-Pricing Date, the Trustee shall notify each Rating Agency that such proposed Re-Pricing was not effected. The Trustee shall be entitled to receive and may request and rely upon an issuer order from the Issuer (or the Portfolio Manager on behalf of the Issuer) providing directions and additional information necessary to effect a Re-Pricing.

Issuer Purchases of Secured Notes

Notwithstanding anything to the contrary in the Indenture, the Issuer may conduct purchases of the Secured Notes, in whole or in part, in accordance with, and subject to, the terms and conditions set forth below. Notwithstanding the provisions of the Indenture described under "Security for the Secured Notes—The Collection Account and Payment Accounts" (or any other terms therein to the contrary), amounts in the Principal Collection Account may be disbursed for purchases of Secured Notes in accordance with the provisions described in this section. Upon written instruction by the Issuer, the Trustee shall cancel as described under "—Cancellation" any such purchased Secured Notes surrendered to it for cancellation or, in the case of any Global Secured Notes, the Trustee shall decrease the aggregate outstanding principal amount of such Global Secured Notes in its records by the full par amount of the purchased Secured Notes, and instruct DTC or its nominee, as the case may be, to conform its records. The cancellation (and/or decrease, as applicable) of any such surrendered Notes shall be taken into account for purposes of all relevant calculations thereafter made pursuant to the terms of the Indenture.

No purchases of the Secured Notes by the Issuer may occur unless each of the following conditions is satisfied:

(a) (i) such purchases of Secured Notes shall occur in the following sequential order of priority: *first*, the Class A-1 Notes, until the Class A-1 Notes are retired in full; *second*, the Class A-2 Notes, until the Class A-2 Notes are retired in full; *third*, the Class B Notes, until the Class B Notes are retired in full; *fourth*, the Class C Notes, until the Class C Notes are retired in full; *fifth*, the Class D Notes, until the Class D Notes are retired in full; and *sixth*, the Class E Notes, until the Class E Notes are retired in full;

(ii) (1) each such purchase of Secured Notes of any Class shall be made pursuant to an offer made to all Holders and beneficial owners of the Secured Notes of such Class, by notice to such Holders and beneficial owners, 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 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 or beneficial owner of a Secured Note shall have the right, but not the obligation, to accept such offer in accordance with its terms and (3) if the aggregate outstanding principal amount of Notes of the relevant Class held by Holders or beneficial owners who accept such offer exceeds the amount of Principal Proceeds specified in such offer, a portion of the Notes of each accepting Holder and beneficial owner shall be purchased *pro rata* based on the respective principal amount held by each such Holder or beneficial owner;

(iii) each such purchase shall be effected only at prices discounted from par;

(iv) each such purchase of Secured Notes shall occur during the Reinvestment Period and shall be effected with Principal Proceeds;

(v) each Coverage Test will be (x) satisfied immediately prior to and after giving effect to such purchase and (y) maintained or improved after giving effect to such purchase;

(vi) to the extent that Sale Proceeds are used to consummate any such purchase, either (I) each requirement or test, as the case may be, of the Concentration Limitations and the Collateral Quality Tests (except the S&P CDO Monitor Test) will be satisfied after giving effect to such purchase or (II) if any such requirement or test was not satisfied immediately prior to the sale of the Collateral Obligations giving rise to such Sale Proceeds, such requirement or test will be maintained or improved after giving effect to such sale of Collateral Obligations and purchase of Secured Notes;

(vii) no Event of Default shall have occurred and be continuing;

(viii) any Secured Notes to be purchased shall be surrendered to the Trustee for cancellation as described under "—Cancellation";

(ix) each such purchase will otherwise be conducted in accordance with applicable law; and

(x) notice of such purchase has been provided to each Rating Agency; and

(b) the Trustee has received an officer's certificate of the Issuer or the Portfolio Manager to the effect that the conditions in the foregoing paragraph (a) have been satisfied.

Compulsory Sales

The Issuer has the right to compel any Non-Permitted Holder to sell its interest in the Notes or may sell such interest in the Notes on behalf of such Non-Permitted Holder. See "Transfer Restrictions—Non-Permitted Holder

and Recalcitrant Holder." In addition, if a holder fails for any reason to provide to the Issuer and the Trustee information or documentation as requested in connection with FATCA, or to update or correct such information or documentation, or such information or documentation is not accurate or complete, the Issuer will have the right, if the Issuer in its sole discretion believes it is required under FATCA (including a voluntary agreement entered into with the IRS pursuant thereto) to close out such a non-complying holder, to compel such holder to (x) sell its interest in such Note, (y) sell such interest on such holder's behalf, and/or (z) assign to such Note a separate CUSIP number or numbers. None of the Issuer, the Portfolio Manager or the Initial Purchaser will be required to purchase any such Notes required to be so sold. See "Risk Factors—Relating to the Notes—Issuer may be Subject to Withholding under FATCA and Holders may be Subject to Withholding or Forced Sale for Failure to Provide Certain FATCA Information."

Cancellation

All Notes that are redeemed or paid in full and surrendered for cancellation as described herein will forthwith be canceled and may not be reissued or resold. If any Note is canceled (other than in connection with a Partial Redemption by Refinancing, transfer or exchange, or cancellation pursuant to the provisions described under "—Issuer Purchases of Secured Notes") that is not of the Class that is, at that time, senior most in the Note Payment Sequence, such Note shall be deemed to be treated as "Outstanding" for purposes of calculation of the Overcollateralization Ratio until all Notes of such applicable Class and each Class that is senior in right of payment thereto in the Note Payment Sequence have been retired or redeemed, having an aggregate outstanding amount equal to the aggregate outstanding amount as of the date of surrender, reduced proportionately with, and to the extent of, any payments of principal of Notes of the same Class thereafter.

Entitlement to Payments

Payments in respect of principal and interest on the Notes will be made to the person in whose name the Note is registered on the Record Date. Payments on certificated notes will be made in U.S. Dollars by wire transfer, as directed by the investor, in immediately available funds to the investor; *provided*, that written wiring instructions have been provided to the Trustee or applicable Paying Agent on or before the related Record Date; and *provided*, *further*, that if appropriate instructions for any such wire transfer are not received by the related Record Date, then such payment will be made by check drawn on a U.S. bank mailed to such holder of a Note at such holder's address specified in the applicable register maintained by the Trustee. Final payments in respect of principal of the Notes will be made only against surrender of the Notes at the office of any Paying Agent appointed under the Indenture.

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

Prescription. Except as otherwise required by applicable law, claims by holders of Notes in respect of principal and interest must be made to the Trustee or any Paying Agent if made within two years of such principal or interest becoming due and payable. Any funds deposited with the Trustee or any such Paying Agent in trust for the payment of principal or interest remaining unclaimed for two years after such principal or interest has become due and

payable will be paid to the Issuer and, if applicable, the Co-Issuer, pursuant to the Indenture; and the holder of a Note will thereafter, as an unsecured general creditor, look only to the Issuer and, if applicable, the Co-Issuer, for payment of such amounts (but only to the extent of the amounts so paid to the Issuer and/or Co-Issuer, as the case may be) and all liability of the Trustee and any such Paying Agent with respect to such trust funds will thereupon cease.

Priority of Payments

On each Payment Date, Interest Proceeds and Principal Proceeds will be applied in the order of priority described under "Overview of Terms—Priority of Payments."

The Indenture

The following summary describes certain provisions of the Indenture among the Co-Issuers and the Trustee to be dated as of the Closing Date. The summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Indenture.

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

(a) a default in the payment, when due and payable, of (i) any interest on any Class A-1 Note or any Class A-2 Note, or, if there are no Class A-1 Notes or Class A-2 Notes outstanding, any Class of Notes then comprising the Controlling Class, and the continuation of any such default for five Business Days or (ii) any principal, interest, or Deferred Interest on, or any Redemption Price in respect of, any Secured Note at its Stated Maturity or any Redemption Date; *provided* that, in the case of a default in payment resulting solely from an administrative error or omission by the Trustee, any Paying Agent or the registrar of the Notes, such default continues for a period of seven Business Days after the Trustee receives written notice or an officer of the Trustee has actual knowledge of such administrative error or omission; *provided*, *further*, that, in the case of any default on any Redemption Date, only to the extent that such default continues for a period of 10 Business Days;

(b) the failure on any Payment Date to disburse amounts in excess of U.S.$1,000 available in the Payment Account in accordance with the Priority of Payments set forth in the Indenture and continuation of such failure for a period of 10 Business Days (unless such failure results solely from an administrative error or omission or due to another non-credit related reason in which case the 10 Business Day period does not begin to run until notice is provided or there is actual knowledge of the failure);

(c) either of the Co-Issuers or the Assets becomes an investment company required to be registered under the Investment Company Act;

(d) except as otherwise provided in this definition of "Event of Default," a default in the performance, or breach, of any other covenant or other agreement of the Issuer or the Co-Issuer in the Indenture in any material respect (it being understood, without limiting the generality of the foregoing, that any failure to meet any Concentration Limitation, Collateral Quality Test, Coverage Test or Reinvestment Overcollateralization Test is not an Event of Default), or the failure of any representation or warranty of the Issuer or the Co-Issuer made in the Indenture or in any certificate or other writing delivered pursuant thereto or in connection therewith to be correct in all material respects when the same has been made, and the continuation of such default, breach or failure for a period of 45 days after notice to the Issuer or the Co-Issuer, as applicable, and the Portfolio Manager by registered or certified mail or overnight courier, by the Trustee, the Issuer, the Co-Issuer, as applicable, or the Portfolio Manager or to the Issuer or Co-Issuer, as applicable, the Portfolio Manager and the Trustee by a Majority of the Controlling Class, specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Indenture;

(e) certain events of bankruptcy, insolvency, receivership or reorganization of either of the Co-Issuers; or

(f) on any Measurement Date, the failure of the ratio of (i) (A) the aggregate principal balance of the Pledged Obligations (excluding Defaulted Obligations) *plus* (B) the aggregate Market Value of all Defaulted Obligations to (ii) the aggregate outstanding amount of the Class A-1 Notes to equal or exceed 102.0%.

If an Event of Default occurs and is continuing (other than an Event of Default referred to in clause (e) above), the Trustee may, and will, upon the written direction of, in the case of an Event of Default specified in clause (a), (b), (c), (d) or (f) above, a Supermajority of the Controlling Class, by notice to the applicable Co-Issuers and each of the Rating Agencies, declare the principal of and accrued interest on the Secured Notes to be immediately due and payable and the Reinvestment Period will terminate. If an Event of Default described in clause (e) above occurs, such an acceleration will occur automatically. The "**Controlling Class**" will be the Class A-1 Notes so long as any Class A-1 Notes are outstanding; then the Class A-2 Notes so long as any Class A-2 Notes are outstanding; then the Class B Notes, so long as any Class B Notes are outstanding; then the Class C Notes so long as any Class C Notes are outstanding; then the Class D Notes so long as any Class D Notes are outstanding; then the Class E Notes so long as any Class E Notes are outstanding; and then the Subordinated Notes if no Secured Notes are outstanding.

If an Event of Default has occurred and is continuing, the Trustee will retain the Assets intact and collect all payments in respect of the Assets unless either:

(i) the Trustee determines in accordance with the Indenture and in consultation with the Portfolio Manager that the anticipated proceeds of a sale or liquidation of all or any portion of the Assets (after deducting the anticipated reasonable expenses of such sale or liquidation) would be sufficient to discharge in full the amounts then due (or, in the case of interest, accrued) and unpaid on the Secured Notes for principal and interest (including Deferred Interest), and all amounts payable prior to payment of principal of such Secured Notes (including amounts due and owing as Administrative Expenses (without regard to the Administrative Expense Cap), amounts payable to any Hedge Counterparty upon liquidation of all or any portion of the Assets) and a Majority of the Controlling Class agrees with such determination;

(ii) for as long as the Class A-1 Notes are outstanding, in the case of an Event of Default specified in clause (a) of the definition of such term as it relates to the Class A-1 Notes or an Event of Default specified in clause (f) of the definition of such term, a Majority of the Class A-1 Notes directs the sale and liquidation of all or any portion of the Assets; or

(iii) a Supermajority of each Class of Secured Notes (voting separately by Class) directs the sale and liquidation of all or any portion of the Assets.

In the event a liquidation of all or any portion of the Assets is commenced in accordance with the aforementioned provisions, all unpaid principal, together with all accrued and unpaid interest thereon, of all the Secured Notes, and other amounts payable under the Indenture, will automatically become due and payable without any declaration or other act on the part of the Trustee or any holder.

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

Subject to the provisions of the Indenture relating to the duties of the Trustee, the Trustee will be under no obligation to exercise the rights or powers vested in it under the Indenture in respect of an Event of Default, at the request or direction of the holders of any Notes unless such holders have provided to the Trustee security or indemnity reasonably satisfactory to the Trustee. A Majority of the Controlling Class may, in certain cases, waive any default with respect to such Notes, except a default (a) in the payment of the principal of any Secured Note (which may be waived with the consent of each holder of such Note), (b) in the payment of interest on the Notes of the Controlling Class (which may be waived with the consent of the holders of 100% of the Controlling Class), (c) in respect of a provision of the Indenture that cannot be modified or amended without the waiver or consent of the holder of each such outstanding Note adversely affected thereby (which may be waived with the consent of each

such holder) or (d) in respect of a breach by the Issuer of certain representations made by the Issuer in the Indenture relating to the security interest of the Trustee in the Assets.

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

In determining whether the holders of the requisite aggregate outstanding principal amount have given any request, demand, authorization, direction, notice, consent or waiver under the Indenture or under the Portfolio Management Agreement, (a) Notes owned by the Issuer, the Co-Issuer, any other obligor upon the Notes or any affiliate of the Issuer, the Co-Issuer or such other obligor (or the Portfolio Manager, any affiliate of the Portfolio Manager or any fund or account over which the Portfolio Manager or any of its affiliates has discretionary voting authority, under the limited circumstances described herein under "The Portfolio Management Agreement") will be disregarded and deemed not to be outstanding, except that, in determining whether the Trustee will be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes that an authorized trust officer of the Trustee actually knows to be so owned will be so disregarded and (b) Notes so owned that have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Notes and that the pledgee is not the Issuer, the Co-Issuer, any other obligor upon the Notes or any affiliate of the Issuer, the Co-Issuer or such other obligor (or the Portfolio Manager, any affiliate of the Portfolio Manager or any fund or account over which the Portfolio Manager or any of its affiliates has discretionary voting authority).

Notices. Notices to the holders of the Notes will be given by first class mail, postage prepaid, to registered holders of Notes at each such holder's address appearing in the register maintained by the Trustee or, as applicable, in accordance with the procedures at DTC. In addition, for so long as any Notes are listed on the Irish Stock Exchange and the guidelines of the Irish Stock Exchange so require, notices to the holders of such Notes will also be sent by the Issuer to the Irish Stock Exchange.

Modification of Indenture.

Modification of Indenture with Consent of Holders of Notes.

With the consent of a Majority of each Class of Notes materially and adversely affected thereby, the Trustee and the Co-Issuers may enter into a supplemental indenture to add any provisions to, or change in any manner or eliminate any of the provisions of, the Indenture or modify in any manner the rights of the holders of the Notes of such Class. However, the Issuer will not enter into any such supplemental indenture if any Hedge Counterparty would be materially and adversely affected by such supplemental indenture (in its reasonable judgment) and notifies the Issuer and the Trustee thereof, without the prior written consent of such Hedge Counterparty.

Notwithstanding the foregoing, without the consent of each holder of each outstanding Note of each Class materially and adversely affected thereby, no such supplemental indenture described above may:

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

(ii) change the percentage of the "Aggregate Outstanding Amount" (as defined in the Indenture) of holders of Notes of each Class whose consent is required under the Indenture, including for the authorization of any such supplemental indenture, exercise of remedies under the Indenture or for any waiver of compliance with certain provisions of the Indenture or certain defaults thereunder or their consequences;

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

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

(v) modify any of the provisions of the Indenture with respect to supplemental indentures, except to increase the percentage of outstanding Secured Notes or Subordinated Notes the consent of the holders of which is required for any such action or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the holder of each Secured Note or Subordinated Note outstanding and affected thereby;

(vi) modify the definitions of the terms "Outstanding" (as defined in the Indenture), "Class," "Controlling Class," "Majority" or "Supermajority";

(vii) modify the Priority of Payments;

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

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

(x) modify the restrictions on and procedures for resales and other transfers of Notes (except as provided in clause (vi) of the third succeeding paragraph below);

(xi) modify any of the provisions of the Indenture in such a manner as to impose any liability on a holder of Notes to any third party (other than any liabilities set forth in the Indenture on the Closing Date); or

(xii) (A) result in the Issuer becoming subject to United States federal income taxation with respect to its net income, (B) result in the Issuer being treated as being engaged in a trade or business within the United States or (C) have a material adverse effect on the tax treatment of the Issuer or the tax consequences to the holders of any Class of Notes (provided that in determining whether a supplemental indenture has a material adverse effect with respect to a holder of any Class of Notes, any related recognition of gain or loss with respect to such Notes under Section 1001 of the Code shall be disregarded).

Modification of Indenture without Consent of Holders of Notes.

The Co-Issuers, when authorized by board resolutions, and the Trustee may also enter into supplemental indentures without obtaining the consent of holders of the Notes or any Hedge Counterparty (except as expressly noted below), at any time and from time to time, subject to certain requirements described in the Indenture:

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

(ii) to add to the covenants of the Co-Issuers or the Trustee for the benefit of the Secured Parties or to surrender any right or power conferred upon the Co-Issuers by the Indenture;

(iii) to convey, transfer, assign, mortgage or pledge any property to or with the Trustee for the benefit of the Secured Parties;

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

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

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

(vii) to make such changes as will be necessary or advisable in order for the listed Notes to be listed or de-listed on an exchange, including the Irish Stock Exchange;

(viii) at any time within the Reinvestment Period, subject to the approval of a Majority of the Subordinated Notes, to make such changes as are necessary to permit the Co-Issuers (A) to issue additional Notes of any one or more new classes that are subordinated to the existing Secured Notes or (B) to issue additional Notes of any one or more existing Classes; *provided*, that any such additional issuance of Notes will be issued in accordance with the Indenture;

(ix) otherwise (A) to correct or cure any ambiguity or manifest errors in the Indenture or (B) to conform the provisions of the Indenture to the Offering Circular (only to the extent any item is addressed in both such documents);

(x) to amend, modify, enter into or accommodate the execution of any Hedge Agreement (*provided* that any such amendment or modification of any Hedge Agreement shall require the consent of the Hedge Counterparty and a Majority of the Controlling Class);

(xi) to (A) take any action advisable to prevent the Issuer, any Tax Subsidiary and the holders of any Class of the Notes from becoming subject to (or otherwise minimize) withholding or other taxes (other than taxes with respect to the Issuer otherwise permitted under the Indenture), fees or assessments, including by achieving FATCA Compliance, or to reduce the risk that the Issuer may be treated as engaged in a United States trade or business or otherwise being subject to United States federal, state or local income tax on a net income basis, provided that such actions do not conflict with the provisions related to Tax Subsidiaries set forth in the Indenture or (B) without limitation, issue a new Note or Notes in respect of, or issue one or more new sub-classes of, any Class of Notes, in each case with new identifiers (including CUSIPs, ISINs and Common Codes, as applicable), to the extent that the Issuer or the Trustee determines that one or more beneficial owners of the Notes of such Class are Recalcitrant Holders or in connection with any Bankruptcy Subordination Agreement and to provide for procedures under which beneficial owners of such Class that are not Recalcitrant Holders (or subject to a Bankruptcy Subordination Agreement, as the case may be) may take an interest in such new Note(s) or sub-class(es);

(xii) to enter into any additional agreements not expressly prohibited by the Indenture as well as any agreement, amendment, modification or waiver if the Issuer determines that such agreement, amendment, modification or waiver would not, upon or after becoming effective, materially and adversely affect the rights or interest of holders of any Class of Notes, as evidenced by an opinion of counsel (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such opinion) or an officer's certificate of the Portfolio Manager to the effect that such modification would not be materially adverse to the holder of any Class of Notes;

(xiii) in connection with a Partial Redemption by Refinancing, at the direction of the Holders of a Majority of the Subordinated Notes, with the written consent of the Portfolio Manager (in its sole discretion), to (x) extend the end date of the Non-Call Period for all Classes of Notes and all obligations providing the

Refinancing to a date after the related Redemption Date and/or (y) to provide that a subsequent Partial Redemption by Refinancing on any date after the related Redemption Date will not be permitted;

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

(xv) to effect a Refinancing to the extent described in "Description of the Notes—Optional Redemption and Partial Redemption by Refinancing" or to effect a Re-Pricing to the extent described in "Description of the Notes—Re-Pricing";

(xvi) with the written consent of a Majority of the Controlling Class, to evidence any waiver or elimination by any Rating Agency of any requirement or condition of such Rating Agency set forth herein;

(xvii) with the written consent of a Majority of the Controlling Class, to conform to ratings criteria and other guidelines (including any alternative methodology published by either of the Rating Agencies) relating to collateral debt obligations in general published by either of the Rating Agencies;

(xviii) with the written consent of a Majority of each Class of Notes, to modify (i) any Collateral Quality Test, (ii) any defined term identified in the Indenture utilized in the determination of any Collateral Quality Test, (iii) the Investment Criteria set forth in the Indenture, (iv) any Concentration Limitation or (v) any defined term in the Indenture or any Schedule thereto that begins with or includes the word "Moody's" or "S&P";

(xix) to amend, modify or otherwise accommodate changes to the Indenture relating to the administrative procedures for reaffirmation of ratings on the Notes;

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

(xxi) with the written consent of the Portfolio Manager and a Majority of the Controlling Class, to modify the definition of "Credit Improved Obligation," "Credit Risk Obligation," "Defaulted Obligation" or "Equity Security" or the restrictions on the sales of Collateral Obligations set forth in the Indenture in a manner not materially adverse to any holders of any Class of Notes as evidenced by an opinion of counsel (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such opinion) or an officer's certificate of the Portfolio Manager to the effect that such modification would not be materially adverse to the holder of any Class of Notes;

(xxii) to accommodate the settlement of the Notes in book-entry form through the facilities of DTC or otherwise;

(xxiii) to authorize the appointment of any listing agent, transfer agent, paying agent or additional registrar for any Class of Notes required or advisable in connection with the listing of any Class of Notes on the Irish Stock Exchange or any other stock exchange, and otherwise to amend the Indenture to incorporate any changes required or requested by any governmental authority, stock exchange authority, listing agent, transfer agent, paying agent or additional registrar for any Class of Notes in connection therewith;

(xxiv) to change the minimum denomination of any Class of Notes;

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

(xxvi) to take any action to allow the Co-Issuers or any Tax Subsidiary to comply (or facilitate compliance) with FATCA including providing for remedies against or imposing penalties upon any Holder who fails to deliver Holder FATCA Information or is non-compliant with FATCA.

Not later than 15 Business Days prior to the execution of any proposed supplemental indenture, the Trustee, at the expense of the Co-Issuers, will mail to the holders of the Notes, the Portfolio Manager, the Collateral Administrator, any Hedge Counterparty and each Rating Agency (so long as any Secured Notes are outstanding) a

copy of such proposed supplemental indenture and, in the case of a proposed supplemental indenture under "—Modification of Indenture with Consent of Holders of Notes," will request any required consent from the applicable holders of Notes be given no later than the Business Day prior to the date indicated as the proposed execution date of the proposed supplemental indenture; *provided* that in the case of any proposed supplemental indenture pursuant to clause (viii)(B) under "—Modification of Indenture without Consent of Holders of Notes," notice of such supplemental indenture may be delivered one Business Day prior to the execution of such proposed supplemental indenture. At the cost of the Co-Issuers, the Trustee will provide to the Holders and the Rating Agencies a copy of the executed supplemental indenture after its execution. Any failure of the Trustee to supply such copy will not, however, in any way impair or affect the validity of any such supplemental indenture.

Any consent given to a proposed supplemental indenture by the holder of any Notes will be irrevocable and binding on all future holders or beneficial owners of that Note, irrespective of the execution date of the supplemental indenture. If the holders of less than the required percentage of the aggregate outstanding amount of the relevant Notes consent to a proposed supplemental indenture within 15 Business Days of the date such proposed supplemental indenture was mailed to holders of the Notes, on the first Business Day following such period, the Trustee will provide consents received to the Issuer and the Portfolio Manager so that they may determine which holders of Notes have consented to the proposed supplemental indenture and which holders of Notes (and, to the extent such information is available to the Trustee, which beneficial owners) have not consented to the proposed supplemental indenture.

The Trustee may conclusively rely upon an opinion of counsel (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering the opinion) or an officer's certificate of the Portfolio Manager as to whether the interests of any holder of Notes would be materially and adversely affected by any supplemental indenture or other modification or amendment of the Indenture; *provided* that for purposes of those items set forth under "—Modification of Indenture with Consent of Holders of Notes", if the Trustee receives written notice from a Majority of the Controlling Class that such holders are materially and adversely affected by such modification or amendment to the Indenture, then the Trustee shall not be entitled to rely upon an opinion of counsel stating otherwise.

If, so long as the Class A-1 Notes are outstanding, a Majority of the Class A-1 Notes provide written notice to the Issuer and the Trustee (containing a statement detailing how such Holders would be adversely affected by any such proposed supplemental indenture) that such Holders object to any such proposed supplemental indenture under clause (ix)(A) under "—Modification of Indenture without Consent of Holders of Notes" not later than one Business Day prior to the execution of such supplemental indenture, the Co-Issuers and the Trustee shall not enter into such supplemental indenture (it being understood that any Holder that does not object to such proposed supplemental indenture in writing within the timeframe set forth above will be deemed to have consented to such proposed supplemental indenture). If a Majority of any Class of outstanding Notes provide written notice to the Issuer and the Trustee (containing a statement detailing how such Holders would be adversely affected by any such proposed supplemental indenture) that such Holders object to any such proposed supplemental indenture under clause (xii), (xiii) or (xviii) under "—Modification of Indenture without Consent of Holders of Notes" not later than one Business Day prior to the execution of such supplemental indenture, the Co-Issuers and the Trustee shall not enter into such supplemental indenture (it being understood that any Holder that does not object to such proposed supplemental indenture in writing within the timeframe set forth above will be deemed to have consented to such proposed supplemental indenture). Notwithstanding anything to the contrary, the Trustee shall have no obligation to evaluate or determine the sufficiency of any statement from any Holder detailing how such Holder would be adversely affected by any proposed supplemental indenture and shall have no obligation to request or otherwise solicit such a statement from any Holder who has objected without providing any statement detailing how such Holder would be adversely affected by any proposed supplemental indenture.

Notwithstanding anything to the contrary in the Indenture, no determination of whether any Holder of any Class is materially and adversely affected by a supplemental indenture will be required in connection with any Class of Secured Notes subject to a Refinancing or a Re-Pricing. In the case of a supplemental indenture to be entered into pursuant to clause (xiii) or (xv) under "—Modification of Indenture without Consent of Holders of Notes", the foregoing notice periods shall not apply and a copy of the proposed supplemental indenture shall be included in, in the case of a Re-Pricing, the notice of Re-Pricing delivered to each holder of the Re-Priced Class (with a copy to the Portfolio Manager) described under "—Re-Pricing—Re-Pricing Procedures" and, in the case of a Refinancing, the

notice of Optional Redemption given to each Rating Agency and each Holder of Notes under the provisions of the Indenture described under "—Optional Redemption and Partial Redemption by Refinancing—Redemption Procedures"; and, upon execution of the supplemental indenture, a copy thereof shall be delivered to each Rating Agency and each Holder of Notes.

The Portfolio Manager will not be bound to follow any amendment or supplement to the Indenture unless it has received written notice of such amendment or supplement and a copy of the amendment or supplement from the Issuer or the Trustee prior to the execution thereof in accordance with the notice requirements of the Indenture. The Issuer agrees that it will not permit to become effective any amendment or supplement to the Indenture which would (i) increase the duties or liabilities of, reduce or eliminate any right or privilege of (including as a result of an effect on the amount or priority of any fees or other amounts payable to the Portfolio Manager), or adversely change the economic consequences to, the Portfolio Manager, (ii) directly or indirectly modify the restrictions on the purchases or sales of Collateral Obligations under the Indenture or the Investment Criteria described under "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria," (iii) expand or restrict the Portfolio Manager's discretion or (iv) adversely affect the Portfolio Manager, unless the Portfolio Manager has consented in advance thereto in writing.

The Collateral Administrator will not be bound to follow any amendment or supplement to the Indenture unless it has received written notice of such amendment or supplement and a copy of the amendment or supplement from the Issuer or the Trustee prior to the execution thereof in accordance with the notice requirements of the Indenture. The Issuer agrees that it will not permit to become effective any amendment or supplement to the Indenture which would (i) increase the duties or liabilities of, reduce or eliminate any right or privilege of (including as a result of an effect on the amount or priority of any fees or other amounts payable to the Collateral Administrator), or adversely change the economic consequences to, the Collateral Administrator, (ii) expand or restrict the Collateral Administrator's discretion or (iii) adversely affect the Collateral Administrator, unless the Collateral Administrator has consented in advance thereto in writing.

No supplemental indenture, or other modification or amendment of the Indenture may become effective unless such supplemental indenture does not (1) result in the Issuer becoming subject to United States federal income taxation with respect to its net income, (2) result in the Issuer being treated as being engaged in a trade or business within the United States or (3) have a material adverse effect on the tax treatment of the Issuer or the tax consequences to the holders of any Class of Notes outstanding at the time of issuance, as described herein under "U.S. Federal Income Tax Considerations" as evidenced by an opinion of counsel.

Additional Issuance. The Indenture will provide that, at any time during the Reinvestment Period, the Co-Issuers may issue and sell additional Notes of each Class (on a *pro rata* basis with respect to each Class of Notes, except that a larger proportion of Subordinated Notes may be issued) and/or additional secured or unsecured new classes that are junior in right of payment to the Secured Notes and use the proceeds to purchase additional Collateral Obligations or as otherwise permitted under the Indenture; *provided*, that the following conditions are met:

(a) such issuance is approved by a Majority of the Subordinated Notes (and, in the case of the additional issuance of any Secured Notes, a Majority of the Class A-1 Notes (so long as the Class A-1 Notes remain outstanding));

(b) such issuance may not exceed 100% of the respective original outstanding amount of the applicable Class or Classes of Secured Notes;

(c) the terms of the Notes issued must be identical to the respective terms of previously issued Notes of the applicable Class (except that the interest due on additional Secured Notes will accrue from the issue date of such additional Secured Notes and the spread over LIBOR and price of such Notes do not have to be identical to those of the initial Notes of that Class; *provided* that the spread over LIBOR of any such additional Secured Notes will not be greater than the spread over LIBOR on the applicable Class of Secured Notes);

(d) unless only additional Subordinated Notes are being issued, the Moody's Rating Condition has been satisfied and S&P has been notified of such additional issuance;

(e) the proceeds of any additional Notes (net of fees and expenses incurred in connection with such issuance) will be treated as Principal Proceeds, used to purchase additional Collateral Obligations or as otherwise permitted under the Indenture;

(f) an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters will be delivered to the Trustee that provides that such additional issuance will not (1) result in the Issuer becoming subject to United States federal income taxation with respect to its net income, (2) result in the Issuer being treated as being engaged in a trade or business within the United States or (3) have a material adverse effect on the tax treatment of the Issuer or the tax consequences to the holders of any Class of Notes outstanding at the time of issuance (provided that in determining whether a supplemental indenture has a material adverse effect with respect to a holder of any Class of Notes, any related recognition of gain or loss with respect to such Notes under Section 1001 of the Code shall be disregarded);

(g) the Overcollateralization Ratio Tests will be maintained or improved after giving effect to the application of the proceeds of such additional notes; and

(h) an officer's certificate of the Issuer is delivered to the Trustee stating that the foregoing conditions (a) through (g) have been satisfied.

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

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

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

Petitions for bankruptcy. The Indenture will provide that none of the Trustee, any Holder or beneficial owner of the Notes or any other Secured Party may, prior to the date which is one year (or if longer, any applicable preference period) and one day after the payment in full of all Notes, institute against, or join any other person in instituting against, the Issuer, the Co-Issuer or any Tax Subsidiary any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other proceedings under Cayman Islands, U.S. federal or state bankruptcy or similar laws. In the event that any proceeding described in the immediately preceding sentence is commenced against the Issuer, the Co-Issuer or any Tax Subsidiary, the Issuer or, in the case of a proceeding relating to the Co-Issuer, the Co-Issuer will be required, subject to the availability of funds as described in the immediately following sentence, to promptly object to the institution of any such proceeding and take all necessary or advisable steps to cause the dismissal of any such proceeding (including, without limiting the generality of the foregoing, to timely file an answer and any other appropriate pleading objecting to (i) the institution of any proceeding to have the Issuer, the Co-Issuer or any Tax Subsidiary, as the case may be, adjudicated as bankrupt or insolvent or (ii) the filing of any petition seeking relief, reorganization, arrangement, adjustment or composition or in respect of the Issuer, the Co-Issuer or any Tax Subsidiary, as the case may be, under applicable bankruptcy law or any other applicable law). The reasonable fees, costs, charges and expenses incurred by the Issuer or the Co-Issuer, as applicable, (including reasonable attorney's fees and expenses) in connection with taking any such action will be paid as Administrative Expenses. Any person who acquires a beneficial interest in a Note will be deemed to have accepted and agreed to the foregoing restrictions.

If one or more Holders or beneficial owners of Notes cause the filing of a petition in bankruptcy against the Issuer in violation of the prohibition described in the preceding paragraph, such Holder(s) or beneficial owner(s) will be deemed to acknowledge and agree that any claim that such Holder(s) or beneficial owner(s) have against the Issuer or with respect to any Assets (including any proceeds thereof) will, notwithstanding anything to the contrary in the Priority of Payments, be fully subordinate in right of payment to the claims of each Holder and beneficial

owner of any Secured Note that does not seek to cause any such filing, with such subordination being effective until each Secured Note held by each Holder or beneficial owner of any Secured Note that does not seek to cause any such filing is paid in full in accordance with the Priority of Payments (after giving effect to such subordination). The terms described in the immediately preceding sentence are referred to herein as the "**Bankruptcy Subordination Agreement**".

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

Satisfaction and discharge of the Indenture. The Indenture will be discharged with respect to the Assets securing the Secured Notes upon (i) delivery to the Trustee for cancellation of all of the Notes, or, with certain exceptions (including the obligation to pay principal and interest), upon deposit with the Trustee of funds sufficient for the payment or redemption thereof, (ii) the payment by the Co-Issuers of all other amounts due under the Indenture and (iii) receipt by the Trustee of an officer's certificate and an opinion, each stating that all conditions precedent relating to the satisfaction and discharge of the Indenture have been complied with; *provided* that such requirements will be deemed to be satisfied if the Assets are liquidated following an Event of Default pursuant to the Indenture and the proceeds of such liquidation are distributed in accordance with the Indenture.

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

The Indenture contains provisions for the indemnification of the Trustee by the Issuer, payable solely out of the Assets, for any loss, liability or expense incurred without negligence, willful misconduct or bad faith on its part and arising out of or in connection with the acceptance or administration of the trust. The Trustee may resign at any time by providing not less than sixty (60) days' notice to the Co-Issuers, the Portfolio Manager, the holders of the Notes and each Rating Agency. The Trustee may be removed at any time by a Majority of each Class of Secured Notes voting separately or, at any time when an Event of Default has occurred and is continuing, by a Majority of the Controlling Class as set forth in the Indenture. No resignation or removal of the Trustee will become effective until the acceptance of the appointment of the successor Trustee.

Form, Denomination and Registration of the Notes

The Secured Notes will be sold only to (i) non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act and (ii) persons that are Qualified Purchasers and either (x) Qualified Institutional Buyers or (y) in the case of the Certificated Secured Notes only, IAIs. Each Secured Note sold to a person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Secured Note is both a Qualified Institutional Buyer and a Qualified Purchaser, will be issued in the form of one or more Rule 144A Global Secured Notes, except to the extent that any such Qualified Purchaser and Qualified Institutional Buyer elects to acquire a Certificated Secured Note as provided below. The Secured Notes sold to a person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Secured Note is a Qualified Purchaser and an IAI (and if any such purchaser so elects and notifies the Issuer and the Initial Purchaser, Secured Notes sold to a purchaser that is a Qualified Institutional Buyer and a Qualified Purchaser) will be issued in the form of one or more Certificated Secured Notes. The Secured Notes sold to non-U.S. persons in offshore transactions in reliance on Regulation S will be issued in the form of one or more Regulation S Global Secured Notes. Each initial investor and subsequent transferee of a Certificated Secured Note will be required to provide a purchaser representation letter in which it will

be required to certify, among other matters, as to its status under the Securities Act, the Investment Company Act and ERISA.

The Subordinated Notes are being initially offered, and may subsequently be transferred, only to (a) to persons in the United States that are (A) Qualified Purchasers and (B) either (1) Qualified Institutional Buyers or (2) Institutional Accredited Investors and (b) to certain non U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act.

All Subordinated Notes sold to U.S. persons and at the election of the Issuer, Subordinated Notes sold to certain non-U.S. persons in offshore transactions in reliance on Regulation S, will be evidenced by Certificated Subordinated Notes respectively. At the option of the Issuer (with the written consent of the Portfolio Manager), certain Subordinated Notes sold to non-U.S. persons in offshore transactions in reliance on Regulation S will each be represented by one or more Regulation S Global Subordinated Notes. Each initial investor in a Subordinated Note, and each subsequent transferee of a Certificated Subordinated Note, will be required to provide a purchaser representation letter in which it will be required to certify, among other matters, as to its status under the Securities Act, the Investment Company Act and ERISA.

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

The Global Secured Notes and the Regulation S Global Subordinated Notes will be deposited with the Trustee as custodian for, and registered in the name of, a nominee of DTC and, in the case of the Regulation S Global Secured Notes and the Regulation S Global Subordinated Notes, for the respective accounts of Euroclear and Clearstream.

A beneficial interest in a Regulation S Global Secured Note may be transferred to a person who takes delivery in the form of an interest in the corresponding Rule 144A Global Secured Note or Certificated Secured Note only upon receipt by the Trustee or the registrar of (i) a written certification from the transferor in the form required by the Indenture to the effect that such transfer is being made to a person whom the transferor reasonably believes is a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction (or, solely in the case of a transfer to a person who takes delivery in the form of a Certificated Secured Note, an IAI in a transaction exempt from registration under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction) and (ii) a written certification from the transferee in the form required by the Indenture to the effect, among other things, that such transferee is either (x) a Qualified Institutional Buyer or (y) solely in the case of a Certificated Secured Note, an IAI, and (z) a Qualified Purchaser. Beneficial interests in a Rule 144A Global Secured Note or a Certificated Secured Note may be transferred to a person who takes delivery in the form of an interest in the corresponding Regulation S Global Secured Note or Certificated Secured Note only upon receipt by the Trustee or the registrar of (i) in the case of a transfer to a person who takes delivery in the form of an interest in the corresponding Regulation S Global Secured Note, a written certification from the transferor in the form required by the Indenture to the effect that such transfer is being made in accordance with Regulation S under the Securities Act and a written certification from the transferee in the form required by the Indenture to the effect, among other things, that such transferee is a non-U.S. person purchasing such Note in an offshore transaction pursuant to Regulation S and (ii) in the case of a transfer to a person who takes delivery in the form of an interest in a Certificated Secured Note, a written certification from the transferee in the form required by the Indenture to the effect, among other things, that such transferee is an IAI or a Qualified Institutional Buyer and a Qualified Purchaser. Beneficial interests in a Certificated Secured Note may be transferred to a person who takes delivery in the form of an interest in the corresponding Rule 144A Global Secured Note only upon receipt by the Trustee or the registrar of a written certification from the transferor in the form required by the Indenture to the effect that such transfer is being made to a person whom the transferor reasonably believes is a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction and a written certification from the transferee in the form required by the Indenture to the effect, among other things, that such transferee is a Qualified Institutional Buyer and a Qualified Purchaser. No IAI may hold a beneficial interest in a Rule 144A Global Secured Note at any time. Any beneficial interest in one of the Global Secured Notes that is transferred to a person who takes delivery in the form of an interest in another Global Secured Note will, upon transfer, cease to be an interest in such Global Secured Note, and become an interest in such other Global Secured

Note, and accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Secured Notes for as long as it remains such an interest.

A Certificated Secured Note may be transferred to a person who takes delivery in the form of an interest in a Certificated Secured Note only upon receipt by the Issuer and the Trustee or the registrar of the transferor's Secured Note together with an interest transfer form executed by the transferor and a written certification executed by the transferee, in each case in the form prescribed by the Indenture.

A beneficial interest in a Regulation S Global Subordinated Note may be transferred to a person who takes delivery in the form of a Certificated Subordinated Note only upon receipt by the Issuer and the Trustee or the registrar of the transferor's Subordinated Note together with an interest transfer form and a written certification, in each case in the form prescribed by the Indenture. A Certificated Subordinated Note may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Subordinated Note only upon receipt by the Issuer and the Trustee or the registrar of the transferor's Subordinated Note together with an interest transfer form in the form prescribed by the Indenture executed by the transferor and (B) a certificate substantially in the form prescribed in the Indenture executed by the transferee. A Certificated Subordinated Note may be transferred to a person who takes delivery in the form of an interest in a Certificated Subordinated Note, only upon receipt by the Issuer and the Trustee or the registrar of (A) the transferor's Subordinated Note together with an interest transfer form in the form prescribed by the Indenture executed by the transferor and (B) a certificate substantially in the form prescribed by the transferee. A beneficial interest in a Regulation S Global Subordinated Note may be transferred to a person who takes delivery in the form of an interest in such Regulation S Global Subordinated Note without the provision of any transferor or transferee certifications.

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

The registered owner of the relevant Global Secured Note or Regulation S Global Subordinated Note will be the only person entitled to receive payments in respect of the Notes represented thereby, and the Co-Issuers will be discharged by payment to, or to the order of, the registered owner of such Global Secured Note or Regulation S Global Subordinated Note in respect of each amount so paid. No person other than the registered owner of the relevant Global Secured Note or Regulation S Global Subordinated Note will have any claim against the Co-Issuers in respect of any payment due on that Global Secured Note or Regulation S Global Subordinated Note. Account holders or participants in Euroclear and Clearstream will have no rights under the Indenture with respect to Global Secured Notes or Regulation S Global Subordinated Notes held on their behalf by the Trustee as custodian for DTC, and DTC may be treated by the Co-Issuers, the Trustee and any agent of the Co-Issuers or the Trustee as the holder of Global Secured Notes or Regulation S Global Subordinated Notes for all purposes whatsoever.

Except in the limited circumstances described below, owners of beneficial interests in the Global Secured Notes or Regulation S Global Subordinated Notes will not be entitled to have Notes registered in their names, will not receive or be entitled to receive definitive physical Notes and will not be considered "holders" of Notes under the Indenture or the Notes. Upon the occurrence of a Depository Event, the Issuer will issue or cause to be issued, Notes of such Class or Classes in the form of definitive physical certificates in exchange for the applicable Global Secured Notes to the beneficial owners of such Global Secured Notes in the manner set forth in the Indenture. In addition, the owner of a beneficial interest in a Global Secured Note will be entitled to receive a definitive physical Note in exchange for such interest if an Event of Default has occurred and is continuing. In the event that definitive physical Notes are not so issued by the Issuer to such beneficial owners of interests in Global Secured Notes, the Issuer expressly acknowledges that such beneficial owners will be entitled to pursue any remedy that the holders of a Global Secured Note would be entitled to pursue in accordance with the Indenture (but only to the extent of such beneficial owner's interest in the Global Secured Note) as if definitive physical Notes had been issued. In the event that definitive physical Notes are issued in exchange for Global Secured Notes as described above, the applicable Global Secured Note will be surrendered to the Trustee by DTC and the Issuer or the Co-Issuers, as applicable, will execute and the Trustee will authenticate and deliver an equal aggregate outstanding principal amount of definitive physical Notes.

Owners of beneficial interests in Regulation S Global Subordinated Notes will receive definitive Subordinated Notes registered in their names in connection with a Depository Event, and may also exchange such beneficial interests for Certificated Subordinated Notes in accordance with the procedures described under "Transfer Restrictions."

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

The Notes will be issued in minimum denominations of U.S.$250,000 and integral multiples of U.S.$1.00 in excess thereof.

The Subordinated Notes

The Subordinated Notes will be issued pursuant to the Indenture, but will not be secured obligations thereunder. The following summary, together with the preceding summary of certain principal terms of the Indenture, describes certain provisions of the Subordinated Notes, but does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Indenture.

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

Distributions on the Subordinated Notes. The Stated Maturity of the Subordinated Notes will be the Payment Date in October 2026. To the extent funds are available for such purpose under the Indenture as described above, payments will be made to the holders of the Subordinated Notes on each Payment Date, commencing in April 2015 and in connection with any redemption of the Subordinated Notes.

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

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

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

Clean-Up Call Redemption. The Subordinated Notes will be subject to a Clean-Up Call Redemption as described under "—Clean-Up Call Redemption". Any such redemption of Subordinated Notes will be made from any remaining proceeds after the payment of the required amounts described under "—Clean-Up Call Redemption".

Voting. Holders of the Subordinated Notes will have no voting rights except as set forth in the Indenture, the Portfolio Management Agreement or the other Transaction Documents, as described in this Offering Circular. The holders of a Majority of the Subordinated Notes will be able to direct a redemption of the Secured Notes and/or the Subordinated Notes pursuant to the Indenture, a Re-Pricing of the Secured Notes pursuant to the Indenture and, at

any time during the Reinvestment Period, to approve the issuance of additional Notes of any Class and/or additional notes of one of more new classes, as described herein.

No Gross-Up. If the Issuer is required to deduct or withhold tax from, or with respect to, payments to any Holder of the Notes for any tax, then the Trustee or other Paying Agent, as applicable, will deduct, or withhold, the amount required to be deducted or withheld and remit to the relevant authority such amount. Without limiting the generality of the foregoing, the Issuer may withhold any amount that it determines is required to be withheld from any amounts otherwise distributable to any holder of a Note. For the avoidance of doubt, any amounts withheld or deducted by the Issuer in connection with FATCA will be treated as amounts that are required to be deducted. The Issuer will not be obligated to pay any additional amounts to the Holders or beneficial owners of the Notes as a result of any withholding or deduction for, or on account of, any tax imposed on payments in respect of the Notes. The amount of any withholding tax or deduction with respect to any Holder shall be treated as cash distributed to such Holder at the time it is withheld or deducted by the Trustee or Paying Agent and remitted to the appropriate taxing authority.

RATINGS OF THE SECURED NOTES

It was a condition of the issuance of the Notes that the Secured Notes of each Class receive from S&P the minimum rating indicated under "Overview of Terms—Principal Terms of the Notes" and that the Class A-1 Notes receive from Moody's the minimum rating indicated under "Overview of Terms—Principal Terms of the Notes." A security rating is not a recommendation to buy, sell or hold securities and is subject to withdrawal at any time. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the assigning Rating Agency if in its judgment circumstances in the future so warrant.

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

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

SECURITY FOR THE SECURED NOTES

The "**Assets**" will consist of, and the Issuer will grant to the Trustee a perfected security interest for the benefit of the Secured Parties in all of the Issuer's right, title and interest in, to and under, all property of the Issuer of any type or nature, in each case, whether owned or existing on the Closing Date or thereafter acquired or arising, and wherever located, including, without limitation:

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

(b) each of (i) the Payment Account, (ii) the Collection Account, (iii) the Ramp-Up Account, (iv) the Revolver Funding Account, (v) the Expense Reserve Account, (vi) the Reserve Account, (vii) the Custodial Account, (viii) the Contribution Account, (ix) the Supplemental Reserve Account and (x) to the extent permitted by the applicable Hedge Agreement, each Hedge Counterparty Collateral Account, and any Eligible Investments purchased with funds on deposit therein, and all income from the investment of funds therein;

(c) the equity interest in any Tax Subsidiary and all payments and rights thereunder;

(d) the Portfolio Management Agreement, the Hedge Agreements (*provided*, that there is no such grant to the Trustee on behalf of any Hedge Counterparty in respect of its related Hedge Agreement), the Collateral Administration Agreement, the Administration Agreement and the Registered Office Agreement;

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

(f) all accounts, chattel paper, commercial tort claims, contract rights, deposit accounts, equipment, financial assets, general intangibles, goods, instruments, inventory, investment property, letter-of-credit rights, payment intangibles, promissory notes, security entitlements and other supporting obligations (as such terms are defined in the Uniform Commercial Code as in effect in the State of New York);

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

(h) all Specified Equity Securities and all payments thereon and rights in respect thereof; and

(i) all proceeds (as defined in the Uniform Commercial Code as in effect in the State of New York) and products with respect to the foregoing;

provided, that such grants will not include the Excepted Property.

The Indenture specifies certain assumptions that will be applied to the determination of the Concentration Limitations, the Collateral Quality Test, the Reinvestment Overcollateralization Test and the Coverage Tests and in connection with calculations that are required to be made pursuant to the Indenture with respect to payments on the Assets and other amounts that may be received for deposit in the Collection Account.

Collateral Obligations

It is anticipated that the Issuer will have purchased (or committed to purchase) Collateral Obligations with an aggregate principal balance of at least $420,000,000 on the Closing Date, including Collateral Obligations to be acquired pursuant to the Closing Merger. It is expected (but there can be no assurance) that the Concentration Limitations, the Collateral Quality Test, the Reinvestment Overcollateralization Test and the Overcollateralization Ratio Tests will be satisfied not later than the end of the Ramp-Up Period.

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

The Concentration Limitations

By the end of the Ramp-Up Period, and in connection with any reinvestment in additional Collateral Obligations thereafter, the Collateral Obligations in the aggregate are expected to comply with all of the requirements of the Concentration Limitations set forth below or, unless otherwise explicitly provided for in the Indenture, if not in compliance at the time of reinvestment, the relevant requirements must be maintained or improved.

The "**Concentration Limitations**" will be satisfied if, as of any date of determination at or subsequent to the end of the Ramp-Up Period, in the aggregate, the Collateral Obligations owned (or in relation to a proposed purchase of a Collateral Obligation, proposed to be owned) by the Issuer comply with all of the requirements set forth below:

(i) no more than the percentage listed below of the Collateral Principal Amount may be issued by obligors Domiciled in the country or countries set forth opposite such percentage:

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

(ii) unfunded commitments under Delayed Drawdown Collateral Obligations and unfunded and funded commitments under Revolving Collateral Obligations may not be more than 10.0% of the Collateral Principal Amount;

(iii) with respect to any Participation Interest or Letter of Credit, the Moody's Counterparty Criteria are met;

(iv) not less than 90.0% of the Collateral Principal Amount may consist of Collateral Obligations that are Senior Secured Loans (assuming for purposes of these calculations that Eligible Investments representing Principal Proceeds are Senior Secured Loans);

(v) not more than 10.0% of the Collateral Principal Amount may consist of Collateral Obligations that are Second Lien Loans or Senior Unsecured Loans;

(vi) not more than 5.0% of the Collateral Principal Amount may consist of fixed rate Collateral Obligations;

(vii) not more than 10.0% of the Collateral Principal Amount may consist of Participation Interests;

(viii) not more than 5.0% of the Collateral Principal Amount may consist of Deferrable Obligations and Partial Deferrable Obligations;

(ix) not more than 7.5% of the Collateral Principal Amount may consist of DIP Collateral Obligations;

(x) not more than 2.0% of the Collateral Principal Amount may consist of obligations issued by a single obligor, except that obligations issued by up to five obligors in respect of Collateral Obligations may each constitute up to 2.5% of the Collateral Principal Amount; *provided* that (x) an obligor will not be considered an affiliate of another obligor solely because they are controlled by the same financial sponsor and (y) with respect to Collateral Obligations that are not Senior Secured Loans, not more than 1.5% of the Collateral Principal Amount may consist of obligations issued by a single obligor of such obligations;

(xi) not more than 10.0% of the Collateral Principal Amount may consist of obligations in the same S&P industry classification group, except that, without duplication (a) Collateral Obligations in up to three S&P industry classification groups may each constitute up to 12.0% of the Collateral Principal Amount and (b) Collateral Obligations in one S&P industry classification group may constitute up to 15.0% of the Collateral Principal Amount;

(xii) not more than 7.5% of the Collateral Principal Amount may consist of Collateral Obligations with a Moody's Rating of "Caa1" or below;

(xiii) not more than 7.5% of the Collateral Principal Amount may consist of Collateral Obligations with an S&P Rating of "CCC+" or below;

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

(xv) not more than 5.0% of the Collateral Principal Amount may consist of Collateral Obligations that are required to pay interest less frequently than quarterly, and not more than 2.5% of the Collateral Principal Amount may consist of Collateral Obligations that are required to pay interest less frequently than semi-annually;

(xvi) not more than 0.0% of the Collateral Principal Amount may consist of obligations with attached equity warrants;

(xvii) not more than 5.0% of the Collateral Principal Amount may consist of Bridge Loans;

(xviii) not more than 2.5% of the Collateral Principal Amount may consist of Current Pay Obligations;

(xix) not more than 0.0% of the Collateral Principal Amount may consist of Zero-Coupon Obligations;

(xx) not more than 5.0% of the Collateral Principal Amount may consist of Step-Up Obligations;

(xxi) not more than 5.0% of the Collateral Principal Amount may consist of Step-Down Obligations;

(xxii) not more than 5.0% of the Collateral Principal Amount may consist of a Letter of Credit; *provided* that not more than 0.0% of the Collateral Principal Amount may consist of a Prefunded Letter of Credit;

(xxiii) not more than 0.0% of the Collateral Principal Amount may consist of Synthetic Securities;

(xxiv) not more than 0.0% of the Collateral Principal Amount may consist of Structured Finance Obligations;

(xxv) not more than 60.0% of the Collateral Principal Amount may consist of Cov-Lite Loans; *provided* that not more than 50.0% of the Collateral Principal Amount may consist of Cov-Lite Loans with a Moody's Rating below "B2";

(xxvi) not more than 15.0% of the Collateral Principal Amount may consist of Collateral Obligations with a Moody's Rating derived from an S&P Rating as provided in clauses (b)(A) or (B) of the definition of the term "Moody's Derived Rating"; and

(xxvii) other than Collateral Obligations constituting additional issuances of obligations by an issuer to a previous issue of obligations, DIP Collateral Obligations and Collateral Obligations arising from a

restructuring, not more than 1.0% (or, after September 30, 2015, 0.0%) of the Collateral Principal Amount may consist of Collateral Obligations that are part of an issue (which, with respect to loans, shall mean all tranches under a single credit facility) with an original issuance amount of less than $150,000,000.

The Collateral Quality Test

General. By the end of the Ramp-Up Period, and in connection with any reinvestment in additional Collateral Obligations thereafter, the Collateral Obligations in the aggregate are expected to comply with all of the requirements of the Collateral Quality Test or, unless otherwise explicitly provided for in the Indenture, if not in compliance at the time of reinvestment, the relevant requirements must be maintained or improved. Measurement of the degree of compliance with the Collateral Quality Test will be required on every Measurement Date.

The "**Collateral Quality Test**" will be satisfied if, as of any date of determination at, or subsequent to, the end of the Ramp-Up Period, in the aggregate, the Collateral Obligations owned (or in relation to a proposed purchase of a Collateral Obligation, proposed to be owned) by the Issuer satisfy each of the tests set forth below (or, unless otherwise explicitly provided for in the Indenture, if any such test is not satisfied, the results of such test are maintained or improved):

(i) the Minimum Fixed Coupon Test;

(ii) the Minimum Floating Spread Test;

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

(iv) the Moody's Diversity Test;

(v) the S&P CDO Monitor Test;

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

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

(viii) the Weighted Average Life Test.

Minimum Fixed Coupon Test. This test will be satisfied on any date of determination if the Weighted Average Fixed Coupon equals or exceeds the Minimum Fixed Coupon.

Minimum Floating Spread Test. This test will be satisfied on any date of determination if the Weighted Average Floating Spread *plus* the Excess Weighted Average Fixed Coupon equals or exceeds the Minimum Floating Spread.

Moody's Maximum Rating Factor Test. The "**Moody's Maximum Rating Factor Test**" is a test that will be satisfied on any date of determination if the Moody's Adjusted Weighted Average Rating Factor of the Collateral Obligations is less than or equal to the lesser of (i) the sum of (A) the number set forth in the column entitled "Moody's Maximum Weighted Average Rating Factor" in the Asset Quality Matrix, based upon the applicable "row/column combination" chosen by the Portfolio Manager with notice to the Collateral Administrator (or the linear interpolation between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture, *plus* (B) the Moody's Weighted Average Recovery Adjustment, *plus* (C) the Moody's Average Life Adjustment Amount and (ii) 3200.

Moody's Diversity Test. This test will be satisfied on any date of determination if the Diversity Score (rounded to the nearest whole number) equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the Asset Quality Matrix set forth below based upon the applicable "row/column combination" chosen by the Portfolio Manager (with notice to the Collateral Administrator) (or the linear interpolation between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture.

For purposes of the Moody's Diversity Test, the Diversity Score is a single number that indicates collateral concentration in terms of both issuer and industry concentration. A higher Diversity Score reflects a more diverse portfolio in terms of issuer and industry concentration.

S&P CDO Monitor Test. The S&P CDO Monitor Test will be satisfied on any date of determination if, after giving effect to the purchase of an additional Collateral Obligation, each Class Default Differential of the Proposed Portfolio is positive. The S&P CDO Monitor Test will be considered to be improved if each Class Default Differential of the Proposed Portfolio is greater than the corresponding Class Default Differential of the Current Portfolio.

Compliance with the S&P CDO Monitor Test will be measured by the Portfolio Manager on each Measurement Date.

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

Moody's Minimum Weighted Average Recovery Rate Test. This test will be satisfied on any date of determination if the Moody's Weighted Average Recovery Rate equals or exceeds 42.9%.

S&P Minimum Weighted Average Recovery Rate Test. This test will be satisfied on any date of determination if the S&P Weighted Average Recovery Rate for each Class of Secured Notes outstanding equals or exceeds the S&P Weighted Average Recovery Rate for such Class selected by the Portfolio Manager (with notice to the Collateral Administrator) in connection with the S&P CDO Monitor Test.

Weighted Average Life Test: The "**Weighted Average Life Test**" will be satisfied on any date of determination if the Weighted Average Life of the Collateral Obligations as of such date is less than or equal to (i) the S&P/Moody's Selected Maximum Average Life less (ii) the number of full quarters elapsed since the Closing Date (for the avoidance of doubt, quarter shall mean 0.25 of a year).

The Coverage Tests and the Reinvestment Overcollateralization Test

The Coverage Tests will be used primarily to determine whether principal and interest may be paid on the Secured Notes and distributions may be made on the Subordinated Notes or whether funds which would otherwise be used to pay interest on the Secured Notes (other than the Class A-1 Notes and the Class A-2 Notes) and to make distributions on the Subordinated Notes must instead be used to pay principal of one or more Classes of Secured Notes in accordance with the Priority of Payments.

The "**Coverage Tests**" will consist of (x) the Overcollateralization Ratio Test and the Interest Coverage Test applied to the Class A-1 Notes and Class A-2 Notes collectively (together, the "**Class A Coverage Tests**"), the Class B Notes (together, the "**Class B Coverage Tests**"), the Class C Notes (together, the "**Class C Coverage Tests**") and the Class D Notes (together, the "**Class D Coverage Tests**") and (y) the Overcollateralization Ratio Test applied to the Class E Notes (the "**Class E Coverage Test**").

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

Class	Required Overcollateralization Ratio
A	123.9%
B	115.0%
C	108.6%
D	104.2%
E	102.5%

Class	Required Interest Coverage Ratio
A	120.0%
B	115.0%
C	110.0%
D	105.0%

If the Coverage Tests are not satisfied on any applicable date of determination, the Issuer will be required to apply available amounts in the Payment Account on the related Payment Date to make payments in accordance with the Priority of Payments to the extent necessary to achieve compliance with such Coverage Tests. Measurement of the degree of compliance with the Overcollateralization Ratio Tests will be required as of the last day of the Ramp-Up Period and each Measurement Date thereafter. Measurement of the degree of compliance with the Interest Coverage Tests will be required as of the Determination Date immediately preceding the second Payment Date and each subsequent Measurement Date.

In addition, the Reinvestment Overcollateralization Test, which is not a Coverage Test, will apply as described herein. Measurement of the degree of compliance with the Reinvestment Overcollateralization Test will be required as of each Measurement Date occurring after the last day of the Ramp-Up Period.

Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria

Subject to the other requirements set forth in the Indenture and *provided* that no Event of Default has occurred and is continuing (except for a sale pursuant to clauses (a), (c), (d), (e), (g), (h) and (i) below, unless liquidation of the Assets has begun or the Trustee has exercised any remedies as a secured party pursuant to the Indenture at the direction of a Majority of the Controlling Class), the Portfolio Manager on behalf of the Issuer may in writing direct the Trustee to sell and the Trustee (on behalf of the Issuer) will sell in the manner directed by the Portfolio Manager any Collateral Obligation or Equity Security if, as certified by the Portfolio Manager, such sale meets any one of the following requirements:

(a) The Portfolio Manager may direct the Trustee to sell any Credit Risk Obligation at any time during or after the Reinvestment Period without restriction;

(b) The Portfolio Manager may direct the Trustee to sell any Credit Improved Obligation at any time during or after the Reinvestment Period without restriction;

(c) The Portfolio Manager may direct the Trustee to sell any Defaulted Obligation at any time during or after the Reinvestment Period without restriction;

(d) The Portfolio Manager may direct the Trustee to sell any Equity Security or any Potential Tax Asset at any time during or after the Reinvestment Period without restriction;

(e) After the Issuer has notified the Trustee of an Optional Redemption of the Secured Notes in whole (unless such Optional Redemption is funded solely with Refinancing Proceeds), a redemption of the Secured Notes in connection with a Tax Event, an Optional Redemption of the Subordinated Notes, a Clean-Up Call Redemption or otherwise in connection with the Stated Maturity and all requirements set forth in the Indenture are met, the Portfolio Manager will sell (which sale may be through participation or other arrangement) all or a portion of the

Collateral Obligations. If any such sale is made through participation, the Issuer will use reasonable efforts to cause such participations to be converted to assignments within six months of the sale;

(f) The Portfolio Manager may direct the Trustee to sell any Collateral Obligation (other than one being sold pursuant to clauses (a) through (e) above) at any time if (i) after giving effect to such sale, the aggregate principal balance of all Collateral Obligations sold as described in this clause (f) during the same calendar year is not greater than 25% of the Collateral Principal Amount as of the beginning of such calendar year (or, in the case of the year 2014, the Aggregate Ramp-Up Par Amount); and (ii) either:

(A) at any time (1) the Sale Proceeds from such sale are at least equal to the Investment Criteria Adjusted Balance of such Collateral Obligation, or (2) after giving effect to such sale, the aggregate principal balance of the Collateral Obligations (excluding the Collateral Obligation being sold) and Eligible Investments constituting Principal Proceeds (including, without duplication, the anticipated net proceeds of such sale) will be greater than the Reinvestment Target Par Balance, or

(B) during the Reinvestment Period, the Portfolio Manager will use its commercially reasonable efforts to purchase (on behalf of the Issuer) additional Collateral Obligations with an aggregate principal balance at least equal to the Investment Criteria Adjusted Balance of such sold Collateral Obligations in compliance with the Investment Criteria within 30 Business Days after the settlement date of such sale;

For purposes of determining the percentage of Collateral Obligations sold during any such period, the amount of any Collateral Obligations sold will be reduced to the extent of any purchases of Collateral Obligations of the same obligor (which are *pari passu* or senior to such sold Collateral Obligations) occurring within 20 Business Days of such sale (determined based upon the date of any relevant trade confirmation or commitment letter) so long as any such Collateral Obligation was sold with the intention of purchasing a Collateral Obligation of the same obligor (which would be *pari passu* or senior to such sold Collateral Obligation);

(g) The Portfolio Manager will use commercially reasonable efforts to sell each Equity Security that constitutes Margin Stock or each Collateral Obligation that constitutes Margin Stock not later than 45 days after the later of (x) the date of the Issuer's acquisition thereof and (y) the date such Equity Security or Collateral Obligation became Margin Stock; or

(h) After the Reinvestment Period:

(i) At the direction and discretion of the Portfolio Manager, the Trustee, at the expense of the Issuer, may conduct an auction of Unsalable Assets in accordance with the procedures described in clause (ii) below.

(ii) Promptly after receipt of such direction, the Trustee will provide notice (in such form as is prepared by the Portfolio Manager) to the Holders (and, for so long as any Notes rated by S&P are outstanding, S&P) of an auction, setting forth in reasonable detail a description of each Unsalable Asset and the following auction procedures:

(A) any Holder of Notes may submit a written bid to purchase one or more Unsalable Assets no later than the date specified in the auction notice (which will be at least 15 Business Days after the date of such notice);

(B) each bid must include an offer to purchase for a specified amount of cash on a proposed settlement date no later than 20 Business Days after the date of the auction notice;

(C) if no Holder submits such a bid, unless delivery in kind is not legally or commercially practicable, the Trustee will provide notice thereof to each Holder and offer to deliver (at no cost to the Holders or the Trustee) a *pro rata* portion (as determined by the Portfolio Manager) of each unsold Unsalable Asset to the Holders of the most senior Class that provide delivery instructions to the Trustee on or before the date specified in such notice, subject to minimum denominations. To the extent that minimum denominations do not permit a *pro rata* distribution, the Portfolio Manager will identify and the Trustee will distribute the Unsalable Assets on a *pro rata* basis to the extent possible and the Portfolio Manager will select by lottery

the Holder to whom the remaining amount will be delivered. The Trustee will use commercially reasonable efforts to effect delivery of such interests. For the avoidance of doubt, any such delivery to the Holders of Notes shall not operate to reduce the principal amount of the related Class of Notes held by such Holders; and

(D) if no such Holder provides delivery instructions to the Trustee, the Trustee will promptly notify the Portfolio Manager and offer to deliver (at no cost to the Trustee) the Unsalable Asset to the Portfolio Manager. If the Portfolio Manager declines such offer, the Trustee will take such action as directed by the Portfolio Manager (on behalf of the Issuer) to dispose of the Unsalable Asset, which may be by donation to a charity, abandonment or other means.

The Trustee will have no duty, obligation or responsibility with respect to the sale of any Unsalable Asset under this clause (h) other than to act upon the instruction of the Portfolio Manager and in accordance with the express provisions of this clause (h).

(i) Notwithstanding anything contained herein to the contrary, the Issuer may cause any Taxed Asset or the Issuer's interest therein to be transferred to a Tax Subsidiary in exchange for an interest in such Tax Subsidiary.

Notwithstanding the other requirements set forth in the Indenture and described above and below, the Issuer will have the right to effect the sale of any Asset or purchase of any Collateral Obligation (*provided*, in the case of a purchase of a Collateral Obligation, such purchase must comply with the applicable requirements of the Portfolio Management Agreement and the tax requirements set forth in the Indenture) (x) that has been consented to by holders of Notes evidencing 100% of the aggregate outstanding principal amount of each Class of Notes and (y) of which each Rating Agency and the Trustee has been notified.

If the Issuer and the Portfolio Manager have received an opinion of counsel that the Issuer's ownership of any specific Collateral Obligation or Eligible Investment would in and of itself cause the Issuer to be unable to comply with the loan securitization exemption from the definition of "covered fund" under the Volcker Rule, then the Portfolio Manager shall be required to use its commercially reasonable efforts to effect the sale of such Collateral Obligation or Eligible Investment.

Investment Criteria. On any date during the Reinvestment Period (and after the Reinvestment Period, Principal Proceeds received from Reinvestable Obligations), pursuant to and subject to the other requirements of the Indenture the Portfolio Manager may, but will not be required to, direct the Trustee to invest Principal Proceeds (together with accrued interest received with respect to any Collateral Obligations to the extent used to pay for accrued interest on additional Collateral Obligations). Such proceeds may be used to purchase additional Collateral Obligations subject to the requirement that the Portfolio Manager believes, in its commercially reasonable judgment, that each of the following conditions (and, in the case of reinvestment following the Reinvestment Period, the additional limitations described under "—Investment After the Reinvestment Period" below) are satisfied as of the date it commits on behalf of the Issuer to make such purchase or on the date of such purchase, in each case after giving effect to such purchase and all other sales or purchases previously or simultaneously committed to; *provided*, that the conditions set forth in clauses (ii) through (v) below need only be satisfied with respect to purchases of Collateral Obligations occurring after the end of the Ramp-Up Period (the "**Investment Criteria**"):

(i) such obligation is a Collateral Obligation;

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

(iii) in the case of additional Collateral Obligations purchased with the proceeds from the sale of a Collateral Obligation as described in clauses (b) or (f) of "—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria" above, after giving effect to such purchases either (1) the aggregate principal balance of the Collateral Obligations shall be maintained or increased measured against the aggregate principal balance of the Collateral Obligations immediately prior to the applicable sale, or (2) after giving effect to such purchases and sales, the aggregate principal balance of the Collateral Obligations (excluding the Collateral Obligation being sold) and Eligible Investments constituting Principal Proceeds

(including, without duplication, the anticipated net proceeds of such sale) will be greater than or equal to the Reinvestment Target Par Balance;

(iv) in the case of additional Collateral Obligations purchased with the proceeds from the sale of a Collateral Obligation as described in clauses (a) or (c) of "—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria" above, after giving effect to such purchases either (1) the aggregate principal balance of all additional Collateral Obligations purchased with the proceeds from such sale will at least equal the related Sale Proceeds, (2) the aggregate principal balance of the Collateral Obligations will be maintained or increased, measured against the aggregate principal balance of the Collateral Obligations immediately prior to such sale, or (3) the aggregate principal balance of the Collateral Obligations (excluding the Collateral Obligation being sold) and Eligible Investments constituting Principal Proceeds (including, without duplication, the anticipated net proceeds of such sale) will be greater than or equal to the Reinvestment Target Par Balance; and

(v) either (A) each requirement or test, as the case may be, of the Concentration Limitations and the Collateral Quality Test (except, in the case of an additional Collateral Obligation purchased with the proceeds from the sale of a Credit Risk Obligation or a Defaulted Obligation, the S&P CDO Monitor Test) will be satisfied or (B) if any such requirement or test was not satisfied immediately prior to such reinvestment, such requirement or test will be maintained or improved after giving effect to the reinvestment;

provided that clauses (ii) through (v) above need not be satisfied with respect to one single reinvestment if they are satisfied on an aggregate basis for a series of reinvestments occurring within an up to 10 Business Day period including the date of such reinvestment but ending no later than the end of the current Collection Period (an "**Aggregated Reinvestment**") so long as (x) the Portfolio Manager notes in its records that the sales and purchases constituting such Aggregated Reinvestment are subject to this proviso, (y) the aggregate principal amount of Aggregated Reinvestments does not exceed 5.0% of the Collateral Principal Amount at any time and (z) the Portfolio Manager reasonably believes that such clauses will be satisfied on an aggregate basis for such Aggregated Reinvestment; *provided, further,* that clause (ii) and the Collateral Quality Test in clause (v) above need not be satisfied with respect to any Defaulted Obligation acquired in a Bankruptcy Exchange; *provided*, *further*, that no Aggregated Reinvestment may result in the averaging of the purchase price of a Collateral Obligation or Collateral Obligations purchased at separate times for purposes of determining whether any particular Collateral Obligation is a Discount Obligation. If such clauses (ii) through (v) are not satisfied within such 10 Business Day period as the result of an Aggregated Reinvestment, the Portfolio Manager will provide notice to S&P and thereafter the Issuer may not commence a subsequent Aggregated Reinvestment without either (x) satisfaction of the S&P Rating Condition or (y) until successful completion of an proposed Aggregated Reinvestment for which the S&P Rating Condition was satisfied. In no event may there be more than one outstanding Aggregated Reinvestment at any time.

At any time during or after the Reinvestment Period, the Portfolio Manager may direct the Trustee to enter into a Bankruptcy Exchange or apply (x) amounts on deposit in the Contribution Account (as directed by the related Contributor or, if no direction is given by the Contributor, by the Portfolio Manager at its reasonable discretion) to one or more Permitted Uses or (y) amounts on deposit in the Supplemental Reserve Account (as directed by the Portfolio Manager) to one or more Permitted Uses.

Following the sale of (A) any Credit Improved Obligation pursuant to clause (b) under "—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria" or (B) any discretionary sale of a Collateral Obligation pursuant to clause (f)(ii)(B) under "—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria", the Portfolio Manager will use its reasonable efforts to purchase additional Collateral Obligations within 30 Business Days after such sale.

Investment after the Reinvestment Period. After the Reinvestment Period, Principal Proceeds received with respect to Reinvestable Obligations may be reinvested in accordance with the requirements set forth below and, to the extent not inconsistent with the requirements set forth below, the Investment Criteria specified above.

After the Reinvestment Period, provided that no Event of Default has occurred and is continuing, the Portfolio Manager may, but will not be required to, invest Principal Proceeds that were received with respect to (x) Credit Risk Obligations and (y) Unscheduled Principal Payments (each such Credit Risk Obligation or Collateral Obligation with respect to which Unscheduled Principal Payments were received, a "**Reinvestable Obligation**") in

additional Collateral Obligations ("**Substitute Obligations**") within the longer of (i) 30 days of the Issuer's receipt thereof and (ii) the last day of the related Collection Period; *provided*, that the Portfolio Manager may not reinvest such Principal Proceeds unless the Portfolio Manager believes, in its commercially reasonable judgment, that after giving effect to any such reinvestment:

(i) (A) in the case of the reinvestment of Sale Proceeds of Credit Risk Obligations, the aggregate principal balance of the Substitute Obligations equals or exceeds the related Sale Proceeds received; and (B) in the case of the reinvestment of Unscheduled Principal Payments, either (x) the aggregate principal balance of the Collateral Obligations immediately following such reinvestment shall be equal to or greater than the aggregate principal balance of the Collateral Obligations immediately prior to the receipt of the Principal Proceeds or (y) the aggregate principal balance of the Collateral Obligations and Eligible Investments constituting Principal Proceeds will be greater than or equal to the Reinvestment Target Par Balance;

(ii) the Substitute Obligations will have the same or earlier maturity as the Reinvestable Obligations that produced such Principal Proceeds;

(iii) the Moody's Diversity Test, the Minimum Fixed Coupon Test, the Minimum Floating Spread Test, the Moody's Maximum Rating Factor Test, the Moody's Minimum Weighted Average Recovery Rate Test and the S&P Minimum Weighted Average Recovery Rate Test shall be satisfied or, if not satisfied, shall be maintained or improved compared to the level of compliance immediately prior to the sale or prepayment of the Reinvestable Obligation;

(iv) the Coverage Tests will be satisfied;

(v) the Restricted Trading Period is not then in effect;

(vi) clause (xii) of the definition of Concentration Limitations is satisfied; and

(vii) the Substitute Obligations purchased will have (x) the same or higher S&P Ratings as the Reinvestable Obligations and (y) the same or higher Moody's Ratings, or the same or higher Moody's Default Probability Ratings as the Reinvestable Obligations.

During and after the Reinvestment Period, the Issuer (or the Portfolio Manager on the Issuer's behalf) may vote in favor of an amendment extending the stated maturity of a Collateral Obligation (a "**Maturity Amendment**") only if, as determined by the Portfolio Manager, after giving effect to such Maturity Amendment, (i) the stated maturity of the Collateral Obligation that is the subject of such Maturity Amendment is not later than the Stated Maturity and (ii) the Weighted Average Life Test is satisfied.

Collateral Assumptions

Unless otherwise specified in the Indenture, the assumptions described below will be applied in connection with all calculations required to be made pursuant to the Indenture with respect to scheduled distributions on any Pledged Obligation, or any payments on any other assets included in the Assets, with respect to the sale of and reinvestment in Collateral Obligations, and with respect to the income that can be earned on scheduled distributions on such Pledged Obligations and on any other amounts that may be received for deposit in the Collection Account.

(a) All calculations with respect to scheduled distributions on the Pledged Obligations securing the Secured Notes shall be made on the basis of information as to the terms of each such Pledged Obligation and upon report of payments, if any, received on such Pledged Obligation that are furnished by or on behalf of the issuer of such Pledged Obligation and, to the extent they are not manifestly in error, such information or report may be conclusively relied upon in making such calculations.

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

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

(d) Each scheduled distribution receivable with respect to a Pledged Obligation shall be assumed to be received on the applicable due date, and each such scheduled distribution shall be assumed to be immediately deposited in the Collection Account to earn interest at the assumed reinvestment rate. All such funds shall be assumed to continue to earn interest until the date on which they are required to be available in the Collection Account for application, in accordance with the terms hereof, to payments of principal of or interest on the Notes or other amounts payable pursuant to the Indenture. For the avoidance of doubt, all amounts calculated as described herein are estimates and may differ from the actual amounts available to make distributions under the Indenture, and no party shall have any obligation to make any payment under the Indenture due to the assumed amounts calculated as described hereunder being greater than the actual amounts available. For purposes of the applicable determinations under the Indenture, the expected interest on Secured Notes and floating rate Collateral Obligations shall be calculated using the then current interest rates applicable thereto.

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

(f) For the purposes of calculating the Moody's Weighted Average Rating Factor, any Collateral Obligation that is a Current Pay Obligation or a Defaulted Obligation shall be excluded.

(g) For purposes of calculating the Incentive Management Fee Threshold, the purchase price of the Subordinated Notes issued on the Closing Date shall be deemed to be 100%.

(h) Except as otherwise provided in the Indenture, Defaulted Obligations shall not be included in the calculation of the Collateral Quality Test.

(i) For purposes of calculating all Concentration Limitations, in both the numerator and the denominator of any component of the Concentration Limitations, Defaulted Obligations shall be treated as having a principal balance equal to zero.

(j) For purposes of calculating the Collateral Quality Test, DIP Collateral Obligations shall be treated as having an S&P Recovery Rate equal to the S&P Recovery Rate for Senior Secured Loans unless otherwise assigned by S&P.

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

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

(m) For purposes of calculating clauses (iv) and (vii) of the definition of Concentration Limitations, without duplication, the amounts on deposit in the Collection Account and the Ramp Up Account (including Eligible

Investments therein) representing Principal Proceeds shall each be deemed to be a floating rate Collateral Obligation that is a Senior Secured Loan.

(n) Notwithstanding any other provision of the Indenture to the contrary, all monetary calculations under the Indenture shall be in U.S. Dollars.

(o) Unless otherwise specified, any reference to the fees payable under the Priority of Payments to an amount calculated with respect to a period at per annum rate shall be computed on the basis of a 360 day year of twelve 30 day months. Any fees applicable to periods shorter than or longer than a calendar quarter shall be prorated to the actual number of days within such period.

(p) Unless otherwise specified, test calculations that evaluate to a percentage shall be rounded to the nearest ten thousandth and test calculations that evaluate to a number shall be rounded to the nearest one hundredth.

(q) Unless otherwise specifically provided in the Indenture, all calculations required to be made and all reports which are to be prepared pursuant to the Indenture shall be made on the basis of the trade date.

(r) Determination of the purchase price of a Collateral Obligation shall be made independently each time such Collateral Obligation is purchased by the Issuer and pledged to the Trustee, without giving effect to whether the Issuer has previously purchased such Collateral Obligation (or an obligation of the related borrower or issuer).

(s) For purposes of the calculation of the Coverage Tests, the Reinvestment Overcollateralization Test and the Collateral Quality Test, Collateral Obligations contributed to a Tax Subsidiary as Taxed Assets in accordance with the Indenture shall be included net of the actual taxes paid or any future anticipated taxes payable with respect thereto.

The Accounts

The Trustee will segregate and hold all money and other property payable or receivable with respect to the Collateral Obligations in certain accounts in trust for the Holders of the Notes and will apply it as provided in the Indenture. Each account (including any subaccount) shall be a securities account established with Citibank, N.A. in the name of "BlueMountain CLO 2014-3 Ltd., subject to the lien of Citibank, N.A., as Trustee" and shall be maintained by the Issuer with the Custodian in accordance with the Securities Account Control Agreement.

The Collection and Payment Accounts

All distributions on the Collateral Obligations (other than Principal Proceeds received prior to the last day of the Ramp-Up Period) and any proceeds received from the disposition of any Collateral Obligations will be remitted to one of two segregated non-interest bearing trust accounts, collectively referred to as the "**Collection Account**". One such account will be designated the "**Interest Collection Account**" and one such account will be designated the "**Principal Collection Account**." All Interest Proceeds received by the Trustee after the Closing Date will be deposited in the Interest Collection Account. All other amounts remitted to the Collection Account will be deposited in the Principal Collection Account; *provided* that on the first Determination Date after the end of the Ramp-Up Period the Trustee shall deposit (at the direction of the Portfolio Manager) into the Interest Collection Account as Interest Proceeds such amounts designated by the Portfolio Manager in writing (with notice to the Collateral Administrator), in its sole discretion, subject to satisfaction of the Ramp-Up Interest Deposit Restriction.

Amounts received in the Collection Account during a Collection Period will be invested at the direction of the Portfolio Manager in Eligible Investments with stated maturities no later than the Business Day prior to the Payment Date next succeeding the acquisition of such securities or instruments.

On the Business Day preceding each Payment Date, the Trustee will deposit into a segregated non-interest bearing trust account designated as the "**Payment Account**" all funds in the Collection Account (other than amounts that the Issuer is entitled to reinvest in accordance with the Investment Criteria described herein, which may be retained in the Collection Account for subsequent reinvestment) required for payments to holders of the Secured Notes and distributions on the Subordinated Notes and payments of fees and expenses in accordance with the Priority of Payments.

The Ramp-Up Account

The net proceeds of the issuance of the Notes remaining after the payment of merger consideration in connection with the Closing Merger as described under "Risk Factors—Relating to the Collateral Obligations—Acquisition of Collateral Obligations prior to the Closing Date" and payment of fees and expenses (and, without duplication, making deposits into the Expense Reserve Account and the Reserve Account) will be deposited on the Closing Date into a segregated non-interest bearing trust account, which will be designated as the "**Ramp-Up Account**". In addition, Principal Proceeds received by the Issuer during the Ramp-Up Period will be deposited into the Ramp-Up Account. On behalf of the Issuer, the Portfolio Manager will direct the Trustee to, from time to time during the Ramp-Up Period (and, to the extent necessary to secure the Moody's Effective Date Deemed Rating Confirmation and S&P's written confirmation of its initial ratings of the Secured Notes (See "Use of Proceeds—Ramp-Up Period") or as expressly described in the following sentence, after the Ramp-Up Period), purchase additional Collateral Obligations and invest in Eligible Investments any amounts not used to purchase such additional Collateral Obligations. Any such purchase of a Collateral Obligation that will settle following the end of the Ramp-Up Period shall be settled first with Principal Proceeds on deposit in the Principal Collection Account and, only if sufficient amounts are not available in the Principal Collection Account, with remaining amounts on deposit in the Ramp-Up Account. Upon the occurrence of an Event of Default, the Trustee will deposit any remaining amounts in the Ramp-Up Account (excluding any proceeds that will be used to settle binding commitments entered into prior to that date) into the Collection Account as Principal Proceeds. On the first Determination Date after the end of the Ramp-Up Period on which no Moody's Ramp-Up Failure or S&P Rating Failure has occurred and is continuing (i) if the Issuer has purchased (or entered into binding commitments to purchase) Collateral Obligations with an aggregate principal balance at least equal to the Aggregate Ramp-Up Par Amount, the Trustee shall deposit (at the direction of the Portfolio Manager) any remaining funds in the Ramp-Up Account into the Collection Account as Interest Proceeds and/or Principal Proceeds, at the discretion of the Portfolio Manager and (ii) if the Issuer has not purchased (or entered into binding commitments to purchase) Collateral Obligations with an aggregate principal balance at least equal to the Aggregate Ramp-Up Par Amount, the Trustee shall (x) deposit (at the direction of the Portfolio Manager) funds in the Ramp-Up Account equal to the shortfall in the Aggregate Ramp-Up Par Amount into the Collection Account as Principal Proceeds and (y) deposit (at the direction of the Portfolio Manager) any funds remaining in the Ramp-Up Account after the deposit set forth in clause (x) into the Collection Account as Interest Proceeds and/or Principal Proceeds, at the discretion of the Portfolio Manager; *provided* that the Ramp-Up Interest Deposit Restriction is satisfied in respect of any deposits into the Collection Account as Interest Proceeds pursuant to clause (i) or (ii) above.

The Custodial Account

The Trustee will, on or prior to the Closing Date, establish a segregated non-interest bearing trust account, which will be designated as the "**Custodial Account**." The only permitted withdrawals from the Custodial Account will be in accordance with the provisions of the Indenture. The Co-Issuers will not have any legal, equitable or beneficial interest in the Custodial Account other than in accordance with the Indenture and the Priority of Payments.

The Revolver Funding Account

Upon the purchase of any Delayed Drawdown Collateral Obligation, Revolving Collateral Obligation or Letter of Credit, funds in the amounts described below will be withdrawn from the Ramp-Up Account or from the Collection Account (as directed by the Portfolio Manager) and deposited in a single, segregated non-interest bearing trust account designated as the "**Revolver Funding Account**". Upon initial purchase, funds deposited in the Revolver Funding Account in respect of any Delayed Drawdown Collateral Obligation, Revolving Collateral Obligation or Letter of Credit shall be treated as part of the purchase price therefor. Amounts on deposit in the Revolver Funding Account shall be invested in overnight funds that are Eligible Investments selected by the Portfolio Manager and earnings from all such investments shall be deposited in the Interest Collection Account as Interest Proceeds.

Upon the notification from the Portfolio Manager of the purchase of any such Delayed Drawdown Collateral Obligation, Revolving Collateral Obligation or Letter of Credit, the Trustee shall deposit funds in the Revolver Funding Account as directed by the Portfolio Manager such that the sum of the amount of funds on deposit in the Revolver Funding Account shall be equal to or greater than the sum of the unfunded funding obligations under all

such Delayed Drawdown Collateral Obligations, Revolving Collateral Obligations and Letter of Credit then included in the Assets. In addition, the Trustee shall deposit funds in the Revolver Funding Account upon the receipt by the Issuer of any Principal Proceeds with respect to a Revolving Collateral Obligation or Letter of Credit as directed by the Portfolio Manager on behalf of the Issuer.

Any funds in the Revolver Funding Account (other than earnings from Eligible Investments therein) shall be available solely to cover any drawdowns on the Delayed Drawdown Collateral Obligations, Revolving Collateral Obligations and Letter of Credit. Upon (a) the sale or maturity of a Delayed Drawdown Collateral Obligation, Revolving Collateral Obligation or Letter of Credit or (b) the occurrence of an event of default with respect to any such Delayed Drawdown Collateral Obligation, Revolving Collateral Obligation or Letter of Credit or any other event or circumstance which results in the irrevocable reduction of the undrawn commitments under such Delayed Drawdown Collateral Obligation, Revolving Collateral Obligation or Letter of Credit (the occurrence of which the Portfolio Manager shall notify the Trustee) any excess of (A) the amounts on deposit in the Revolver Funding Account over (B) the sum of the unfunded amounts of all Delayed Drawdown Collateral Obligations, Revolving Collateral Obligations and Letter of Credit included in the Assets shall be transferred by the Trustee (at the direction of the Portfolio Manager) as Principal Proceeds to the Principal Collection Account.

The Hedge Counterparty Collateral Accounts

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

The Expense Reserve Account

The Trustee will, prior to the Closing Date, establish a segregated non-interest bearing trust account, which will be designated as the "**Expense Reserve Account**." On the Closing Date, the Issuer will direct the Trustee to deposit from proceeds of the sale of the Notes to the Expense Reserve Account an amount to be determined on the Closing Date. The Trustee will apply funds from the Expense Reserve Account, in the amounts and as directed by the Portfolio Manager, to pay (x) amounts due in respect of actions taken on or before the Closing Date and (y) subject to the Administrative Expense Cap, Administrative Expenses in the order of priority contained in the definition thereof. Any income earned on amounts on deposit in the Expense Reserve Account will be deposited in the Interest Collection Account as Interest Proceeds as it is paid. By the Determination Date relating to the third Payment Date following the Closing Date, all funds in the Expense Reserve Account (after deducting any expenses paid on such Determination Date) will be deposited in the Collection Account as Interest Proceeds and/or Principal Proceeds (in the respective amounts directed by the Portfolio Manager in its sole discretion).

The Reserve Account

The Trustee will, prior to the Closing Date, establish a segregated non-interest bearing trust account, which will be designated as the "**Reserve Account**". Approximately U.S.$750,000 will be deposited, from the proceeds of the sale of the Notes, into the Reserve Account on the Closing Date, as directed by the Issuer. On any date prior to the Determination Date relating to the Payment Date occurring in April 2015, the Issuer, at the direction of the Portfolio Manager, may direct that all or any portion of funds in the Reserve Account be deposited in the Collection Account as Interest Proceeds and/or Principal Proceeds (in the respective amounts directed by the Portfolio Manager in its sole discretion) as long as, after giving effect to such deposits, the Portfolio Manager determines that the Issuer will have sufficient funds in the Collection Account to pay Administrative Expenses pursuant to clause (A), the Base Management Fee pursuant to clause (B) and any amounts on the Secured Notes pursuant to clauses (D), (E), (G), (I), (J), (L), (M), (O), (P) and (R) of "Description of the Notes—Priority of Payments—Application of Interest

Proceeds" on the April 2015 Payment Date. Any income earned on amounts deposited in the Reserve Account will be deposited in the Interest Collection Account as Interest Proceeds as it is paid.

The Contribution Account

The Trustee will, on or prior to the Closing Date, establish a segregated, non-interest bearing trust account, which will be designated as the "**Contribution Account**." At any time during or after the Reinvestment Period, any Contributor may make a Contribution to the Issuer, subject to the limitations described in this Offering Circular. The Portfolio Manager, on behalf of the Issuer, may accept or reject any Contribution in its reasonable discretion (subject to such restrictions) and will notify the Trustee of any such acceptance or rejection; *provided* that in the case of clause (ii) of the definition of "Contribution," such notice must be provided no later than two (2) Business Days prior to the applicable Payment Date. Each accepted Contribution will be received into the Contribution Account. If a Contribution is accepted, the Portfolio Manager on behalf of the Issuer will apply such Contribution to a Permitted Use as directed by the Contributor at the time such Contribution is made or, if no direction is given by the Contributor, at the Portfolio Manager's reasonable discretion. No Contribution or portion thereof will be returned to the Contributor at any time (other than by operation of the Priority of Payments). Any income earned on amounts deposited in the Contribution Account will be deposited in the Interest Collection Account as Interest Proceeds. For the avoidance of doubt, any amounts deposited into the Contribution Account pursuant to clause (ii) of the definition of "Contribution" will be deemed for all purposes as having been paid to the Contributor pursuant to the Priority of Payments.

The Supplemental Reserve Account

The Trustee will, on or prior to the Closing Date, establish a segregated, non-interest bearing trust account, which will be designated as the "**Supplemental Reserve Account**." Any amounts designated by the Portfolio Manager to the Trustee pursuant to clause (X) of "Description of the Notes—Priority of Payments—Application of Interest Proceeds" will be deposited into the Supplemental Reserve Account and the Portfolio Manager on behalf of the Issuer will apply such amounts to a Permitted Use determined by the Portfolio Manager in its sole discretion. Any income earned on amounts deposited in the Supplemental Reserve Account will be deposited in the Interest Collection Account as Interest Proceeds.

Hedge Agreements

The Issuer may enter into Hedge Agreements from time to time on and after the Closing Date solely for the purpose of managing interest rate and certain other risks in connection with the Issuer's issuance of, and making payments on, the Notes. The Issuer (or the Portfolio Manager on behalf of the Issuer) will not enter into any Hedge Agreement unless the S&P Rating Condition and the Moody's Rating Condition have been satisfied with respect thereto. The Issuer (or the Portfolio Manager on behalf of the Issuer) will not be permitted to enter into a Hedge Agreement unless (i) it obtains an opinion of counsel that (x) either (1) the Issuer will not be a "commodity pool" as defined in Section 1a(10) of the Commodity Exchange Act, as amended, solely due to the Issuer's entry into such Hedge Agreement or (2) if the Issuer would be a commodity pool, (a) the Portfolio Manager, and no other party, would be the "commodity pool operator" and "commodity trading advisor" and (b) with respect to the Issuer as the commodity pool, the Portfolio Manager is eligible for an exemption from registration as commodity pool operator and commodity trading advisor with respect to the Issuer and all conditions precedent to obtaining such an exemption have been satisfied and (y) such Hedge Agreement is a Permitted Hedge, (ii) it obtains the prior written consent of a Majority of the Controlling Class and (iii) the Global Rating Agency Condition is satisfied. Any Hedge Agreement will be required to contain appropriate limited recourse and non-petition provisions equivalent to those contained in the Indenture with respect to the Notes. Payments on Hedge Agreements will be subject to the Priority of Payments.

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

USE OF PROCEEDS

General

The net proceeds from the issuance of the Notes, after payment of applicable fees and expenses in connection with the structuring and sale of the Notes (including by making a deposit to the Expense Reserve Account of funds to be used to pay expenses following the Closing Date) and making a deposit to the Reserve Account for use as described herein, are expected to be approximately U.S.$599,468,351. Such net proceeds will be used on the Closing Date to pay merger consideration and certain fees and expenses in connection with the Closing Merger, as described under "Risk Factors—Relating to the Collateral Obligations—Acquisition of Collateral Obligations prior to the Closing Date" and to make a deposit into the Ramp-Up Account for the purchase of additional Collateral Obligations during the Ramp-Up Period. A portion of the excess of such deposit remaining after the end of the Ramp-Up Period may be deposited into the Collection Account as Interest Proceeds and the remainder of such excess shall be deposited into the Collection Account as Principal Proceeds. See "Security for the Secured Notes—The Ramp-Up Account."

Ramp-Up Period

The Issuer will use its commercially reasonable efforts to have purchased or to have entered into binding agreements to purchase, by the end of the Ramp-Up Period, Collateral Obligations in an amount sufficient to satisfy the Aggregate Ramp-Up Par Condition. During the Ramp-Up Period, the Portfolio Manager will be required to calculate and provide to Moody's certain interim tests.

If, by the Determination Date relating to the first Payment Date, either (x)(1) there has occurred no Moody's Effective Date Deemed Rating Confirmation and (2) Moody's has not provided written confirmation of its initial ratings of the Class A-1 Notes (a "**Moody's Ramp-Up Failure**"), then the Portfolio Manager, on behalf of the Issuer, will instruct the Trustee in writing to transfer amounts from the Interest Collection Account or the Ramp-Up Account to the Principal Collection Account (and with such funds the Issuer will purchase additional Collateral Obligations or make payments on the Secured Notes) in an amount sufficient to obtain from Moody's a confirmation of its initial rating of the Class A-1 Notes (*provided* that the amount of such transfer would not result in deferral of interest with respect to the Class A-1 Notes or the Class A-2 Notes); *provided* that, in the alternative, the Portfolio Manager on behalf of the Issuer may take such other action, including but not limited to, a Special Redemption and/or transferring amounts from the Interest Collection Account or the Ramp-Up Account to the Principal Collection Account as Principal Proceeds (for use in a Special Redemption), sufficient to obtain from Moody's a confirmation of its initial rating of the Class A-1 Notes or (y) S&P has not provided written confirmation of its initial ratings of the Secured Notes (an "**S&P Rating Failure**"), then the Portfolio Manager, on behalf of the Issuer, will take the actions set forth in clause (x) above (including the proviso thereto) in an amount sufficient to obtain from S&P such written confirmation.

Notwithstanding the foregoing, if a Moody's Ramp-Up Failure or an S&P Rating Failure occurs and the Portfolio Manager reasonably believes that it will obtain a confirmation of each Rating Agency's initial ratings of each applicable Class of Secured Notes without the use of Interest Proceeds to acquire additional Collateral Obligations or to effect a Special Redemption, the Portfolio Manager may elect to retain some or all of the Interest Proceeds otherwise available for such purposes in the Interest Collection Account for distribution as Interest Proceeds on the second Payment Date.

It is expected, but there can be no assurance, that (i) the Overcollateralization Ratio Test applicable to each Class of Secured Notes, the Reinvestment Overcollateralization Test, the Concentration Limitations and the Collateral Quality Test described herein will be satisfied not later than the end of the Ramp-Up Period and (ii) the Interest Coverage Test applicable to each Class of Secured Notes described herein will be satisfied as of any date of determination on or after the Determination Date immediately preceding the second Payment Date.

THE PORTFOLIO MANAGER

The information appearing in this section has been prepared by BlueMountain and has not been independently verified by the Co-Issuers or the Initial Purchaser. Accordingly, notwithstanding anything to the contrary herein, the Co-Issuers and the Initial Purchaser, or any of their respective Affiliates do not assume any responsibility for the accuracy, completeness or applicability of such information. However, the Co-Issuers confirm that this information has been accurately reproduced and as far as they are aware and are able to ascertain from information provided by the Portfolio Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading.

General

Pursuant to the Portfolio Management Agreement, the Issuer has appointed BlueMountain as the portfolio manager with respect to the Assets. Pursuant to the Portfolio Management Agreement, the Portfolio Manager has full discretionary authority with respect to the Assets and, in particular, is solely responsible for making specific decisions to purchase or sell investments, in each case subject to and as permitted by the Portfolio Management Agreement and the Indenture.

BlueMountain is registered with the SEC as an investment adviser under the Investment Advisers Act, and provides investment advisory services to pooled investment vehicles that focus primarily on credit-related strategies. BlueMountain is also registered as a Commodity Trading Advisor and Commodity Pool Operator with the CFTC and is a member of the National Futures Association. As of June 30, 2014, BlueMountain managed approximately $15 billion of client assets (excluding collateralized loan obligations) and together with its Affiliates employed 269 individuals, including 98 investment professionals. BlueMountain CLO 2014-3 Ltd. will be the thirteenth collateralized loan obligation transaction managed by BlueMountain.

BlueMountain will retain its London-based affiliate Blue Mountain Capital Partners (London) LLP ("**Blue Mountain (London)**") to advise BlueMountain with respect to European markets and European credits. Blue Mountain London will be compensated directly by BlueMountain for its services, which will comprise research activities, investment advice and trade execution on BlueMountain's behalf. BlueMountain will retain its Tokyo-based affiliate BlueMountain Capital Partners (Tokyo) Ltd. ("**BlueMountain Tokyo**") to advise BlueMountain with respect to Asian markets and Asian credits. BlueMountain Tokyo will be compensated directly by BlueMountain for its services, which will comprise research activities, investment advice and trade execution on BlueMountain's behalf.

Principal Biographies

Andrew Feldstein – Chief Executive Officer and Co-Chief Investment Officer

Andrew Feldstein is the CEO and Co-Chief Investment Officer of BlueMountain. Mr. Feldstein is the Chair of BlueMountain's Management Committee and a member of the Investment and Risk Committees. Prior to co-founding BlueMountain in 2003, Mr. Feldstein spent over a decade at J.P. Morgan where he was a Managing Director and served as Head of Structured Credit; Head of High Yield Sales, Trading and Research; and Head of Global Credit Portfolio. Mr. Feldstein is a member of the board of directors of PNC Financial Services Group Inc. He is also a Trustee of Third Way, a prominent, centrist think tank and a member of the Harvard Law School Leadership Council. Mr. Feldstein holds a J.D. from Harvard Law School and a B.A. from Georgetown University.

Stephen Siderow – Co-Founder, Managing Partner and Co-President

Stephen Siderow is the Co-founder, Managing Partner and Co-President of BlueMountain, overseeing its business development and strategic initiatives. Mr. Siderow is also a member of BlueMountain's Management and Compliance Committees. Prior to co-founding BlueMountain in 2003, Mr. Siderow was a Senior Consultant with McKinsey & Company's New York Office, where he focused on the financial services industry, serving senior management executives and CEOs on a variety of issues in business strategy, organization and operations. Prior to that, Mr. Siderow was a corporate attorney with Cleary, Gottlieb in New York. Mr. Siderow serves on the Board of Directors of the Birthright Israel Foundation, a program that provides the gift of first-time peer education trips to Israel for young Jewish adults. Mr. Siderow serves on the Board of Directors of Ars Nova, which provides training

and development programs to young performing artists. Mr. Siderow is also a member of the Advisory Board of the Hertzberg Palliative Care Institute at Mt. Sinai Hospital whose mission is to advance the field of palliative medicine through clinical, educational and research initiatives. Mr. Siderow holds a J.D. cum laude from Harvard Law School and Bachelor's degree, magna cum laude, in Philosophy from Amherst College. Mr. Siderow was also a Fulbright and a Sheldon Scholar in Israel.

Derek Smith – Managing Partner and Co-Chief Investment Officer

Derek Smith is the Co-Chief Investment Officer and Managing Partner at BlueMountain Capital Management. Mr. Smith is the Chair of the Investment Committee and a member of the Firm's Management Committee. Prior to joining BlueMountain in 2008, Mr. Smith worked at Deutsche Bank where he was a Managing Director of Global Credit Trading, managing investment grade and high-yield credit cash and derivatives desks for U.S. and Europe. Prior to that, Mr. Smith spent nearly 15 years working in various aspects of the fixed income, derivatives and credit markets at Goldman Sachs, managing the U.S. government options desk as well as the investment grade credit cash and derivative desks. Mr. Smith holds a B.S. in Electrical Engineering from Princeton University.

Alan Gerstein – Managing Partner

Alan Gerstein is a Managing Partner at BlueMountain. Mr. Gerstein is also a member of BlueMountain's Management and Risk Committees and Chair of the Valuation Committee. Prior to joining BlueMountain in 2004, Mr. Gerstein was a Vice President and Head of U.S. Investment Grade Credit Derivatives Trading at Goldman Sachs. Over a 10 year career at Goldman, Mr. Gerstein held several other senior positions including Head of U.S. Agency Bond Trading and in Interest Rate Derivatives Marketing. Prior to that, Mr. Gerstein was a Vice President of Interest Rate Derivatives Marketing at J.P. Morgan, where he worked with Mr. Feldstein. Mr. Gerstein is a member of the Board of Trustees at Blythedale Children's Hospital in Valhalla, NY. Mr. Gerstein holds an M.B.A. from the MIT Sloan School of Management and a B.S. in Economics from the Massachusetts Institute of Technology.

Bryce Markus – Managing Partner, Chief Financial Officer, Chief Risk Officer and Co-President

Bryce Markus is a Managing Partner, Chief Financial Officer, Chief Risk Officer and Co-President of BlueMountain. Mr. Markus is also a member of BlueMountain's Investment and Management Committees and Chair of the Risk Committee. Prior to joining BlueMountain in 2005, Mr. Markus was a Vice President in the Fixed Income Currency and Commodities Division at Goldman Sachs, trading corporate debt and credit derivatives, including trading single name credit default swaps, credit indices, credit swaptions, convertible asset swaps, synthetic CDO tranches, and corporate warrants. Mr. Markus holds an M.B.A. and B.S. in Economics from the Wharton School at the University of Pennsylvania.

Michael Liberman – Managing Partner and Chief Operating Officer

Michael Liberman is a Managing Partner and the Chief Operating Officer of BlueMountain, overseeing BlueMountain's Analytics, Technology and Operations teams. Mr. Liberman is a member of BlueMountain's Management, Risk and Valuation Committees. Prior to joining BlueMountain in 2004, Mr. Liberman was a Managing Director and Head of Global Interest Rate Product Strategies at Goldman Sachs, with responsibility for risk analytics and systems, quantitative research and market strategies. Prior to that, he spent six years at J.P. Morgan where he worked with Mr. Feldstein, held a number of senior derivatives technology positions including Head of Global Rates Derivatives Technology and was a lead developer of derivatives risk management systems. Earlier in his career, Mr. Liberman developed analytics for the loan portfolio management group at Citibank and spent time developing database and telecommunication software in Silicon Valley. Mr. Liberman holds a B.A. with the highest honors in Mathematics and an M.A. in Mathematics from Brandeis University. Mr. Liberman also continued his graduate studies in Mathematics at the University of California, Berkeley.

David Rubenstein – Managing Partner, Chief Executive Officer of BlueMountain (London), General Counsel and Secretary

David Rubenstein is a Managing Partner, Chief Executive Officer of BlueMountain (London), General Counsel and Secretary of BlueMountain. Mr. Rubenstein is a member of BlueMountain's Management, Risk and Valuation

Committees and Chair of the Compliance Committee. Prior to joining BlueMountain in 2006, Mr. Rubenstein co-founded Renaissance Integrated Solutions, a municipal infrastructure solutions company, where he was the SVP of Corporate Development and General Counsel. Prior to that, he was a colleague of Mr. Siderow at McKinsey & Company, where he developed strategic and operational effectiveness opportunities for global financial institutions and media companies. Mr. Rubenstein began his career as a corporate lawyer for Cravath, Swaine & Moore working as underwriter's counsel for high-yield acquisition-related debt offerings as well as borrower's counsel for project financings and leveraged lease transactions. Mr. Rubenstein is a member of the ISDA Credit Derivatives Determinations Committee, where BlueMountain holds one of the five buy-side seats. He is also a member of the Invest in Futures Committee of The Prince's Trust in London. Mr. Rubenstein holds a J.D. cum laude from Harvard Law School, a Masters in Philosophy from Oxford University and a B.A. summa cum laude in Philosophy from Tufts University, where he was elected to Phi Beta Kappa.

Peter Greatrex – Managing Partner, Head of Research

Peter Greatrex is a Managing Partner and Head of Research of BlueMountain, overseeing BlueMountain's fundamental research team. Mr. Greatrex is a member of BlueMountain's Investment and Management Committees. Prior to his role as Head of Research, Mr. Greatrex was a fundamental credit portfolio manager at BlueMountain, and from 2008-2010 was the head portfolio manager in BlueMountain's London office. Prior to joining BlueMountain in 2007, Mr. Greatrex spent 10 years at J.P. Morgan Chase where he was an Executive Director, spending time both as a portfolio manager for the investment bank credit portfolio and a credit research analyst. As a portfolio manager, he was responsible for $25 billion+ of loans, CDS and derivatives credit risk. He holds an M.B.A. from the Wharton School of Business and a B.A. in History from Middlebury College.

Charles Kobayashi – Chief Investment Officer of BlueMountain Tokyo and Loan Portfolio Manager

Charles Kobayashi is a Portfolio Manager at BlueMountain and the Chief Investment Officer of BlueMountain Tokyo. Prior to joining BlueMountain, he was a Senior Portfolio Manager at Indosuez Capital with responsibility for managing $2.0 billion in leverage loan, CDO and high yield assets. Before joining Indosuez Capital in 2001, Charles managed $1.5 billion in proprietary capital of high yield bonds, leverage loans and distressed assets as Senior Vice President & Portfolio Manager at ORIX USA Corp. He also worked at Bank of Tokyo Trust where he was involved in mergers and acquisitions and restructuring. He holds an M.B.A. in Finance from New York University and a B.S. in Biochemistry from the University of Wisconsin-Madison.

Jes Staley – Managing Partner

Jes Staley is a Managing Partner of BlueMountain. Mr. Staley is also a member of BlueMountain's Management, Investment and Valuation Committees. Prior to joining BlueMountain in 2013, Mr. Staley spent over thirty years at J.P. Morgan where he was the CEO of J.P. Morgan's Investment Bank and CEO of J.P. Morgan Asset Management. He was also a member of J.P. Morgan's Operating and Executive Committees. During his tenure, Mr. Staley led J.P. Morgan's expansion into alternative investments, including its strategic partnership with Highbridge Capital Management. Mr. Staley serves on the Board of Directors of the Robin Hood Foundation, Council on Foreign Relations, Code Advisors, the Board of Trustees of Bowdoin College and the Investor Advisory Committee on Financial Markets of the Federal Reserve Bank of New York. Mr. Staley holds a B.A. in Economics from Bowdoin College.

THE PORTFOLIO MANAGEMENT AGREEMENT

General Duties of the Portfolio Manager

Certain administrative and advisory functions with respect to the Collateral Obligations will be performed by the Portfolio Manager under the Portfolio Management Agreement. The Portfolio Manager will supervise and direct the investment and reinvestment of the Collateral Obligations, Eligible Investments and any Equity Securities and the execution of any Hedge Agreements pursuant to the Portfolio Management Agreement and the Indenture. In particular, the Portfolio Manager will be required to select, on behalf of the Issuer and in accordance with the requirements set forth in the Indenture, and in accordance with the provisions of the Portfolio Management Agreement, the portfolio of Collateral Obligations and Eligible Investments and will instruct the Trustee with respect to, among other matters, any disposition of Collateral Obligations and Eligible Investments, the acquisition of additional or substitute Collateral Obligations and Eligible Investments, the exercise of remedies with respect to Collateral Obligations and other actions pursuant to the terms of the Indenture.

Compensation of the Portfolio Manager

As compensation for the performance of its obligations as Portfolio Manager under the Portfolio Management Agreement, the Portfolio Manager will receive the Management Fee, payable quarterly in arrears on each Payment Date, to the extent of the funds available for such purpose in accordance with the Priority of Payments. The "**Management Fee**" will consist of the Base Management Fee, the Subordinated Management Fee, the Incentive Management Fee and, without duplication, any Cumulative Deferred Management Fee.

The "**Base Management Fee**" will be payable to the Portfolio Manager in arrears on each Payment Date in an amount (as certified by the Portfolio Manager to the Trustee with a copy to the Collateral Administrator) equal to 0.15% *per annum* (calculated on the basis of a 360-day year and the actual number of days elapsed during the applicable Collection Period) of the Fee Basis Amount at the beginning of the Collection Period with respect to such Payment Date.

The "**Subordinated Management Fee**" will be payable to the Portfolio Manager in arrears on each Payment Date in an amount (as certified by the Portfolio Manager to the Trustee with a copy to the Collateral Administrator) equal to 0.35% *per annum* (calculated on the basis of a 360-day year and the actual number of days elapsed during the applicable Collection Period) of the Fee Basis Amount at the beginning of the Collection Period with respect to such Payment Date.

To the extent they are not paid on any Payment Date when due, the Base Management Fee and the Subordinated Management Fee will be deferred and will be payable on subsequent Payment Dates in accordance with the Priority of Payments. If deferred due to the operation of the Priority of Payments, any Subordinated Management Fee shall accrue interest at LIBOR plus 3.00% from the relevant Payment Date compounded annually, while any Base Management Fees deferred due to the operation of the Priority of Payments shall not accrue interest.

An "**Incentive Management Fee**" will be payable to the Portfolio Manager on each Payment Date in an amount (as certified by the Portfolio Manager to the Trustee with a copy to the Collateral Administrator) equal to 20% of (i) the Interest Proceeds and (ii) following the Reinvestment Period, Principal Proceeds, in each case remaining after payment of all amounts otherwise payable in accordance with the Priority of Payments, including the amount required to be paid to the holders of the Subordinated Notes such that the Incentive Management Fee Threshold has been satisfied, after which the Incentive Management Fee Threshold will not be required to be calculated and the Portfolio Manager will be entitled to the Incentive Management Fee on each Payment Date thereafter.

The Portfolio Manager may, in its sole discretion, elect to defer payment of any or all of the Subordinated Management Fee payable in accordance with the Priority of Payments on any Payment Date (the "**Current Deferred Management Fee**"). An amount equal to the Current Deferred Management Fee for any Payment Date will be distributed as Interest Proceeds in accordance with the Priority of Payments or, at the election of the Portfolio Manager, deposited into the Principal Collection Account as Principal Proceeds for investment in Collateral Obligations and/or Eligible Investments. After such Payment Date, the Current Deferred Management Fee will be added to the cumulative amount of the Subordinated Management Fee that the Portfolio Manager has

elected to defer on prior Payment Dates and has not yet been repaid (the "**Cumulative Deferred Management Fee**"). The Cumulative Deferred Management Fee will be payable on any subsequent Payment Date at the election of the Portfolio Manager to the extent of funds available for such purpose in accordance with the Priority of Payments. Any Cumulative Deferred Management Fee deferred at the election of the Portfolio Manager will not accrue interest.

If the Portfolio Manager resigns or is removed in the circumstances described below under "—Removal, Resignation and Replacement of the Portfolio Manager," the compensation payable to the successor Portfolio Manager from the Assets may not be greater than that paid to the resigning or removed Portfolio Manager without (a) the prior written consent of (A) a Majority of the Subordinated Notes (excluding from such vote any Portfolio Manager Notes) and (B) in the case of any increase to the Base Management Fee payable prior to interest payments on any Class of Secured Notes in the Priority of Payments, the prior written consent of a Majority of each of such Classes voting separately (excluding from such vote any Notes owned by the incoming successor Portfolio Manager) and (b) satisfaction of the Global Rating Agency Condition.

If the Portfolio Manager resigns or is removed in the circumstances described below under "—Removal, Resignation and Replacement of the Portfolio Manager" or the Portfolio Management Agreement is otherwise terminated, the Management Fees calculated in the manner described above will be prorated for any partial periods between Payment Dates during which the Portfolio Management Agreement was in effect and, together with any Cumulative Deferred Management Fee, will be due and payable to the outgoing Portfolio Manager on the first Payment Date following the date of such termination and each Payment Date thereafter, together with all expenses payable to the Portfolio Manager, in accordance with the Priority of Payments; *provided* that, notwithstanding the foregoing, on each Payment Date following the effective date of the termination of the Portfolio Management Agreement or the removal or resignation of the Portfolio Manager thereunder (other than for Cause), the Portfolio Manager will be paid its Pro Rata Share of the Incentive Management Fee, if any, due and payable in accordance with the Priority of Payments on such Payment Date. The Portfolio Manager's "**Pro Rata Share**" of the Incentive Management Fee, if any, due and payable on any Payment Date following the resignation or removal of the Portfolio Manager will be the amount (expressed as a percentage) equal to (a) the number of days from and including the Closing Date to and including the effective date of the resignation or removal of the Portfolio Manager over (b) the number of days from and including the Closing Date to and including the last day of the Collection Period immediately preceding such Payment Date. The payment of such accrued and unpaid Management Fees and expenses to the Portfolio Manager will rank *pari passu* with the payment of the same amounts due to the successor Portfolio Manager in accordance with the Priority of Payments on any Payment Date thereafter.

Indemnification

The Portfolio Manager shall indemnify, defend and hold harmless the Co-Issuers from and against any and all expenses, losses, damages, liabilities, demands, charges and claims of any nature (including reasonable attorneys' fees and accountant's fees) (collectively, "**Liabilities**") in respect of or arising out of (i) any acts or omissions of the Portfolio Manager constituting bad faith, willful misconduct or gross negligence in the performance, or reckless disregard, of its obligations under the Portfolio Management Agreement or the terms of the Indenture applicable to it, and (ii) the Manager Information containing any untrue statement of material fact or omitting to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading as of the date of the Offering Circular and as of the Closing Date. However, the right of the Issuer to indemnification by the Portfolio Manager is limited to the extent that the Issuer is liable by reason of bad faith, willful misconduct or gross negligence in the performance of, or reckless disregard with respect to, the obligations of the Issuer under the Portfolio Management Agreement, the Indenture, the Notes or any other agreement or document (except to the extent such obligations are required to be performed by the Portfolio Manager pursuant to the Portfolio Management Agreement or the Indenture); *provided* that this limitation shall not apply to clause (ii) in the first sentence of this paragraph. United States federal and state securities laws may impose liability under certain circumstances on persons who act in good faith. Nothing in the Portfolio Management Agreement will constitute a waiver or limitation of any rights which the Issuer or any holder of Notes may have under any applicable U.S. federal or state securities laws.

The Issuer shall indemnify and hold harmless the Portfolio Manager, its directors, officers, members, managers, stockholders, partners, agents and employees and its Affiliates and their directors, officers, members, managers, stockholders, partners, agents and employees (collectively, the "**Portfolio Manager Indemnitees**") from and against

any and all expenses, losses, damages, liabilities, assessments, costs, judgments, demands, charges and claims caused by, or arising out of or in connection with the issuance of the Notes, the transactions contemplated by this Offering Circular, the Indenture or the Portfolio Management Agreement, including, without limitation, arising from (x) any acts or omissions made in the performance of the duties of the Portfolio Manager under the Portfolio Management Agreement and the Indenture, or (y) any information set forth in this Offering Circular containing any untrue statement of material fact or omitting to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; *provided*, *however*, that such Portfolio Manager Indemnitee shall not be indemnified for any Liabilities it incurs (i) as a result of any acts or omissions by any such Portfolio Manager Indemnitee constituting bad faith, willful misconduct or gross negligence in the performance, or reckless disregard, of the obligations of the Portfolio Manager under the Portfolio Management Agreement or the provisions of the Indenture applicable to it or (ii) with respect to the Manager Information containing any untrue statement of material fact or omitting to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading as of the date of the Offering Circular and as of the Closing Date. The Portfolio Manager, its Affiliates and their respective members, managers, directors, officers, employees and agents will be entitled to indemnification by the Issuer only out of funds to the extent available for such purpose in accordance with the Priority of Payments. Notwithstanding any provision in the Portfolio Management Agreement or the Indenture to the contrary, in no event shall the Portfolio Manager, its Affiliates, or any of their respective managers, managing directors, partners, members, directors, officers, agents, stockholders and employees be liable for any consequential (including loss of profit), indirect, special or punitive damages of any kind whatsoever regardless of whether such losses or damages are foreseeable and regardless of the form of action.

Removal, Resignation and Replacement of the Portfolio Manager

The Issuer shall terminate the Portfolio Manager's rights and obligations under the Portfolio Management Agreement and remove the Portfolio Manager for Cause at the direction of (i) a Supermajority of the Secured Notes, (ii) a Majority of the Controlling Class or (iii) a Supermajority of the Subordinated Notes (in each case, excluding Notes held by the Portfolio Manager, any of its affiliates or any fund or account over which the Portfolio Manager or any affiliate thereof has discretionary voting authority) (the "**Portfolio Manager Notes**")) upon 15 days' written notice to the Portfolio Manager and shall provide notice of such removal to the Trustee and Moody's. For this purpose, "**Cause**" means any of the following events:

(1) the Portfolio Manager willfully breaches, or takes any action that it knows violates, or breaches as a direct result of its gross negligence, any material provision of the Portfolio Management Agreement or any term of the Indenture applicable to it;

(2) the Portfolio Manager breaches any provision of the Portfolio Management Agreement or any terms of the Indenture applicable to it (other than as covered in clause (1) above, and it being understood that the failure of any Coverage Test, the Reinvestment Overcollateralization Test, the Concentration Limitations or any Collateral Quality Test is not such a breach), which breach could reasonably be expected to have a material adverse effect on the holders of the Secured Notes, and the Portfolio Manager fails to cure the breach within 45 days of the Portfolio Manager becoming actually aware of, or receiving notice from the Trustee (given upon receipt of written directions by the Holders of 25% of the Subordinated Notes or by the Holders of 25% of the Controlling Class) or the Issuer of, the breach or, if such breach is not capable of cure within 45 days, the Portfolio Manager fails to cure such breach within the period in which a reasonable person could cure such breach (but in no event more than 90 days);

(3) the Portfolio Manager breaches its duties under the Portfolio Management Agreement or under the Indenture (which breach or default is not cured within the applicable cure period) and such breach results in the occurrence and continuation of an Event of Default under the Indenture;

(4) the Portfolio Manager is wound up or dissolved or a bankruptcy or insolvency event occurs with respect to it; or

(5) the occurrence of any of the following events: (A) an act by the Portfolio Manager that constitutes fraud, criminal activity or gross negligence in the performance of its obligations under the Portfolio Management Agreement, (B) the Portfolio Manager being indicted for a felony offense materially related to advisory

services with respect to its investment management business or (C) one or more officers of the Portfolio Manager primarily responsible for the provision of services under the Portfolio Management Agreement being convicted of (without having been suspended or removed from management duties) a felony offense materially related to the primary business of the Portfolio Manager.

The Portfolio Manager has the right to resign and terminate its rights and obligations under the Portfolio Management Agreement upon at least 90 days' (or such shorter notice as is acceptable to the Issuer) written notice to the Rating Agencies, the Issuer, the Trustee and each Hedge Counterparty. The Portfolio Manager may also resign and terminate its rights and obligations under the Portfolio Management Agreement at any time if, due to a material change in applicable law or regulation, the performance by the Portfolio Manager of its duties under the Portfolio Management Agreement and the Indenture would be a violation of such law or regulation, to the extent that the Portfolio Manager is unable to comply with such law or regulation through the exercise of reasonable efforts or the payment of reasonable expenses.

Any removal or resignation of the Portfolio Manager will be effective only upon (i) the appointment by a Majority of the Subordinated Notes (or, in the case of a removal of the Portfolio Manager for Cause where all the Subordinated Notes are Portfolio Manager Notes, a Majority of the Controlling Class) of a successor Portfolio Manager that is an established institution with experience managing assets similar to the Assets that (1) has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the Portfolio Manager under the Portfolio Management Agreement and the Indenture, (2) is legally qualified and has the capacity to act as Portfolio Manager under the Portfolio Management Agreement as successor to the Portfolio Manager under the Portfolio Management Agreement, (3) has assumed in writing all of the responsibilities, duties and obligations of the Portfolio Manager under the Portfolio Management Agreement and under the applicable terms of the Indenture, (4) shall not (a) cause the Issuer, the Co-Issuer or the pool of Assets to become required to register as an investment company under the provisions of the Investment Company Act, (b) subject the Issuer to taxation in any jurisdiction (including states and localities) where it would otherwise not be subject to tax or (c) cause the Issuer to be engaged in a trade or business in the United States for U.S. federal income tax purposes and (5) has been consented to in writing by a Majority of the Controlling Class and (ii) satisfaction of the Global Rating Agency Condition. Notwithstanding the foregoing, if a successor Portfolio Manager is appointed pursuant to the immediately preceding sentence and a Majority of the Controlling Class does not consent to the appointment of such successor Portfolio Manager as set forth above, a Majority of the Controlling Class may appoint a successor Portfolio Manager subject to the conditions set forth in the immediately preceding sentence, except that, for purposes of clause (i)(5) above, such appointment shall be subject to the consent of a Majority of the Subordinated Notes. The Issuer and the successor Portfolio Manager shall take such action (or cause the outgoing Portfolio Manager to take such action) consistent with the Portfolio Management Agreement and the terms of the Indenture applicable to the Portfolio Manager, as shall be necessary to effectuate any such succession. If the Portfolio Manager shall resign or be removed but a successor Portfolio Manager shall not have assumed all of the Portfolio Manager's duties and obligations under the Portfolio Management Agreement within 90 days after the date of the resignation or removal, then the Issuer, any holder of the Subordinated Notes or Notes of the Controlling Class or the resigning or terminated Portfolio Manager may petition any court of competent jurisdiction for the appointment of a successor Portfolio Manager, whose appointment shall become effective after such successor has accepted its appointment. No vote of the holders of the Subordinated Notes or the Controlling Class and no Global Rating Agency Condition will be required in connection with such appointment by a court of competent jurisdiction. Upon written notice from the Issuer, the Trustee will provide the holders of Notes, Moody's and S&P with written notice of any removal or resignation of the Portfolio Manager and will provide the Controlling Class with written notice of the proposed appointment of any successor Portfolio Manager.

Voting of Portfolio Manager Notes

The Portfolio Manager, its affiliates and funds and accounts over which the Portfolio Manager or any of its affiliates has discretionary voting authority will be entitled to exercise all voting rights in connection with the Portfolio Manager Notes except with respect to: (a) any vote to remove the Portfolio Manager for Cause, (b) if the Portfolio Manager has been removed for Cause, any vote to appoint a successor Portfolio Manager, (c) any vote to amend the Portfolio Management Agreement, and (d) any assignment or delegation of the Portfolio Manager's rights, duties or obligations under the Portfolio Management Agreement; *provided*, that following the appointment of a successor Portfolio Manager, any Notes held by the outgoing Portfolio Manager, its affiliates and funds and

accounts over which the Portfolio Manager or any of its affiliates has discretionary voting authority will have full voting rights with respect to all matters as to which the holders of Notes are entitled to vote.

Force Majeure

The Portfolio Manager shall not be responsible for any liability resulting from any failure by the Portfolio Manager to fulfill its duties under the Portfolio Management Agreement if such liability or failure shall be caused by or directly due to a Force Majeure Event. The term "**Force Majeure Event**" means such an operation of the forces of nature as reasonable foresight and ability could not foresee or reasonably provide against including but not limited to, acts of god, flood, war (whether declared or undeclared), terrorism, fire, strikes or work stoppages for any reason, embargo, government action, including any laws, ordinances, regulations or the like which restrict or prohibit the providing of the services contemplated by the Portfolio Management Agreement, inability to obtain material, equipment, or communications or computer facilities, or the failure of equipment or interruption of communications or computer facilities. The Portfolio Manager shall use commercially reasonable efforts to minimize the effect of any Force Majeure Event.

Amendment to Portfolio Management Agreement

The Portfolio Management Agreement may be amended, modified or waived from time to time, by an instrument in writing signed by the Portfolio Manager and the Issuer with the written approval of a Majority of the Controlling Class and a Majority of the Subordinated Notes; *provided* that the Global Rating Agency Condition is satisfied; *provided*, *further*, that neither the written approval of a Majority of the Controlling Class nor a Majority of the Subordinated Notes is required for the following purposes: (i) to correct inconsistencies, typographical or other errors, defects or ambiguities, (ii) to conform the Portfolio Management Agreement to this Offering Circular or the Indenture (as it may be amended from time to time as set forth above under "Description of the Notes—The Indenture—Modification of Indenture"), (iii) permanently remove any Management Fee payable to the Portfolio Manager, *provided* that no such amendment, modification or waiver of any Management Fee shall affect the amount of any Base Management Fee or Subordinated Management Fee that would be payable to any successor Portfolio Manager, (iv) to add to the covenants of the Issuer or the Portfolio Manager for the benefit of the holders of the Notes, or (v) to take any action advisable to prevent the Issuer from becoming subject to withholding or other taxes, fees or assessments or to prevent the Issuer from being treated as engaged in a trade or business within the United States for United States federal income tax purposes or otherwise being subject to United States federal, state or local income tax on a net income basis.

Assignments

The Portfolio Manager may not assign its rights or obligations under the Portfolio Management Agreement unless (a) the assignment is consented to in writing by the Issuer, a Majority of the Controlling Class and a Majority of the Subordinated Notes, (b) the performance of the duties of the Portfolio Manager by the assignee would not cause the Issuer to be subject to taxation in any jurisdiction (including states or localities) where it would not otherwise be subject to tax and (c) the Global Rating Agency Condition has been satisfied. However, the Portfolio Manager may assign all of its rights and responsibilities under the Portfolio Management Agreement without the consent of the Issuer, the Trustee or any holder of the Notes, so long as (a) the assignment would not constitute an "assignment" under Section 205(a)(2) of the Investment Advisers Act, and (b) the assignment is made to a Permitted Assignee. A "**Permitted Assignee**," for the purposes of the Portfolio Management Agreement, means an Affiliate of the Portfolio Manager that:

- has demonstrated (or has officers and employees that have demonstrated) an ability to professionally and competently perform duties similar to those imposed upon the Portfolio Manager under the Portfolio Management Agreement;

- is legally qualified and has the capacity to act as Portfolio Manager under the Portfolio Management Agreement; and

- utilizes the same principal personnel performing the duties required under the Portfolio Management Agreement prior to such assignment.

The Portfolio Manager may also delegate to third parties (including its Affiliates), and employ third parties to execute, the duties (excluding asset selection, credit review and the negotiation and determination of price and par amount of trades) assigned to the Portfolio Manager under the Portfolio Management Agreement without the consent of the Issuer or the holders of any Secured Notes; *provided*, *however*, that (i) a Majority of the Subordinated Notes consent to such delegation, (ii) the Portfolio Manager will not be relieved of any of its duties under the Portfolio Management Agreement as a result of such delegation to or employment of third parties, (iii) the Portfolio Manager will 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 Portfolio Management Agreement and (iv) such delegation does not constitute an "assignment" under the Investment Advisers Act. The Portfolio Manager will select any such third parties with reasonable care.

The Portfolio Manager may not, however, assign (including to a Permitted Assignee) or delegate any of its rights or responsibilities, nor permit affiliates or third parties to perform services on its behalf, if such assignment, delegation or permission would cause the Issuer to be subject to tax in any jurisdiction outside its jurisdiction of incorporation where it would not otherwise be subject to tax.

In certain circumstances, the interests of the Issuer or the holders of the Notes with respect to matters as to which the Portfolio Manager is advising the Issuer may conflict with the interests of the Portfolio Manager. See "Risk Factors—Relating to Certain Conflicts of Interest."

Certain Conflicts of Interest

The Portfolio Manager may not cause the Issuer to enter into a transaction with the Portfolio Manager or any of its Affiliates (including for this purpose, any account, portfolio or investment company for which the Portfolio Manager or any Affiliate serves as a manager or investment adviser) as principal, counterparty or where any account from which a purchase or to which a sale is being effected is managed or advised by the Portfolio Manager or any of its Affiliates (including for this purpose, any account, portfolio or investment company for which the Portfolio Manager or any Affiliate serves as a manager or investment adviser) unless (i) the Issuer has received from the Portfolio Manager such information relating to such acquisition or disposition of such Collateral Obligation or entry into such Hedge Agreement as the Issuer reasonably requests; (ii) the Issuer has approved such transaction and the Portfolio Manager has obtained all necessary consents, if any, in connection with such transactions from its other clients; (iii) such transaction is effected in accordance with the Investment Advisers Act and any other applicable law; and (iv) the terms and conditions of such transaction are no less favorable to the Issuer as the terms it would obtain in a comparable arm's-length transaction with a non-Affiliate and are in accordance with the terms of the Portfolio Management Agreement; *provided*, *however*, that the Issuer acknowledges that a sale based upon pricing set at the mid-point between the bid and offer prices shall be deemed to satisfy such requirement.

CO-ISSUERS

General

BlueMountain CLO 2014-3 Ltd. is an exempted company with limited liability incorporated under the Companies Law (2013 Revision) of the Cayman Islands for the sole purpose of carrying out the transactions described in this Offering Circular, which primarily consist of acquiring the Collateral Obligations, issuing the Notes and the Issuer Ordinary Shares and engaging in other activities related thereto. The Issuer was incorporated on April 22, 2014 in the Cayman Islands with registration number 287246 and has an indefinite existence. The Issuer was established as a special purpose vehicle for the purpose of the issuance of the Notes. The Issuer's principal office is at c/o MaplesFS Limited, Boundary Hall, Cricket Square, George Town, Grand Cayman, KY1-1102, Cayman Islands, telephone number (345) 945-7099, facsimile number (345) 945-7100. The directors of the Issuer are Christopher Watler and Rachel Fisher, and may be contacted at the principal office of the Issuer. The directors of the Issuer serve as directors of and provide services to other special purpose entities that issue collateralized obligations and perform other duties for the Administrator. The Issuer has no prior operating history other than the accumulation of Assets for this collateralized loan obligation transaction. The Issuer does not publish any financial statements.

Subject to the contracting restrictions imposed upon the Issuer by the Indenture, the directors of the Issuer have the power to borrow on behalf of the Issuer. A director of the Issuer is not required to own any shares in the Issuer in order to qualify as a director.

A director of the Issuer (or his alternate director in his absence) is at liberty to vote in respect of any contract or transaction in which he is interested; *provided*, that the nature of the interest of any director or alternate director in any such contract or transaction is disclosed by him or the alternate director appointed by him at or prior to its consideration and any vote on it.

The directors (and their alternates) are not currently entitled to any remuneration. Any director may act by himself or his firm in a professional capacity for the Issuer and he or his firm is entitled to remuneration for professional services as if he were not a director. A director is at liberty to vote in respect of any matter relating to his remuneration; *provided*, that the nature of his interest is disclosed prior to the matter being considered and voted upon by the board of directors.

As of the Closing Date, the authorized share capital of the Issuer will be U.S.$250 consisting of 250 ordinary shares, par value U.S.$1.00 per share (the "**Issuer Ordinary Shares**"). All of the Issuer Ordinary Shares of the Issuer have been issued and are held by MaplesFS Limited (in such capacity, the "**Share Trustee**"), under the terms of a declaration of trust in favor of charitable purposes. The Issuer will not have any material assets other than the Collateral Obligations and certain other eligible assets. The Collateral Obligations and such other eligible assets will be pledged to the Trustee as security for the Issuer's obligations under the Secured Notes and the related Transaction Documents.

BlueMountain CLO 2014-3 LLC was organized as a limited liability company on August 18, 2014 under the laws of the State of Delaware with file number 5587921 and is expected to have an indefinite existence. The Co-Issuer's registered agent is Maples Fiduciary Services (Delaware) Inc. (the "**Registered Agent**"), 4001 Kennett Pike, Suite 302, Wilmington, Delaware 19807, USA, telephone no. +1 (302) 338 9130. The Co-Issuer's registered office in the State of Delaware is located at the office of the Registered Agent. The Co-Issuer will be established for the purpose of the issuance of the Secured Notes (other than the Class D Notes and the Class E Notes). The Co-Issuer has no substantial assets and will not pledge any assets to secure the Secured Notes.

The sole director of the Co-Issuer is Edward Truitt. The director of the Co-Issuer serves as a director of and provides services to other special purpose entities that issue collateralized obligations and perform other administrative services for Delaware entities. Edward Truitt may be contacted at the registered office of the Co-Issuer. The sole member of the Co-Issuer is the Issuer. The Co-Issuer has no prior operating history. Unless otherwise required pursuant to the Indenture, the Co-Issuer will not publish any financial statements.

The Co-Issuer will only be capitalized to the extent of its membership interests of U.S.$10.00.

The Notes are not obligations of the Trustee, the Portfolio Manager, the Initial Purchaser, the Collateral Administrator or any of their respective affiliates, the Administrator, the Share Trustee or any directors or officers of the Co-Issuers.

Capitalization of the Issuer

The Issuer's initial proposed capitalization and indebtedness as of the Closing Date after giving effect to the issuance of the Notes and the Issuer Ordinary Shares (before deducting expenses of the offering) is set forth below:

	Amount[(1)(2)]
Class A-1 Notes	U.S.$ 372,000,000
Class A-2 Notes	U.S.$ 76,000,000
Class B Notes	U.S.$ 41,750,000
Class C Notes	U.S.$ 31,700,000
Class D Notes	U.S.$ 25,700,000
Class E Notes	U.S.$ 13,700,000
Subordinated Notes	U.S.$ 51,200,000
Total Debt	U.S.$ 612,050,000
Issuer Ordinary Shares	250
Retained Earnings	
Total Equity	U.S.$250
Total Capitalization	U.S.$ 612,050,250

(1) The Issuer will receive as proceeds for the issuance of the Notes the principal amounts set forth above multiplied by the applicable issue prices therefor.

(2) Unaudited.

The Co-Issuer has no liabilities other than the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes. Pursuant to the Indenture, all of the Notes will be issued as debt. The Secured Notes (other than the Class D Notes and the Class E Notes) are obligations of both of the Co-Issuers, and the Class D Notes, the Class E Notes and the Subordinated Notes are the obligations of the Issuer.

Business of the Co-Issuers

The Issuer's Memorandum of Association describes the objects of the Issuer, which are unrestricted and therefore include the business to be carried out by the Issuer in connection with the Notes. The Co-Issuer's certificate of incorporation describes the objects of the Co-Issuer, which include the business to be carried out by the Co-Issuer in connection with the Secured Notes (other than the Class D Notes and the Class E Notes). The Co-Issuers have not issued securities, other than common shares, Issuer Ordinary Shares and notes issued in connection with the financing of the Assets prior to the date of this Offering Circular and have not listed any securities on any exchange. The Co-Issuers will not undertake any business other than the issuance of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes and, in the case of the Issuer, the issuance of the Class D Notes, the Class E Notes and the Subordinated Notes and the management of the Assets and other related transactions. The Co-Issuer will not have any subsidiaries. In general, subject to the credit quality and diversity of the Collateral Obligations and general market conditions and the need (in the judgment of the Portfolio Manager) to satisfy the Coverage Tests, the Concentration Limitations and the Collateral Quality Test or to obtain funds for the redemption or payment of the Notes, the Issuer will own the Assets and will receive payments of interest and principal on the Collateral Obligations and Eligible Investments as the principal source of its income. The ability to purchase additional Collateral Obligations and sell Collateral Obligations prior to maturity is subject to significant restrictions under the Indenture. See "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria."

MaplesFS Limited (the "**Administrator**"), a Cayman Islands licensed trust company, will act as the administrator of the Issuer. The offices of the Administrator will serve as the registered office and the general business office of the Issuer. Through its offices and pursuant to the terms of an agreement between the

Administrator and the Issuer (the "**Administration Agreement**"), the Administrator will perform various corporate management functions on behalf of the Issuer, including the provision of certain clerical, administrative and other services in the Cayman Islands until termination of the Administration Agreement. The Issuer and the Administrator have also entered into a registered office agreement, dated April 22, 2014 (the "**Registered Office Agreement**") for the provision of registered office facilities to the Issuer. In consideration of the foregoing, the Administrator will receive various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Administration Agreement and the Registered Office Agreement provide that either the Issuer or the Administrator may terminate such agreements upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreements. In addition, the Administration Agreement and the Registered Office Agreement provide that either party shall be entitled to terminate such agreements by giving at least three months' notice in writing to the other party.

The activities of the Administrator under the Administration Agreement will be subject to the overview of the Issuer's board of directors. The Administrator's principal office is MaplesFS Limited, Boundary Hall, Cricket Square, George Town, Grand Cayman, KY1-1102, Cayman Islands.

Maples Fiduciary Services (Delaware) Inc., a Delaware Corporation, will also act as the administrator of the Co-Issuer (in such capacity, the "**Delaware Administrator**"). The office of the Delaware Administrator will serve as the general business office of the Co-Issuer. Through this office, and pursuant to the terms of a Manager Services Agreement between the independent manager of the Co-Issuer and the Administrator (the "**Manager Services Agreement**"), the Delaware Administrator will perform in the State of Delaware, USA, or such other jurisdiction as may be agreed by the parties from time to time various functions on behalf of the Co-Issuer and the provision of certain clerical, administrative and other services until termination of the Manager Services Agreement. The Co-Issuer and the Delaware Administrator have also entered into a registered agent agreement dated September 30, 2014 (the "**Registered Agent Agreement**') for the provision of registered agent services to the Co-Issuer. In consideration of the foregoing, the Delaware Administrator will receive various fees payable by the Co-Issuer at rates agreed upon from time to time, plus expenses. The terms of the Manager Services Agreement and the Registered Agent Agreement provide that either the Co-Issuer or the Delaware Administrator may terminate such agreements upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreements. In addition, the Manager Services Agreement and the Registered Agent Agreement provide that either party shall be entitled to terminate such agreements by giving at least three months' notice in writing to the other party with a copy to any applicable rating agency. The Delaware Administrator will be subject to the overview of the Co-Issuer's sole director. The Delaware Administrator's principal office, and the business address of the sole director of the Co-Issuer, is at Maples Fiduciary Services (Delaware) Inc., 4001 Kennett Pike, Suite 302, Wilmington, Delaware, 19807, USA.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

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

Introduction

The following is a summary of certain of the United States federal income tax consequences of an investment in the Notes by purchasers that acquire their Notes in the initial offering and for an amount equal to their "issue price" (as defined pursuant to the Code and applicable U.S. Treasury Regulations). The discussion and the opinions referenced below are based upon laws, regulations, rulings, and decisions currently in effect, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been, or are expected to be, sought from the United States Internal Revenue Service (the "**IRS**") with respect to any of the United States federal income tax consequences discussed below, and no assurance can be given that the IRS or a court will not take contrary positions. Further, the following summary does not address all United States federal income tax consequences applicable to any given investor, nor does it address the United States federal income tax considerations (except, in some circumstances, in very general terms) applicable to all categories of investors, some of which may be subject to special rules, such as Non-U.S. Holders (as such term is defined below), banks, REITs, regulated investment companies, mutual funds, insurance companies, tax-exempt organizations, dealers in securities or currencies, electing large partnerships, natural persons, cash method taxpayers, S corporations, estates and trusts, investors that hold their Notes as part of a hedge, straddle, or an integrated or conversion transaction, certain former citizens or residents of the United States, "controlled foreign corporations" or "passive foreign investment companies" for United States federal income tax purposes, or investors whose "functional currency" is not the Dollar. Furthermore, it does not address alternative minimum tax consequences, or the indirect effects on investors of equity interests in either a U.S. Holder (as such term is defined below) or a Non-U.S. Holder. In addition, this summary is generally limited to investors that will hold their Notes as "capital assets" within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "**Code**"). Investors should consult their own tax advisors to determine the Cayman Islands, United States federal, state, and local, and other tax consequences of the purchase, ownership, and disposition of the Notes.

As used herein, "**U.S. Holder**" means a beneficial holder of a Note that is an individual citizen or resident of the United States for U.S. federal income tax purposes, a corporation or other entity taxable as a corporation created or organized in, or under the laws of, the United States or any state thereof (including the District of Columbia), an estate, the income of which is subject to United States federal income taxation regardless of its source, or a trust for which a court within the United States is able to exercise primary supervision over its administration and for which one or more United States persons (as defined in the Code) have the authority to control all of its substantial decisions or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust.

"**Non-U.S. Holder**" means any holder (or beneficial holder) of a Note that is not a U.S. Holder or an entity treated as a partnership for U.S. federal income tax purposes.

If a partnership (or other pass-through entity) holds Notes, the tax treatment of a partner (or other equity holder) will generally depend upon the status of the partner (or other equity holder) and upon the activities of the partnership (or other pass-through entity). Partners of partnerships (or equity holders of other pass-thru entities) holding Notes should consult their own tax advisors.

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

FATCA

Introduction

FATCA could impose a withholding tax of up to 30% on payments of interest, principal or certain other income, in respect of the Notes, depending on the particular circumstances of the Issuer, Notes and Holders (and beneficial owners thereof). It is also possible that Notes held by some or all Holders may be subject to a forced sale (which could be for less than the fair market value of such Notes). There could also be withholding of 30% on payments to the Issuer of U.S. source interest and dividends and, as of January 1, 2017, on payments of sales proceeds from certain U.S. assets held by the Issuer.

General

FATCA is particularly complex, is subject to further guidance and interpretive releases from the U.S. Department of the Treasury and the IRS, and is dependent on the particular factual circumstances of the Issuer, the Notes and, potentially, the Holder of such Notes. Broadly, however, FATCA may require a payor of "U.S. source interest", "U.S. source dividends", or "other U.S. source periodic income" (and of gross proceeds from the sale or disposition of assets of a type that produce U.S. source interest or U.S. source dividends paid on or after January 1, 2017) (together, "**U.S. Source Income**") to withhold 30% from such payments except where (1) the assets giving rise to such U.S. Source Income comprise Grandfathered Obligations, or (2) unless exempted, the Issuer (and each foreign withholding agent (if any) in the chain of custody) enters into an agreement with the IRS (an "**FFI Agreement**") or complies with the relevant legislation promulgated pursuant to the IGA (as discussed below) and meets certain reporting requirements regarding its direct and indirect U.S. Holders or is otherwise exempt from withholding tax imposed under FATCA. For these purposes, obligations do not include equities or certain debt obligations lacking a definitive term, such as saving and demand deposits. Subject to the discussion below regarding the Cayman Islands' intergovernmental agreement, if required to do so to avoid FATCA withholding, the Issuer expects to enter into an FFI Agreement and comply with such information reporting requirements and, accordingly, expects to be required to, among other things, agree with the IRS to withhold (or instruct paying agents to withhold) 30% on "passthru payments" made to Recalcitrant Holders under its Notes.

Preliminary guidance that was not included in the final regulations suggested that a payment with respect to a Note will be treated as a foreign passthru payment to the extent of the amount of the payment that is not treated as U.S. Source Income multiplied by a ratio equal to the Issuer's average U.S. assets to its average total assets, determined as of specified testing dates. For purposes of this determination, the IRS may utilize a broad definition of U.S. assets. However, Grandfathered Obligations will neither be treated as U.S. assets nor subject to withholding. Although the final regulations do not contain the above formulation, the Treasury has indicated that final rules defining foreign passthru payments will be issued at a later date. Thus, it is unclear if the eventual rule for withholding on foreign passthru payments will adopt this assets-based approach. Further, the Issuer will not be obligated to withhold on foreign passthru payments until at least January 1, 2017 and a debt obligation that does not produce U.S. Source Income will be grandfathered if the obligation is outstanding six months after the adoption of future regulations addressing withholding on foreign passthru payments. Because payments on the Notes are expected to be comprised solely of non-U.S. source payments and such future regulations have not yet been adopted, the Notes, other than the Subordinated Notes (and any other Class of Notes that are treated as equity for U.S. federal income tax purposes), should be Grandfathered Obligations. The Subordinated Notes (and any other Class of Notes that are treated as equity for U.S. federal income tax purposes) are not eligible for grandfathering because they represent equity in the Issuer. Debt obligations of U.S. obligors held by the Issuer generally should be grandfathered if such obligations are outstanding as of (and not materially modified after) June 30, 2014 (even if the Issuer purchases the obligations after June 30, 2014) and debt obligations of non-U.S. obligors are expected to be grandfathered if such obligations are outstanding as of the later of June 30, 2014 and six months after the adoption of final regulations addressing withholding on foreign passthru payments.

Reporting under FATCA

Subject to the discussion under "—Uncertain Application" below, FATCA is likely to effectively require the Issuer (and any agent or broker through which a Holder purchases its Notes, or any nominee or other entity through which a Holder holds its Notes (any such agent, broker, nominee or other entity, an "**Intermediary**")) to enter into

an FFI Agreement under which it will be required to, among other things, provide certain information to the IRS about its direct and indirect U.S. Holders. In order to provide such information, however, the Issuer (or an Intermediary) will be obliged to obtain information from all of the Holders (not just from the U.S. Holders) because unless it can adequately identify the Non-U.S. Holders, it will be unable to properly identify (by matter of elimination) the direct and indirect U.S. Holders. It may also require Non-U.S. Holders to waive any non-U.S. law which prohibits the provision of such information.

Accordingly, the Issuer expects to require (and that an Intermediary will require) each (i) Non-U.S. Holder to provide satisfactory documentation (which is to be determined) that it is not a U.S. person and, if it is not a foreign financial institution under FATCA, that it does not have a "substantial United States owner" or, if it does have one or more "substantial United States owners", the name, address and taxpayer identification number of each such owner and (ii) U.S. Holder to provide its name, address and taxpayer identification number. If a Holder is a non-U.S. entity or otherwise not the beneficial owner of the Notes, such Holder may be required to provide certain information about its owners (or beneficial owners). Although certain exceptions to these disclosure requirements could apply, each Holder should assume that the failure to provide the required information generally will compel the Issuer (or an Intermediary) to withhold on payments (including principal) made to such Holder and could force the sale of such Holder's Notes (and such sale could be for less than its then fair market value).

In addition, under the Indenture, each Holder or beneficial owner of a Note agrees to (i) provide the Issuer (and any applicable Intermediary) with the Holder FATCA Information and (ii) permit the Issuer, the Portfolio Manager, any applicable Intermediary and the Trustee (on behalf of the Issuer) or their respective agents to (x) share such information with the IRS and other governmental taxing authorities, (y) compel or effect the sale of Notes held by any such Holder that fails to comply with the foregoing requirement or otherwise prevents the Issuer from qualifying as, or complying with any obligations or requirements imposed on, a "Participating FFI" within the meaning of U.S. Temporary Treasury Regulation Section 1.1471-1T(b)(91) or a "deemed-compliant FFI" within the meaning of U.S. Treasury Regulation Section 1.1471-5(f) and (z) make other amendments to the Indenture to enable the Issuer to comply with FATCA.

Potential withholding and redemptions (or forced sales) under FATCA

As indicated above, if a Holder is or becomes a Recalcitrant Holder, the Issuer (or an Intermediary) may be required to impose a 30% U.S. withholding tax on payments made to such Holder. However, the Issuer generally will not be obligated to withhold on foreign passthru payments until at least January 1, 2017. If the Issuer (or an Intermediary) is required, to withhold on payments to any Recalcitrant Holder, it is possible that any withholding that should otherwise be allocable to such Recalcitrant Holder may be disproportionately allocable to a particular Class of holders and that a Recalcitrant Holder may be subject to the forced sale of its Notes.

The Issuer is permitted to enter into a supplemental indenture without the consent of holders to provide for the issuance of new Notes of a Class of Notes or the creation of sub-classes of such Class of Notes (in each case, with new identifiers) if it or the Trustee determines that one or more beneficial owners of such Class of Notes is a Recalcitrant Holder. The intent of such a supplemental indenture would be to allow holders of such Class that are not Recalcitrant Holders to take an interest in such new Note(s) or sub-class(es) in order to isolate the identity of the Recalcitrant Holder(s) and lessen the likelihood that holders, other than any applicable Recalcitrant Holder(s), would be subject to withholding due to the failure of a Recalcitrant Holder to provide the Issuer with Holder FATCA Information. However, there can be no assurance that any such supplemental indenture will be entered into or, if it is, that it will have the effect of eliminating or reducing withholding on any holder's Notes caused by a Recalcitrant Holder.

If any withholding is imposed pursuant to the FFI Agreement (or otherwise) on payments to Recalcitrant Holders, the Issuer is under no obligation to gross up such payments.

If a non-U.S. law prohibits a Holder from providing the information requested by the Issuer (or an Intermediary) or prohibits an Issuer (or an Intermediary) from providing the information to the IRS, such Holder generally must execute a waiver of this non-U.S. law (and then provide such information) or dispose of its Notes (or otherwise have its interest in the Issuer cancelled) within a reasonable period of time. In addition, in complying with the U.S. reporting requirements under FATCA, it may be necessary for the Issuer (or an Intermediary) to agree in the FFI Agreement to "close out" any Holder (and not just a Holder that fails to obtain the foreign law waiver

described above) that fails to respond to its reasonable requests for information that will enable the Issuer (or an Intermediary) to comply with such U.S. reporting requirements. In the event the Issuer (or an Intermediary) does "close out" any Holder's interest, it may do so by causing the sale of such Notes (which could be for less than the fair market value of such Notes).

Uncertain Application

The full extent of the application of FATCA to the Issuer (and an Intermediary) is currently uncertain. Thus, it is not clear what actions, if any, will be required to minimize the impact of FATCA on the Issuer (and an Intermediary) and the Holders. No assurance can be given that the Issuer (or an Intermediary) will be able to take all necessary actions or that actions taken will be successful to minimize the forced sale provision or the new withholding tax. Further, the efficacy of the Issuer's (or an Intermediary's) actions might not be within the control of the Issuer (or an Intermediary) and, for example, may depend on the actions of Holders (and each foreign withholding agent (if any) in the chain of custody).

In addition, if an FFI Affiliate of the Issuer is not FATCA compliant (i.e., it fails to comply with (and is not exempted from complying with) FATCA), the Issuer itself may be prohibited from complying with FATCA. For this purpose an FFI Affiliate generally is a "foreign financial institution", as defined in Section 1471(d)(4) of the Code (an "**FFI**"), that is deemed to be part of an affiliated group that includes the Issuer (where, in general, such affiliates and the Issuer are deemed related through more than 50% ownership). For example, if an FFI owns (for U.S. federal income tax purposes) more than 50% of the Issuer's equity and such FFI equity owner is not FATCA compliant, the Issuer may not be eligible to comply with FATCA. Furthermore, in certain cases, if an entity is deemed (for U.S. federal income tax purposes) to own more than 50% of the equity of both (i) the Issuer and (ii) another FFI, such other FFI may be treated as an FFI Affiliate of the Issuer for this purpose and, thus, if such other FFI is not FATCA compliant, the Issuer may be prohibited from complying with FATCA. For these purposes, ownership of a Majority of the Subordinated Notes of the Issuer is likely to constitute the requisite ownership by that person of the Issuer. Similarly ownership by a person of a majority of the ordinary share capital of another FFI or, in the case of another FFI which is a special purpose entity similar to the Issuer, of the most junior class and any other class treated as equity for U.S. federal tax purposes of such other FFI, is likely to constitute the requisite ownership by that person of such other FFI.

Although the Issuer will not prohibit any holder from accumulating more than 50% of the Issuer's equity, it does retain the right to force the sale of all or any portion of such equity if such holding prevents the Issuer from complying with FATCA. For these purposes, the Issuer may sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA.

The Cayman Islands have entered into the US IGA with the United States and the UK IGA with the United Kingdom. The Issuer will be required to comply with the Cayman FATCA Legislation that gives effect to the IGAs. To the extent the Issuer cannot be treated as a Non-Reporting Cayman Islands Financial Institution (as defined in the IGAs) by taking advantage of one of the categories set out in Annex II to the IGAs (for example by being a Sponsored Investment Entity (as defined in the IGAs)), the Issuer will be a "Reporting Cayman Islands Financial Institution" (as defined in the IGAs). As such, the Issuer is required to register with the IRS to obtain a Global Intermediary Identification Number (for the purposes of the US IGA only) and to report to the Cayman Islands Tax Information Authority any payments made to (i) Specified US Persons with respect to US Reportable Accounts and (ii) Specified UK Persons with respect to UK Reportable Accounts (each such term as defined in the relevant IGA). The Cayman Islands Tax Information Authority will exchange such information with the IRS or HMRC as the case may be under the terms of the relevant IGA. Under the terms of the US IGA, withholding will not be imposed on payments made to the Issuer unless the IRS has specifically listed the Issuer as a non-participating financial institution, or on payments made by the Issuer (except perhaps with respect to passthru payment withholding) to the Noteholders unless the Issuer has otherwise assumed responsibility for withholding under United States tax law.

Each potential purchaser of Notes should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how it might affect such investor in its particular circumstance.

U.S. Federal Income Tax Consequences to the Issuer

Upon the issuance of the Notes, Ashurst LLP will deliver an opinion generally to the effect that, under current law, assuming compliance with the Indenture (and certain other documents) and based upon certain factual representations made by the Issuer and/or the Portfolio Manager, and assuming the correctness of all opinions and advice of counsel that permit the Issuer to take or fail to take any action under the Transaction Documents based upon such opinions or advice, although the matter is not free from doubt, the Issuer will not be treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes. The opinion of Ashurst LLP will be based on certain factual assumptions, covenants and representations as to the Issuer's contemplated activities. The Issuer intends to conduct its affairs in accordance with such assumptions and representations, and the remainder of this summary assumes that the Issuer will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. However, you should be aware that the opinion referred to above will be predicated upon the Portfolio Manager's compliance with certain tax restrictions set out in the Indenture and the Portfolio Management Agreement (the "**Tax Investment Guidelines**"), which are intended to prevent the Issuer from engaging in activities which could give rise to a trade or business within the United States. Although the Portfolio Manager has generally undertaken to comply with the Tax Investment Guidelines, the Portfolio Manager is permitted to depart from the Tax Investment Guidelines if it obtains an opinion from nationally recognized tax counsel (or written advice from Ashurst LLP or Lowenstein Sandler LLP) that the departure will not cause the Issuer to be treated as engaged in a trade or business within the United States. There can be no assurance that any such opinion or advice of tax counsel will be consistent with Ashurst LLP's current views and opinion standards, and any such departures would not be covered by the opinion of Ashurst LLP referred to above. Furthermore, the Portfolio Manager is not obligated to monitor changes in law that could affect whether the Issuer is treated as engaged in a U.S. trade or business. The Portfolio Manager might act in accordance with the Tax Investment Guidelines notwithstanding the issuance of new decisions by the courts, new legislation or official guidance (regardless of whether such new interpretation, legislation or guidance would either merely increase the risk that the Issuer would be, or actually cause the Issuer to be, engaged in a U.S. trade or business). In addition, although the Portfolio Manager can be removed for cause, the definition of "Cause" in the context of violations of the Tax Investment Guidelines is not clear. Such violations will not constitute "Cause" if they do not have, and cannot reasonably be expected to have, a material adverse effect on the Holders. It is not certain that a violation of the Tax Investment Guidelines that causes an increase in the risk that the Issuer will be engaged in a trade or business in the United States for U.S. federal income tax (without actually having that effect) will be treated as reasonably being expected to have such a material adverse effect.

In addition, the opinion of Ashurst LLP and any such other advice or opinions are not binding on the IRS or the courts, and no ruling will be sought from the IRS regarding this, or any other, aspect of the U.S. federal income tax treatment of the Issuer. Accordingly, in the absence of authority on point, the U.S. federal income tax treatment of the Issuer is not entirely free from doubt, and there can be no assurance that positions contrary to those stated in the opinion of Ashurst LLP or any such other advice or opinions may not be asserted successfully by the IRS.

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

Legislation previously proposed in the U.S. Senate would, for tax years beginning two years after its enactment, tax a non-U.S. corporation, the assets of which consist primarily of assets being managed on behalf of investors, as a U.S. corporation if decisions about how to invest the assets are made in the United States. It is unknown whether this proposal will be enacted in its current form and, if enacted in some form, whether the Issuer would be subject to its provisions. If this proposal is enacted in a form to which the Issuer is subject, proceeds from the Collateral Obligations and the Issuer's ability to make payments on the Notes will be materially diminished and one or more coverage tests may be violated.

Payments on the Collateral Obligations (except for commitment fees and other similar fees (including, without limitation, certain payments on obligations or securities that include a participation in or that support a letter of credit) associated with Revolving Collateral Obligations or Delayed Drawdown Collateral Obligations and fees from a borrower under a Letter of Credit) are required not to be subject to withholding tax when the Collateral Obligations are acquired by the Issuer unless the obligor thereof is required to make payments of additional amounts

(so called "gross-up payments") that cover the full amount of such withholding tax on an after-tax basis. The Issuer will not, however, make any independent investigation of the circumstances surrounding the issue of the individual assets comprising the Assets, and there can be no assurance that income derived by the Issuer will not become subject to withholding tax as a result of a change in tax law or administrative practice or other causes. Moreover, as indicated above, certain payments received by the Issuer are permitted to be reduced by any applicable withholding taxes. In addition, if the Issuer is or becomes a CFC (defined below), the Issuer will incur U.S. withholding tax on any interest received from a related United States person. Certain distributions on Equity Securities likely will, and distributions on defaulted assets and certain securities rated below investment grade may, be subject to withholding taxes imposed by the United States.

If withholding or deduction of any taxes from payments is required by law in any jurisdiction, the Issuer will be under no obligation to make any additional payments to any holder in respect of such withholding or deduction.

Notwithstanding the foregoing, any commitment fee, facility fee or similar fee that the Issuer earns may be subject to a 30% withholding tax. In the event withholding in respect of an excluded Collateral Obligation is not initially imposed but is imposed retroactively, such withholding would reduce amounts otherwise available to make payments on the Notes (and could adversely affect some Classes of Notes that would not have been adversely affected had the withholding been imposed initially).

U.S. Classification and U.S. Tax Treatment of the Secured Notes

The Issuer intends to agree and, by its acceptance of a Secured Note, each Holder will be deemed to have agreed, to treat the Secured Notes as debt of the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law; *provided* that this shall not limit a holder from making a protective qualified electing fund election (described below under "—U.S. Classification and U.S. Tax Treatment of the Subordinated Notes—QEF Election") or filing certain United States tax information returns required of only certain equity owners with respect to various reporting requirements under the Code (as described below under "—Transfer and Other Reporting Requirements"). Upon the issuance of the Notes, Ashurst LLP will deliver an opinion generally to the effect that, assuming compliance with the Indenture (and certain other documents), and based on certain factual representations made by the Issuer and/or the Portfolio Manager, the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes will, and the Class D Notes should, be characterized as debt of the Issuer for U.S. federal income tax purposes. No opinion will be given with respect to the Class E Notes. The determination of whether a Note will be treated as debt for United States federal income tax purposes is based on the facts and circumstances existing at the time the Note is issued. Recharacterization of a Class of Secured Notes, particularly the Class E Notes because of their place in the capital structure, may be more likely if a single investor or a group of investors that holds all of the Subordinated Notes also holds all of a more senior Class of Notes in the same proportion as the Subordinated Notes are held. In the event of such recharacterization, it is unclear whether such recharacterized Notes would be treated, for federal income tax purposes, as debt upon sale from such investor or group of investors. The opinion of Ashurst LLP described above will be qualified by this recharacterization risk and may not, in certain circumstances, cover Secured Notes owned by holders of Subordinated Notes as described in this paragraph. The opinion of Ashurst LLP will be based on current law and certain representations and assumptions. Prospective investors should be aware that opinions of counsel are not binding on the IRS, and there can be no assurance that the IRS will not seek to characterize as something other than indebtedness any particular Class or Classes of the Notes. Further, the Co-Issuers may enter into certain supplemental indentures without requiring the Issuer to specifically consider whether such supplemental indenture will adversely affect the characterization of the Notes (as debt or equity) for federal income tax purposes or cause the Notes to be treated as exchanged for other securities, in a transaction in which gain or loss is recognized. Except as discussed below under "—Alternative Characterization of the Secured Notes" below, the balance of this discussion assumes that the Secured Notes will be characterized as debt of the Issuer for U.S. federal income tax purposes.

For U.S. federal income tax purposes, the Issuer, and not the Co-Issuer, will be treated as the issuer of the Notes.

Subject to the discussion of original issue discount below, U.S. Holders of the Secured Notes generally will include payments of stated interest received on the Notes in income in accordance with their normal method of tax accounting as ordinary interest income from sources outside the United States.

A U.S. Holder of Notes issued with original issue discount ("**OID**") must include the OID in income on a constant yield-to-maturity basis (based on the original maturity of the Note) regardless of the timing of the receipt of the cash attributable to such income. A Note will have been issued with OID if its stated redemption price exceeds its issue price by an amount as great as 0.25% of its stated redemption price multiplied by its weighted average maturity (and in such case the amount of OID will be equal to its stated redemption price less its issue price). U.S. Holders should consult the Issuer to determine whether any particular Class of Notes are being treated by the Issuer as having been issued at a discount and with OID. Additionally, because stated interest payments on the Deferrable Notes may not be considered to be unconditionally payable (a requisite for stated interest to not constitute OID) since they may be deferred in certain events, the Issuer intends to treat all interest on the Deferrable Notes (together with any excess of stated redemption price over issue price) as OID. U.S. Holders would be entitled to claim a loss upon maturity or other disposition of a Note with respect to OID accrued and included in gross income for which cash is not received. Such a loss generally would be a capital loss**.**

The Secured Notes may be debt instruments described in Section 1272(a)(6) of the Code (debt instruments that may be accelerated by reason of the prepayment of other debt obligations securing such debt instruments). Special tax rules principally relating to the accrual of OID, market discount, and bond premium apply to debt instruments described in Section 1272(a)(6). Further, those debt instruments may not be treated for U.S. federal income tax purposes as part of an integrated transaction with a related hedge under Treasury Regulation Section 1.1275-6. Prospective investors should consult with their own tax advisors regarding the effects of Section 1272(a)(6).

In general, a U.S. Holder of a Secured Note will have a basis in that Secured Note equal to the cost of that Secured Note, increased by any OID and any market discount includible in income by such U.S. Holder and reduced by any amortized premium and any principal payments and any stated interest not treated as unconditionally payable for purposes of computing OID. Upon a sale, exchange or other disposition of a Secured Note, a U.S. Holder will generally recognize gain or loss equal to the difference between the amount realized on the sale, exchange or other disposition (less any accrued and unpaid interest (other than OID), which would be taxable as such) and the U.S. Holder's tax basis in such Secured Note. Such gain or loss generally will be long-term capital gain or loss if the U.S. Holder held the Secured Note for more than one year at the time of disposition. In certain circumstances, U.S. Holders that are individuals may be entitled to preferential treatment for net long-term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited. See "—3.8% Medicare Tax on "Net Investment Income"" below (for a discussion of the application of such tax).

Alternative Characterization of the Secured Notes

Notwithstanding Ashurst LLP's opinion, Holders and beneficial owners therein should recognize that there is some uncertainty regarding the appropriate classification of instruments such as the Secured Notes. It is possible, for example, that the IRS may contend that the Class D Notes or the Class E Notes, or any other Class of Secured Notes, should be treated in whole or in part as equity interests in the Issuer. Such a recharacterization might result in material adverse U.S. federal income tax consequences to U.S. Holders. If U.S. Holders of one or more Classes of the Secured Notes were treated as owning equity interests in the Issuer, the U.S. federal income tax consequences to those U.S. Holders would be as described under "—U.S. Classification and U.S. Tax Treatment of the Subordinated Notes" and "—Transfer and Other Reporting Requirements." In order to avoid the application of the PFIC rules described below, each U.S. Holder of a Secured Note should consider making a qualified electing fund election provided in Section 1295 of the Code on a "protective" basis (although such a protective election may not be respected by the IRS because current regulations do not specifically authorize such an election). See "—U.S. Classification and U.S. Tax Treatment of the Subordinated Notes—Status of the Issuer as a PFIC" and "—QEF Election." Further, U.S. Holders of Secured Notes should consult with their own tax advisors with respect to whether, if those Secured Notes were treated, in whole or in part, as representing equity in the Issuer, they would be required to file information returns in accordance with sections 6038, 6038B, and 6046 of the Code (and, if so, whether they should file such returns on a protective basis). The Issuer (provided information is reasonably available to it), will undertake to provide holders of 10% or more of the equity in the Issuer with information necessary for such holders to comply with their reporting obligations, but such compliance will be at the cost of any holders of Secured Notes other than the holders of the Class E Notes. In addition, the Issuer may, in its sole discretion, not provide all necessary information to holders of such Secured Notes to the extent such information is deemed proprietary. It is also possible that the Deferrable Notes could be treated as "contingent payment debt instruments" for federal income tax purposes. In this event, the timing of a U.S. Holder's OID inclusions could

differ from that described above and any gain recognized on the sale, exchange, or retirement of such Notes would be treated as ordinary income and not capital gain.

Non-U.S. Holders of the Secured Notes

Subject to the discussion under "—FATCA", above, a Non-U.S. Holder of a Secured Note that has no connection with the United States and is not related, directly or indirectly, to the Issuer or the holders of the Issuer's equity or the Subordinated Notes will not be subject to U.S. tax withholding on interest payments; *provided* that the Issuer is not engaged in a U.S. trade or business for U.S. federal income tax purposes. Non-U.S. Holders may be required to make certain tax representations regarding the identity of the beneficial owner of the Secured Notes in order to receive payments free of tax withholding, and Non-U.S. Holders may be required to provide such certification in order to receive payments free of backup withholding and not to have such payments be subject to information reporting. See also "—FATCA," above, for a discussion of reporting obligations of Non-U.S. Holders under FATCA.

U.S. Classification and U.S. Tax Treatment of the Subordinated Notes

General. The Issuer intends to agree and, by its acceptance of a Subordinated Note, each Holder will be deemed to have agreed, to treat such Notes as equity in the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law. If U.S. Holders of the Subordinated Notes were treated as owning debt in the Issuer, the U.S. federal income tax consequences to those U.S. Holders would be as described under "—U.S. Classification and U.S. Tax Treatment of the Secured Notes". The balance of this discussion assumes that the Subordinated Notes will be characterized as equity in the Issuer. Prospective investors should consult their own tax advisors regarding the consequences of their acquiring, holding or disposing of the Subordinated Notes and of any Contributions made by such investor or other investors with respect thereto.

The Subordinated Notes will be characterized as equity (which the IRS could contend is voting equity) of the Issuer for U.S. federal income tax purposes.

Distributions on the Subordinated Notes. Subject to the anti-deferral rules discussed below, any payment on the Subordinated Notes that is distributed by the Issuer to a U.S. Holder that is subject to United States federal income tax will be taxable to that U.S. Holder as a dividend to the extent of the current and accumulated earnings and profits (determined under U.S. federal income tax principles) of the Issuer. Such payments will not be eligible for the dividends received deduction generally allowable to corporations and will not be eligible for the preferential income tax rate on qualified dividend income. Distributions in excess of earnings and profits will be non-taxable to the extent of, and will be applied against and reduce, the U.S. Holder's adjusted tax basis in the Subordinated Notes. Distributions in excess of earnings and profits and basis will be taxable as gain from the sale or exchange of property, as described below. Distributions on the Subordinated Notes received by certain individuals, estates and trusts may be includible in "net investment income" for purposes of the Medicare contribution tax. QEF and Subpart F inclusions (discussed below) in respect of the Subordinated Notes may, depending on a taxpayer's particular circumstances, be includible in "net investment income" subject to the Medicare contribution tax, and actual distributions with respect to prior inclusions that were not previously included in net investment income will generally be subject to such tax. See "—3.8% Medicare Tax on "Net Investment Income"" below.

Sale, Exchange or Other Disposition of the Subordinated Notes. In general, a U.S. Holder of the Subordinated Notes will recognize gain or loss upon the sale, exchange or other disposition of such Notes in an amount equal to the difference between the amount realized and such U.S. Holder's adjusted tax basis in such Notes. The character of that gain or loss (as ordinary or capital) generally will depend on whether the U.S. Holder either has made a QEF Election or is subject to the CFC rules (as each is described below). Initially, the tax basis of a U.S. Holder should equal the amount paid for the Subordinated Notes. That basis will be (i) increased by amounts taxable to the U.S. Holder by virtue of a QEF Election or the CFC rules, and (ii) decreased by actual distributions from the Issuer that are deemed to consist of previously taxed amounts or to represent the return of capital.

Gain on the disposition of the Subordinated Notes by certain individuals, estates and trusts may be includible in "net investment income" for the purposes of the 3.8% Medicare Tax. See "—3.8% Medicare Tax on "Net Investment Income"" below.

Anti-Deferral Rules. Prospective investors should be aware that certain of the procedural rules for "PFICs" and "QEF" elections (as these terms are defined below) are complex and they should consult their own tax advisors regarding these rules.

The tax consequences for U.S. Holders of the Subordinated Notes discussed above are likely to be materially modified by the anti-deferral rules. In general, each U.S. Holder's investment in the Issuer will be taxed as an investment in a passive foreign investment company ("**PFIC**") or a controlled foreign corporation ("**CFC**"), depending (in part) upon the percentage of the Issuer's equity that is acquired and held by certain U.S. Holders. If applicable, the rules pertaining to CFCs generally override those pertaining to PFICs (although, in certain circumstances, both sets of rules may apply simultaneously).

Prospective investors should be aware that in determining what percentage of the equity of the Issuer is held by various categories of investors (for example, for purposes of the CFC and information reporting rules described below), the Subordinated Notes will be treated as equity (and possibly as voting equity) and the Portfolio Manager's interest in certain portions of its fee and the Class D Notes, the Class E Notes and other Classes of Secured Notes may be considered equity (and possibly voting equity).

Prospective investors should be aware that the amount of the Issuer's income that is allocated to holders (under the QEF rules and/or the CFC rules discussed below) for any taxable year may be substantially greater than the amount of cash that is distributed on the Subordinated Notes for that year. Differences between allocated income and cash distributions for any taxable year may arise for a variety of reasons, including but not limited to, holding Assets subject to OID rules or purchased at a discount or premium, application of interest or other income received by the Issuer to acquire Assets or pay principal of the Secured Notes and realization of cancellation of indebtedness income if the Issuer ultimately fails to pay any portion of the Secured Notes upon maturity.

Status of the Issuer as a PFIC. The Issuer will be treated as a "PFIC" for U.S. federal income tax purposes. U.S. Holders in PFICs, other than U.S. Holders that make a timely "qualified electing fund" or "QEF" election described below, are subject to special rules for the taxation of "excess distributions" (which include both certain distributions by a PFIC and any gain recognized on a disposition of PFIC stock). In general, Section 1291 of the Code provides that the amount of any "excess distribution" will be allocated to each day of the U.S. Holder's holding period for its PFIC stock. The amount allocated to the current taxable year will be included in the U.S. Holder's gross income for the current taxable year as ordinary income. With respect to amounts allocated to prior taxable years, the tax imposed for the current taxable year will be increased by the "deferred tax amount" (an amount calculated with respect to each prior taxable year by multiplying the amount allocated to that year by the highest rate of tax in effect for that year, together with an interest charge, as though the amounts of tax were overdue).

An excess distribution is the amount by which distributions for a taxable year exceed 125% of the average distribution in respect of the Subordinated Notes during the three preceding taxable years (or, if shorter, the investor's holding period for the Subordinated Notes). As indicated above, any gain recognized upon disposition (or deemed disposition) of the Subordinated Notes will be treated as an excess distribution and taxed as described above (and not as capital gain). For this purpose, a U.S. Holder that uses a Subordinated Note as security for an obligation will be treated as having disposed of such Note.

Special rules apply to certain regulated investment companies that own interests in PFICs and any such investor should consult with its own tax advisors regarding the consequences to it of acquiring Subordinated Notes. In addition, under recent legislation, each U.S. Holder of equity (including certain U.S. Holders indirectly owning equity) in a PFIC is required to file a Form 8621, subject to limited exceptions. In the event a U.S. Holder does not file Form 8621, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. Holder for the related tax year may not close (with respect to its entire return and not just the portion reflecting its investment in the PFIC) before the date which is three years after the date on which such report is filed.

QEF Election. If a U.S. Holder (including certain U.S. Holders indirectly owning Subordinated Notes) makes the qualified electing fund election (the "**QEF Election**") provided in Section 1295 of the Code, the U.S. Holder will be required to include its *pro rata* share (unreduced by any prior year losses) of the Issuer's ordinary income and net capital gains (as ordinary income and long-term capital gain, respectively) for each taxable year and pay tax thereon even if such income and gain is not distributed to the U.S. Holder by the Issuer. In addition, any net losses of the

Issuer will not be currently deductible by such U.S. Holder. Rather, any tax benefit from such losses will be available only when a U.S. Holder sells or disposes of its shares.

A U.S. Holder of a Subordinated Note that makes the QEF Election generally may elect to defer the payment of tax on undistributed income (until such income is distributed or the Subordinated Note is transferred), provided that it agrees to pay interest on such deferred tax liability. For this purpose, a U.S. Holder that uses a Subordinated Note as security for an obligation will be treated as having disposed of such Note. If the Issuer later distributes the income or gain on which the U.S. Holder has already paid taxes, amounts so distributed to the U.S. Holder will not be further taxable to the U.S. Holder. A U.S. Holder's tax basis in the Subordinated Notes will be increased by the amount included in that U.S. Holder's income and decreased by the amount of nontaxable distributions. A U.S. Holder making the QEF Election generally will recognize, on the disposition of the Subordinated Notes, capital gain or loss equal to the difference, if any, between the amount realized upon such disposition (including redemption or retirement) and its adjusted tax basis in such Notes. That gain or loss generally will be long-term capital gain or loss if the U.S. Holder held such Notes for more than one year at the time of disposition. In certain circumstances, U.S. Holders that are individuals may be entitled to preferential tax treatment for net long-term capital gains. The ability of U.S. Holders to offset capital losses against ordinary income is limited.

If the Issuer holds equity of another PFIC (an "**equity PFIC**"), such as an interest in a Tax Subsidiary, a U.S. Holder of the Subordinated Notes that wants to avoid the application of the excess distribution rules (described above) with respect to its indirect interest in that equity PFIC will have to make a separate QEF Election with respect to that equity PFIC. In that case, the Issuer will provide, to the extent it receives it, the information needed for U.S. Holders to make the QEF Election. That information may not, however, be available to the Issuer. U.S. Holders should consult their own tax advisors with respect to the tax consequences of such a situation.

In general, a QEF Election should be made on or before the due date for filing a U.S. Holder's federal income tax return for the first taxable year for which it holds a Subordinated Note. The QEF Election is effective only if certain required information is made available by the Issuer. The Issuer will undertake to comply with the IRS information requirements necessary to be a qualified electing fund (provided such information is available to it), which will permit U.S. Holders to make the QEF Election. Nonetheless, there can be no assurance that such information will be available or presented.

Where a QEF Election is not timely made by a U.S. Holder for the year in which it acquired its Subordinated Notes, but is made for a later year, the excess distribution rules can be avoided for subsequent years by making an election to recognize gain from a deemed sale of such Notes at the time when the QEF Election becomes effective.

A U.S. Holder should consult its own tax advisors regarding whether it should make a QEF Election (and, if it fails to make an initial election, whether it should make an election for a subsequent taxable year).

Proposals are made from time to time to amend the United States Internal Revenue Code. One recent proposal, if enacted, would, among other things, repeal the present law rules that impose an interest charge when a U.S. person who owns stock of a PFIC receives an excess distribution in respect of that stock. Instead, if a United States person owns non-publicly-traded stock in a PFIC, the person must include in gross income each year the person's interest accrual amount with respect to the stock, which in very general terms is the owner's adjusted basis in the stock multiplied by the sum of five percentage points plus a specified Treasury borrowing rate. Any interest accrual amount would be treated as interest income for federal income tax purposes. Conforming rules would generally prevent double taxation of distributions and gains on sale to the extent of previously accrued interest accrual amounts. If a U.S. person recognizes a loss from the disposition of PFIC stock, a portion of that loss may be treated as an ordinary loss. The provision is proposed to be effective for taxable years beginning after December 31, 2014.

In addition, the proposal, if enacted, would require any U.S. person who holds certain PFIC stock ("**covered stock**") on the last day of the person's taxable year beginning in 2014 to treat the PFIC stock as sold for its fair market value on that day. The proposal provides for the adjustment of the amount of any gain or loss subsequently realized from covered stock to reflect the amount of any gain or loss on the stock from the deemed sale. For this purpose, covered stock is any stock of a PFIC unless there was a QEF election or mark-to-market election in effect for the taxable year in which the deemed sale would take place. It appears that this deemed sale is intended to establish a U.S. person's basis to use for the proposed interest accrual methodology described above.

No representation is made that this or any other change in law will be enacted, or, if enacted, what effect it will have on the Subordinated Notes or any other Notes that are treated as equity for U.S. federal income tax purposes.

Status of the Issuer as a CFC. U.S. tax law also contains special provisions addressing the taxation of interests in CFCs. A U.S. person that owns (directly or indirectly) at least 10% of the voting stock (or under recently proposed legislation, at least 10% of the value) of a foreign corporation, is considered a "U.S. Shareholder" (a "**U.S. Shareholder**") with respect to the foreign corporation. If U.S. Shareholders in the aggregate own (directly or indirectly) more than 50% of the voting power or value of the stock of such corporation, the foreign corporation will be classified as a CFC. Complex attribution rules apply for purposes of determining ownership of stock in a foreign corporation such as the Issuer. As indicated above, the Subordinated Notes and possibly the Class D Notes and the Class E Notes (or any other Classes of the Secured Notes) and certain portions of the Portfolio Manager's fee may be treated as voting equity in the Issuer.

If the Issuer is classified as a CFC for at least 30 consecutive days (or under recently proposed legislation, at any time) during its taxable year, a U.S. Shareholder (and possibly any U.S. Holder that is a direct or indirect holder of a grantor trust that is considered to be a U.S. Shareholder) that is a shareholder of the Issuer as of the end of the Issuer's taxable year generally will be subject to current U.S. tax on its share of the income of the Issuer, regardless of the amount of any cash distributions from the Issuer. Earnings subject to tax generally will not be taxed again when they are distributed to the U.S. Holder. In addition, income that would otherwise be characterized as capital gain and gain on the sale of the CFC's stock by a U.S. Shareholder (during the period that the corporation is a CFC and thereafter for a five-year period) will be classified in whole or in part as dividend income.

Pursuant to recently expired legislation, which may be reinstated, certain income generated by a corporation conducting a banking, financing, insurance, or other similar business would not be includible in a holder's income under the CFC rules. However, each U.S. Holder of a Note will agree not to take the position that the Issuer is engaged in such a business. Accordingly, if the CFC rules apply, a U.S. Shareholder generally will be subject to tax currently on its share of the Issuer's income.

The Issuer will undertake to provide U.S. Shareholders with the requisite tax information to enable such holders to comply with any reporting requirements with respect to being U.S. Shareholders, provided, however, such information is reasonably available to the Issuer. Nonetheless, there can be no assurance that such information will be available or presented.

Taxation of Non-U.S. Holders of Subordinated Notes

Subject to the discussion under "—FATCA", above, payments on, and gain from the sale, exchange or redemption of, Subordinated Notes generally should not be subject to United States federal income tax in the hands of a Non-U.S. Holder that has no connection with the United States other than the holding of such Notes. Subject to the discussion under "—FATCA", above, United States information reporting and backup withholding generally will not apply to payments on a Subordinated Note to, and proceeds from the disposition of such Note by, a Non-U.S. Holder if the holder certifies as to its non-United States status on the appropriate Internal Revenue Service Form W-8. Backup withholding is not an additional tax and may be refunded or credited against the holder's U.S. federal income tax liability if certain required information is furnished to the IRS. But see "—FATCA", above, for a discussion of reporting obligations of non-U.S. Holders with respect to recently enacted legislation.

Taxation in Respect of a Tax Subsidiary

The Issuer will hold any Taxed Asset in a Tax Subsidiary that will be treated as either a U.S. or foreign corporation for U.S. federal income tax purposes. Any foreign Tax Subsidiary may be treated as engaged in a trade or business in the United States and may be subject to U.S. federal income tax (and possibly a 30% branch profits tax) on a net income basis at normal corporate tax rates, and may file U.S. tax returns and reports (or protective U.S. tax returns and reports), and/or the Tax Subsidiary may be subject to a 30% U.S. withholding tax on some or all of its income. In addition, U.S. Holders will not be permitted to use losses recognized by the Tax Subsidiary to offset gains recognized by the Issuer and may be subject to the adverse PFIC or CFC rules with respect to the Tax Subsidiary described above under "—U.S. Classification and U.S. Tax Treatment of the Subordinated Notes." In the case of a U.S. Tax Subsidiary, the Tax Subsidiary would be subject to U.S. federal income tax on a net income basis at normal corporate tax rates, and would be required to file U.S. tax returns and reports. In addition, distributions

from the Tax Subsidiary to the Issuer may be subject to a 30% U.S. withholding tax. Prospective investors should consult their tax advisors regarding the consequences of the Issuer organizing a Tax Subsidiary.

3.8% Medicare Tax on "Net Investment Income"

U.S. Holders that are individuals, estates, and certain trusts are subject to an additional 3.8% tax (the "**3.8% Medicare Tax**") on all or a portion of their "net investment income" which may include any income or gain with respect to the Notes. The 3.8% Medicare Tax will be imposed on the lesser of (i) net investment income (undistributed net investment income for estates and trusts) and (ii) the excess of modified adjusted gross income (adjusted gross income for estates and trusts) and a threshold amount. The threshold amount is $250,000 for a married taxpayer filing a joint return (or a surviving spouse), $125,000 for a married individual filing a separate return, the dollar amount at which the highest bracket begins for estates and trusts, and $200,000 in any other case. Recently released regulations have subjected equity holders of PFICs and CFCs to such tax, although the application of the tax (and the availability of particular elections) is quite complex. U.S. Holders should consult their advisors with respect to their consequences with respect to the 3.8% Medicare Tax.

Transfer and Other Reporting Requirements

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

In general, U.S. Holders who acquire any Subordinated Notes (or any Class of Notes that is recharacterized as equity in the Issuer) for cash may be required to file a Form 926 with the IRS and to supply certain additional information to the IRS if (i) such U.S. Holder owns (directly or indirectly) immediately after the transfer, at least 10% by vote or value of the Issuer or (ii) the transfer when aggregated with all related transfers under applicable regulations, exceeds U.S.$100,000. In the event a U.S. Holder that is required to file fails to file such form, that U.S. Holder could be subject to a penalty of up to U.S.$100,000 (computed as 10% of the gross amount paid for the Subordinated Notes) or more if the failure to file was due to intentional disregard of its obligation.

In addition, a U.S. Holder of Subordinated Notes that owns (actually or constructively) at least 10% by vote or value of the Issuer (and each officer or director of the Issuer that is a U.S. citizen or resident) may be required to file an information return on IRS Form 5471. A U.S. Holder of Subordinated Notes generally is required to provide additional information regarding the Issuer annually on IRS Form 5471 if it owns (actually or constructively) more than 50% by vote or value of the Issuer. U.S. Holders should consult their own tax advisors regarding whether they are required to file IRS Form 5471. In the event a U.S. Holder that is required to file such form fails to file such form, the U.S. Holder could be subject to a penalty of U.S.$10,000 for each such failure to file (in addition to other penalties and consequences).

Prospective investors in the Subordinated Notes (or any Class of Notes or other interest that could be recharacterized as equity in the Issuer) should consult with their own tax advisors regarding whether they are required to file IRS Form 8886 in respect of this transaction. Such filing generally will be required if such investors file a U.S. federal income tax return or U.S. federal information return and recognizes a loss in excess of a specified threshold, and significant penalties may be imposed on taxpayers that fail to file the form timely. Such filing will also generally be required by a U.S. Holder of the Subordinated Notes if the Issuer participates in certain types of transactions that are treated as "reportable transactions", such as a transaction in which its loss exceeds a specified threshold, and either (x) such U.S. Holder owns 10% or more of the aggregate amount of the Subordinated Notes and makes a QEF Election with respect to the Issuer or (y) the Issuer is treated as a CFC and such U.S. Holder is a "U.S. Shareholder" (as defined above) of the Issuer. If the Issuer does participate in a reportable transaction, it will make reasonable efforts to make such information available. Significant penalties may be imposed on taxpayers required to file Form 8886 that fail to do so timely.

A U.S. Holder that is an individual and holds certain foreign financial assets must file IRS Form 8938 to report the ownership of such assets if the total value of those assets exceeds the applicable threshold amounts. The

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

However, in general, such form is not required to be filed with respect to the Notes if they are held through a U.S. payer, such as a U.S. financial institution, a U.S. branch of a non-U.S. bank, and certain non-U.S. branches or subsidiaries of U.S. financial institutions.

Taxpayers who fail to make the required disclosure with respect to any taxable year are subject to a penalty of $10,000 for such taxable year, which may be increased up to $50,000 for a continuing failure to file the form after being notified by the IRS.

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

The Issuer will undertake to provide U.S. Holders with tax information that U.S. Holders need to obtain from the Issuer to comply with applicable U.S. reporting obligations, provided, however, such information is reasonably available to the Issuer. Nonetheless, there can be no assurance that such information will be available or presented.

FBAR Reporting

U.S. Holders that own directly or indirectly more than 50% of the Subordinated Notes (or any other Class of Notes recharacterized as equity in the Issuer) should consider their possible obligation to file a FinCEN Form 114—Report of Foreign Bank and Financial Accounts with respect to the Notes. Holders should consult their tax advisors with respect to these or any other reporting requirement which may apply with respect to their acquisition of the Notes.

Tax-Exempt Investors

Special considerations apply to pension plans and other investors ("**Tax-Exempt Investors**") that are subject to tax only on their unrelated business taxable income ("**UBTI**"). A Tax-Exempt Investor's income from an investment in the Issuer generally should not be treated as resulting in UBTI under current law, so long as such investor's acquisition of the Notes is not debt-financed, and, with respect to an investment in the Secured Notes, such investor does not (in addition to the investment in such Secured Notes) own more than 50% of the Issuer's equity (which would include the Subordinated Notes and any Class of Notes (if any) or portion of the Portfolio Manager's fee that is recharacterized as equity).

Tax-Exempt Investors should consult their own tax advisors regarding an investment in the Issuer.

Information Reporting and Backup Withholding

Under certain circumstances, information reporting requirements will apply to payments on a Note to, and the proceeds of the sale of a Note by, U.S. Holders and "backup withholding" will apply to such payments if the U.S. Holder fails to provide an accurate taxpayer identification number or otherwise fails to comply with, or establish an exemption from, the backup withholding requirements. Backup withholding is not an additional tax and may be refunded or credited against the holder's federal income tax liability if certain required information is furnished to the IRS. The information reporting requirements may apply regardless of whether withholding is required. See also "—FATCA," above, for a discussion of reporting obligations under FATCA.

Re-pricing

The treatment of a Re-Pricing for U.S. federal income tax purposes is not entirely clear. It is possible that a Re-Pricing will be treated as a deemed exchange of old notes of the Re-Priced Class for new notes of the Re-Priced Class. In that event, it is unclear whether such deemed exchange would be taxable to a U.S. Holder. If it was taxable, a U.S. Holder may be required to recognize gain or loss with respect to its Notes that are part of the Re-Priced Class. This gain or loss would be equal to the difference between the issue price of the deemed new notes of the Re-Priced Class, which if such class of notes has a principal amount in excess of $100 million, may be the fair market value rather than the principal amount of the notes, and the U.S. Holder's tax basis in the deemed old notes of the Re-Priced Class.

In the event the Re-Pricing is a taxable event for U.S. Holders and the stated redemption price at maturity of the new notes of a Re-Priced Class received in the deemed exchange is greater than the issue price of such notes, a U.S. Holder of a new note of a Re-Priced Class may be required to include additional OID in income as a result of the Re-Pricing. In the event that the issue price of the deemed new notes of the Re-Priced Class is less than the principal amount of such notes, the Issuer may be required to recognize cancellation of indebtedness income, which could affect the Holders of the Subordinated Notes that have made a QEF election or are subject to inclusions under the CFC rules. This may result in adverse consequences for the Subordinated Notes. Additionally, any Class of Notes that are Re-Priced after six months after the adoption of final regulations addressing withholding on foreign passthru payments would likely not be considered a Grandfathered Obligation under FATCA (see discussion under "—FATCA" above) if the Re-Pricing is treated as a deemed exchange. Each prospective investor should consult its own tax advisor regarding the tax consequences to it of a Re-Pricing.

CAYMAN ISLANDS TAXATION

The following discussion of certain Cayman Islands income tax consequences of an investment in the Notes is based on the advice of Maples and Calder as to Cayman Islands law. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law. The following is a general summary of Cayman Islands taxation in relation to the Notes.

Under existing Cayman Islands laws:

(i) Payments of principal and interest in respect of the Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on such payments to any Holder of a Note and gains derived from the disposal of Notes will not be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax; and

(ii) No stamp duty is payable in respect of the issue of Notes. The Notes themselves will be stamped if they are executed in or brought into the Cayman Islands.

The Issuer has been incorporated under laws of the Cayman Islands as an exempted company with limited liability and, as such, has obtained an undertaking from the Governor-in-Cabinet of the Cayman Islands in the following form:

"The Tax Concessions Law
(2011 Revision)
Undertaking as to Tax Concessions

In accordance with the provisions of Section 6 of The Tax Concessions Law (2011 Revision), the Governor-in-Cabinet undertakes with:

BlueMountain CLO 2014-3 Ltd.
"the Company"

(a) that no Law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and

(b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable

(i) on or in respect of the shares, debentures or other obligations of the Company; or

(ii) by way of the withholding in whole or in part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (2011 Revision).

These concessions shall be for a period of twenty years from the 6th day of May 2014."

The Cayman Islands does not have an income tax information exchange agreement with the United States or any other country; however, the Cayman Islands has entered into a tax disclosure agreement with the United States.

THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN OF THE TAX IMPLICATIONS OF AN INVESTMENT IN THE NOTES. PROSPECTIVE INVESTORS ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS PRIOR TO INVESTING TO DETERMINE THE TAX IMPLICATIONS OF SUCH INVESTMENT IN LIGHT OF SUCH INVESTOR'S CIRCUMSTANCES.

CERTAIN ERISA AND LEGAL INVESTMENT CONSIDERATIONS

The United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) which are subject to Title I of ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "**ERISA Plans**") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment including, but not limited to, the matters discussed above under "Risk Factors" and the fact that in the future there may be no market in which such fiduciary will be able to sell or otherwise dispose of the Notes.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, "**Plans**")) and certain persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code.

Prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if Notes are acquired with the assets of a Plan with respect to which the Issuer, the Initial Purchaser, the Trustee, the Portfolio Manager, any seller of Collateral Obligations to the Issuer or any of their respective Affiliates, is a party in interest or a disqualified person. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, depending in part on the type of Plan fiduciary making the decision to acquire a Note and the circumstances under which such decision is made. There can be no assurance that any exception or exemption will be available with respect to any particular transaction involving the Notes.

Governmental plans and certain church plans, while not subject to the fiduciary responsibility provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to state, local or other federal laws that are substantially similar to the foregoing provisions of ERISA and the Code. Fiduciaries of any such plans should consult with their counsel before acquiring any Notes.

The Secured Notes (other than the Class D Notes and the Class E Notes)

The U.S. Department of Labor has promulgated regulations 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA, (the "**Plan Asset Regulations**"), describing what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of certain provisions of ERISA and Section 4975 of the Code, including the fiduciary responsibility provisions of Title I of ERISA and Section 4975 of the Code. Under the Plan Asset Regulations, if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established that the entity is an "operating company" or, as further discussed below, that equity participation in the entity by "benefit plan investors" is not "significant."

The Plan Asset Regulations define an "equity interest" as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. As noted above in "U.S. Federal Income Tax Considerations," it is the opinion of tax counsel to the Issuer that the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes will be treated as debt for U.S. federal income tax purposes. Although there is little guidance on the subject at the time of their issuance, the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes should be treated as indebtedness under applicable local law without substantial equity features for purposes of the Plan Asset Regulations. This determination is based in part upon (i) tax counsel's opinion regarding the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes cited above and (ii) the traditional debt features of the Class A-1 Notes, the Class A-2 Notes, the

Class B Notes and the Class C Notes, including the reasonable expectation of purchasers of such Notes that they will be repaid when due, as well as the absence of conversion rights, warrants and other typical equity features. Based upon and subject to the foregoing and other considerations, and subject to the considerations described below, the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes may be purchased by a Plan. Nevertheless, without regard to whether the Class A-1 Notes, the Class A-2 Notes, the Class B Notes or the Class C Notes are considered equity interests, prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if such Notes are acquired with the assets of an ERISA Plan with respect to which the Issuer, the Initial Purchaser or the Trustee or in certain circumstances, any of their respective affiliates, is a party in interest or a disqualified person.

By its acquisition of Class A-1 Notes, the Class A-2 Notes, the Class B Notes or the Class C Notes, each purchaser and subsequent transferee thereof will be deemed to have represented and warranted (or, in the case of an acquisition of such Secured Notes in the form of Certificated Secured Notes, will represent and warrant), on each day from the date on which such beneficial owner acquires its interest in such Class A-1 Notes, Class A-2 Notes, Class B Notes or Class C Notes through and including the date on which such beneficial owner disposes of its interest in such Class A-1 Notes, Class A-2 Notes, Class B Notes or Class C Notes, either that (a) it is neither a Benefit Plan Investor nor a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code ("**Other Plan Law**") or (b) its acquisition, holding and disposition of a Class A-1 Note, a Class A-2 Note, a Class B Note or a Class C Note (or any interest in such a Note) 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 under any Other Plan Law).

The Class D Notes, the Class E Notes and the Subordinated Notes

Equity participation in an issuer of Notes by Benefit Plan Investors is "significant" and will cause the assets of the Issuer to be deemed the assets of an investing Plan (in the absence of another applicable Plan Asset Regulations exception) if 25% or more of the value of any class of equity interest in the Issuer is held by Benefit Plan Investors as calculated under the Plan Asset Regulations. Employee benefit plans that are not subject to Title I of ERISA and plans that are not subject to Section 4975 of the Code, such as U.S. governmental and church plans or non-U.S. plans, are not considered "benefit plan investors." For purposes of making the 25% determination, the value of any equity interests held by any Controlling Person is disregarded. Under the Plan Asset Regulations, an "affiliate" of a person includes any person, directly or indirectly through one or more intermediaries, controlling, controlled by or under common control with the person, and "control" with respect to a person other than an individual, means the power to exercise a controlling influence over the management or policies of such person. The Class D Notes, the Class E Notes and the Subordinated Notes likely will be considered equity investments for the purposes of the Plan Asset Regulations and applying Title I of ERISA and Section 4975 of the Code. Accordingly, by its acquisition of a Class D Note, Class E Note or Subordinated Note (or any interest in such Note), each purchaser and subsequent transferee thereof will be deemed to have represented and warranted (or, in the case of an acquisition of such Notes in certificated form, will represent and warrant), on each day from the date on which such beneficial owner acquires its interest in such Class D Notes, Class E Notes or Subordinated Notes through and including the date on which such beneficial owner disposes of its interest in such Class D Notes, Class E Notes or Subordinated Notes, that (i) except as otherwise permitted in writing by the Issuer, such purchaser or subsequent transferee, as applicable, is not a Benefit Plan Investor or Controlling Person and (ii) if it is a governmental, church, non-U.S. or other plan that is subject to any Other Plan Law, (a) it is not, and for so long as it holds such Class D Note, Class E Note or Subordinated Note or interest therein will not be, subject to any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer and the Portfolio Manager (or other Persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code ("**Similar Law**"), and (b) its acquisition, holding and disposition of its interest in such Class D Note, Class E Note or Subordinated Note will not constitute or result in a non-exempt violation of any Other Plan Law. Except as permitted in writing by the Issuer, the Class D Notes, the Class E Notes and the Subordinated Notes may not be acquired by Benefit Plan Investors or Controlling Persons. Any purported transfer of the Class D Notes, the Class E Notes or the Subordinated Notes, or any interest therein, to a purchaser or transferee that does not comply with the requirements of this paragraph will be of no force and effect, shall be null and void ab initio and the Issuer will have

the right to direct the purchaser to transfer the Class D Notes, the Class E Notes or the Subordinated Notes, or any interest therein, as applicable, to a person who meets the foregoing criteria.

Further Considerations

There can be no assurance that, despite the transfer restrictions relating to acquisitions by Benefit Plan Investors and the procedures to be employed by the Issuer to attempt to limit ownership by Benefit Plan Investors of the Class D Notes, Class E Notes or Subordinated Notes the assets of the Issuer would not be deemed to constitute "plan assets."

If for any reason the assets of the Issuer were deemed to be "plan assets" of a Plan, certain transactions that the Issuer might enter into, or may have entered into, in the ordinary course of its business might constitute non-exempt "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code and might have to be rescinded at significant cost to the Issuer. The Portfolio Manager, as an ERISA fiduciary, may be prevented from engaging in certain investments (as not being deemed consistent with the ERISA prudent investment standards) or engaging in certain transactions or fee arrangements because they might be deemed to cause non-exempt prohibited transactions. It also is not clear that Section 403(a) of ERISA, which generally requires that all of the assets of an ERISA Plan be held in trust and limits delegation of investment management responsibilities by fiduciaries of ERISA Plans, would be satisfied. In addition, it is unclear whether Section 404(b) of ERISA, which generally provides that no fiduciary may maintain the indicia of ownership of any assets of a plan outside the jurisdiction of the district courts of the United States, would be satisfied or any of the exceptions to the requirement set forth in 29 C.F.R. Section 2550.404b-1 would be available.

Any Plan fiduciary or other person who proposes to use assets of any Plan to acquire any Notes should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment, and to confirm that such investment will not constitute or result in a non-exempt prohibited transaction or any other violation of an applicable requirement of ERISA.

The sale of any Notes to a Plan, or to a person using assets of any Plan to effect its acquisition of any Notes, is in no respect a representation by the Issuer, the Initial Purchaser or the Portfolio Manager that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

Legal Investment Considerations

Investors whose investment activities are subject to regulation by federal, state or local law or governmental authorities should review the applicable laws and/or rules, policies and guidelines adopted from time to time by such authorities before purchasing any Subordinated Notes or any Class of Secured Notes. No representation is made as to the proper characterization of the Notes for legal investment or other purposes or as to the ability of particular investors to purchase any Subordinated Notes or any Class of Secured Notes under applicable law or other legal investment restrictions. Accordingly, all investors whose investment activities are subject to such laws and/or regulations, regulatory capital requirements or review by regulatory authorities should consult their own legal advisors in determining whether and to what extent the Notes constitute a legal investment or are subject to investment, capital or other restrictions.

None of the Issuer, the Co-Issuer, the Portfolio Manager, the Initial Purchaser, the Trustee or the Collateral Administrator make any representation as to the proper characterization of the Notes for legal investment or other purposes, as to the ability of particular investors to purchase the Notes for legal investment or other purposes or as to the ability of particular investors to purchase the Notes under applicable investment restrictions. All institutions the activities of which are subject to legal investment laws and regulations, regulatory capital requirements or review by regulatory authorities should consult their own legal advisors in determining whether and to what extent the Notes are subject to investment, capital or other restrictions. Without limiting the generality of the foregoing, none of the Issuer, the Co-Issuer, the Portfolio Manager, the Initial Purchaser, the Trustee or the Collateral Administrator makes any representation as to the characterization of the Notes as a U.S.-domestic or foreign (non-U.S.) investment under any state insurance code or related regulations, and they are not aware of any published precedent that addresses such characterization. Although they are not making any such representation, the Co-Issuers understand that the New York State Insurance Department, in response to a request for guidance, has been considering the

characterization (as U.S.-domestic or foreign (non-U.S.)) of certain collateralized debt obligation securities co-issued by a non-U.S. issuer and a U.S. co- issuer. There can be no assurance as to the nature of any advice or other action that may result from such consideration. The uncertainties described above (and any unfavorable future determinations concerning legal investment or financial institution regulatory characteristics of the Notes) may affect the liquidity of the Notes.

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 that the Issuer or other parties on its behalf, including the Trustee and the Portfolio Manager, provide to the Rating Agencies for the purposes of determining the initial credit rating of the Secured Notes or undertaking credit rating surveillance of the Secured Notes. On the Closing Date, the Issuer will engage the Trustee 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, any of the Rating Agencies, or any of their respective 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 Indenture and the Collateral Administration Agreement, any Transaction Document relating thereto, the Portfolio Management Agreement, the Assets or the Secured 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.

PLAN OF DISTRIBUTION

The Secured Notes are being offered by Citigroup (in such capacity, the "**Initial Purchaser**") pursuant to the Purchase Agreement with the Co-Issuers, and all of the Subordinated Notes are being sold to certain funds managed by the Portfolio Manager and/or its Affiliates directly by the Issuer in a privately negotiated sale and Citigroup will not act as Initial Purchaser with respect to such sales. Citigroup is the only Initial Purchaser.

Pursuant to the Purchase Agreement, the Secured Notes will be offered by Citigroup, as initial purchaser, from time to time for sale to investors in negotiated transactions at varying prices to be determined in each case at the time of sale. Citigroup may act as DTC agent for the Issuer in connection with the settlement of the Subordinated Notes sold to the Portfolio Manager or any of its Affiliates or clients. If Citigroup acts in such capacity, it will perform purely ministerial functions to facilitate the settlement of the Subordinated Notes in global form for the convenience of the Issuer. Under no circumstances will the role of DTC agent obligate Citigroup to act as an initial purchaser, placement agent or underwriter with respect to the Subordinated Notes (nor will it act in any such capacity).

In the Purchase Agreement, each of the Co-Issuers will agree to indemnify Citigroup against certain liabilities, including under the Securities Act, the Exchange Act or otherwise, insofar as such liabilities arise out of or are connected with the consummation of the transactions contemplated by this Offering Circular and the other offering documents for the Notes or the execution and delivery of, and the consummation of the transactions contemplated by, the Transaction Documents, or to contribute to payments Citigroup may be required to make in respect thereof. In addition, the Issuer will agree to reimburse Citigroup for certain of its expenses incurred in connection with the closing of the transactions contemplated hereby.

The offering of the Notes has not been and will not be registered under the Securities Act and may not be offered or sold in non-offshore transactions except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. No action has been taken or is being contemplated by the Issuer and Co-Issuer that would permit a public offering of the Notes or possession or distribution of this Offering Circular or any amendment thereof, or supplement thereto or any other offering material relating to the Notes in any jurisdiction (other than Ireland) where, or in any other circumstances in which, action for those purposes is required. No offers, sales or deliveries of any Notes, or distribution of this Offering Circular or any other offering material relating to the Notes, may be made in or from any jurisdiction except in circumstances that will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or Citigroup. Because of the restrictions contained in the front of this Offering Circular, you are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Notes.

In the Purchase Agreement, Citigroup will agree that it will sell or arrange for the sale (as applicable) of Secured Notes only to or with, in each case, (a) purchasers it reasonably believes to be (i) Qualified Institutional Buyers and (ii) Qualified Purchasers or entities owned exclusively by Qualified Purchasers, (b) solely in the case of Certificated Secured Notes, (i) Institutional Accredited Investors and (ii) Qualified Purchasers and (c) non-U.S. persons in offshore transactions pursuant to Regulation S. Until 40 days after completion of the distribution by the Issuer, an offer or sale of Notes, in a non-offshore transaction by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if the offer or sale is made otherwise than pursuant to Rule 144A or a transaction exempt from the registration requirements under the Securities Act. Resales of the Notes offered in reliance on Rule 144A or in another transaction exempt from the registration requirements under the Securities Act, as the case may be, are restricted as described under "Transfer Restrictions." Beneficial interests in a Regulation S Global Secured Note or Regulation S Global Subordinated Note may not be held by a U.S. person at any time, and resales of the Notes offered in offshore transactions to non-U.S. persons in reliance on Regulation S may be effected only in accordance with the transfer restrictions described herein. As used in this paragraph, the terms "United States" and "U.S." have the meanings given to them by Regulation S.

Citigroup and its affiliates may have had in the past and may in the future have business relationships and dealings with the Portfolio Manager and its affiliates and one or more obligors with respect to Collateral Obligations and their affiliates and may own equity or debt securities issued by such entities or their affiliates. Citigroup and its affiliates may have provided and may in the future provide investment banking services to such entities or their affiliates and may have received or may receive compensation for such services.

The Notes are offered when, as and if issued, subject to prior sale or withdrawal, cancellation or modification of the offer without notice and subject to approval of certain legal matters by counsel and certain other conditions.

The Notes are a new issue of securities for which there is currently no market. The Initial Purchaser is under no obligation to make a market in any Class of Notes and any market making activity, if commenced, may be discontinued at any time. There can be no assurance that a secondary market for any Class of Notes will develop, or if one does develop, that it will continue. Accordingly, no assurance can be given as to the liquidity of or trading market for the Notes.

In connection with the offering of the Notes, Citigroup may, as permitted by applicable law, over-allot or effect transactions that stabilize or maintain the market price of the Notes at a level which might not otherwise prevail in the open market. Such stabilizing activity, if commenced, may be discontinued at any time.

Purchasers of the 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 purchase price.

The Co-Issuers have not authorized and do not authorize the making of any offer of Notes through any financial intermediary on their behalf, other than offers made by the Initial Purchaser as contemplated in this Offering Circular. Accordingly, no purchaser of the Notes, other than the Initial Purchaser, is authorized to make any further offer of the Notes on behalf of the Co-Issuers or the Initial Purchaser.

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 Initial Purchaser will receive notice of any transfer of 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 Indenture.

Without limiting the foregoing, by holding a Note, each holder will acknowledge and agree, among other things, that such holder understands that none of the Co-Issuers or the pool of Assets are or will be registered as an investment company under the Investment Company Act, and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the Investment Company Act. Section 3(c)(7) excepts from the provisions of the Investment Company Act those issuers who privately place their securities solely to persons who at the time of purchase are "qualified purchasers" or "knowledgeable employees." In general terms, "qualified purchaser" is defined to mean, among other things, any natural person who owns not less than U.S.$5,000,000 in investments; any person who in the aggregate owns and invests on a discretionary basis, not less than U.S.$25,000,000 in investments; and trusts as to which both the settlor and the decision-making trustee are qualified purchasers (but only if such trust was not formed for the specific purpose of making such investment). In general terms, "knowledgeable employees" is defined to mean, among other things, executive officers, directors and certain investment professionals and employees of an issuer and its related investment manager.

Global Secured Notes and Regulation S Global Subordinated Notes

Each initial purchaser and each transferee of Secured Notes or Subordinated Notes represented by an interest in a Global Secured Note or a Regulation S Global Subordinated Note will be deemed (and, to the extent set forth in the Indenture or as otherwise required by the Issuer, required) to have represented and agreed as follows (except as may be expressly agreed in writing between the Co-Issuers and any initial purchasers):

(i) In connection with the purchase of such Notes: (A) none of the Co-Issuers, the Portfolio Manager (except with respect to Notes purchased by funds or accounts with respect to which the Portfolio Manager provides investment advisory services), the Initial Purchaser, the Trustee, the Collateral Administrator, the Administrator or any of their respective affiliates is acting as a fiduciary or financial or investment advisor for such beneficial owner; (B) such beneficial owner is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Co-Issuers, the Portfolio Manager (except with respect to Notes purchased by funds or accounts with respect to which the Portfolio Manager provides investment advisory services), the Trustee, the Collateral Administrator, the Administrator, the Initial Purchaser or any of their respective affiliates other than any statements in the final Offering Circular for such Notes, and such beneficial owner has read and understands such final Offering Circular; (C) such beneficial owner has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture) based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Co-Issuers, the Portfolio Manager (except with respect to Notes purchased by funds or accounts with respect to which the Portfolio Manager provides investment advisory services), the Trustee, the Collateral Administrator, the Administrator, the Initial Purchaser or any of their respective affiliates; (D) such beneficial owner is either (1) (in the case of a beneficial owner of an interest in a Rule 144A Global Secured Note) both (a) a "qualified institutional buyer" (as defined under Rule 144A under the Securities Act) that is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25 million in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(D) or (a)(1)(E) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(F) of Rule 144A under the Securities Act that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries, and not the fiduciary, trustee or sponsor, of the plan and (b) a "qualified purchaser" within the meaning of Section 2(a)(51) of the Investment Company Act and the rules thereunder or (2) not a "U.S. person" as defined in Regulation S and is acquiring the Notes in an offshore transaction (as defined in

Regulation S) in reliance on the exemption from registration provided by Regulation S; (E) such beneficial owner is acquiring its interest in such Notes for its own account; (F) such beneficial owner was not formed for the purpose of investing in such Notes (except when each beneficial owner of such Person is a Qualified Purchaser); (G) such beneficial owner understands that the Issuer may receive a list of participants holding interests in the Notes from one or more book-entry depositories, (H) such beneficial owner will hold and transfer at least the minimum denomination of such Notes, (I) in the case of the Subordinated Notes, such beneficial owner is a sophisticated investor and is purchasing the Notes with a full understanding of all of the terms, conditions and risks thereof, and is capable of and willing to assume those risks, (J) such beneficial owner has had access to such financial and other information concerning the Issuer and the Notes as it has deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Notes, including an opportunity to ask questions of and request information from the Issuer and the Portfolio Manager, (K) such beneficial owner will provide notice of the relevant transfer restrictions to subsequent transferees and (L) such beneficial owner is able to bear the economic risks of an investment in the Notes and is able to sustain a complete loss of such investment in the Notes.

(ii) (x) in the case of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes, on each day from the date on which such beneficial owner acquires its interest in such Notes through and including the date on which such beneficial owner disposes of its interest in such Notes, either that (1) it is neither a Benefit Plan Investor, nor a governmental, church, non-U.S. or other plan which is subject to any Other Plan Law or (2) its purchase, holding and disposition of any such Note 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 under any Other Plan Law); and

(y) in the case of the Class D Notes, the Class E Notes and the Subordinated Notes, on each day from the date on which such beneficial owner acquires its interest in such Class D Notes, Class E Notes or Subordinated Notes through and including the date on which such beneficial owner disposes of its interest in such Class D Notes, Class E Notes or Subordinated Notes, that (1) except as otherwise permitted in writing by the Issuer, such beneficial owner is not a Benefit Plan Investor or Controlling Person and (2) if it is a governmental, church, non-U.S. or other plan which is subject to any Other Plan Law, (a) it is not, and for so long as it holds such Class D Note, Class E Note or Subordinated Note or interest therein will not be, subject to any Similar Law, and (b) its acquisition, holding and disposition of its interest in such Class D Note, Class E Note or Subordinated Note will not constitute or result in a non-exempt violation of any Other Plan Law.

(iii) It agrees that, for purposes of U.S. federal income and franchise tax, the Issuer will be treated as a foreign corporation and it agrees to treat the Notes as described in the "U.S. Federal Income Tax Considerations" section of the Offering Circular for all U.S. federal income tax purposes and will take no action inconsistent with such treatment unless required by law; *provided*, *however*, that a Holder of any Notes that are intended to be treated as debt for U.S. federal income tax purposes shall be permitted to make protective QEF elections under Section 1293 of the Code and to file protective information returns under Sections 6038, 6038B and 6046 of the Code, and in each case any successor provisions.

(iv) It will timely furnish the Issuer or its agents any U.S. federal income tax form or certification (such as IRS Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)), IRS Form W-8BEN-E (Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)), Form W-8IMY (Certification of Foreign Intermediary Status), IRS Form W-9 (Request for Taxpayer Identification Number and Certification), or IRS Form W-8ECI (Certification of Foreign Person's Claim for Exemption from Withholding on Income Effectively Connected with Conduct of a U.S. Trade or Business) or any successors to such IRS forms), or other information, form or certificate that the Issuer or its agents may reasonably request and will update or replace such form or certification in accordance with its terms or its subsequent amendments. The purchaser agrees to provide in a timely manner any information, form or certificate that is reasonably requested by the Issuer or its agents (a) to permit the Issuer to make payments to it without, or at a reduced rate of, withholding, (b) to enable the Issuer to qualify for a reduced rate of withholding in any jurisdiction from or through which the Issuer receives payments on its assets, or (c) to enable the Issuer or its agents to satisfy reporting and other obligations under the Code and Treasury Regulations. It agrees that, in the event it fails to provide the Issuer with any information requested in connection with FATCA or if its holding of the Notes prevents the Issuer from qualifying as, or complying with

any obligations or requirements imposed on, a "Participating FFI" within the meaning of U.S. Temporary Treasury Regulation Section 1.1471-1T(b)(91) or a "deemed-compliant FFI" within the meaning of U.S. Treasury Regulation Section 1.1471-5(f), then (i) the Issuer is authorized to withhold amounts otherwise distributable to such Holder, and (ii) if the Issuer in its sole discretion believes it is required under FATCA (including a voluntary agreement entered into with the IRS pursuant thereto) to close out such a non-complying holder, it shall have the right, without further notice, to compel it to sell its Notes or the Issuer may sell the Notes to a purchaser selected by the Issuer on such terms as the Issuer may choose in its sole discretion, and the net proceeds of such sale (taking into account all taxes incurred by the Issuer in connection with such sale) shall be remitted to the holder as payment in full of such Notes. For these purposes, the Issuer may sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA. The Issuer may also assign such Note a separate CUSIP or CUSIPs in the Issuer's sole discretion.

(v) In the case of the Class E Notes and the Subordinated Notes, it is not an Affected Bank. It acknowledges that no transfer of any Class E Note or Subordinated Note to an Affected Bank shall be effective, and the Trustee (acting solely in reliance upon such transfer certificate) shall not recognize any such transfer unless such transfer is specifically authorized by the Issuer in writing.

(vi) Such beneficial owner understands that such Notes are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, such Notes have not been and will not be registered under the Securities Act or the securities law of any state or other jurisdiction, and, if in the future such beneficial owner decides to offer, resell, pledge or otherwise transfer such Notes, such Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture and the legend on such Notes. Such beneficial owner acknowledges that no representation has been made as to the availability of any exemption under the Securities Act or any state or other securities laws for resale of such Notes. Such beneficial owner understands that none of the Co-Issuers or the pool of Assets has been or will be registered under the Investment Company Act, and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the Investment Company Act.

(vii) It is aware that, except as otherwise provided in the Indenture, any Notes being sold to it in reliance on Regulation S will be represented by one or more Regulation S Global Secured Notes or Regulation S Global Subordinated Notes, as applicable, and that in each case beneficial interests therein may be held only through DTC for the respective accounts of Euroclear or Clearstream.

(viii) It will provide notice to each person to whom it proposes to transfer any interest in the Notes of the transfer restrictions and representations set forth in the Indenture.

(ix) It acknowledges and agrees that it may not, prior to the date which is one year (or if longer, any applicable preference period) and one day after the payment in full of all Secured Notes and Subordinated Notes, institute against, or join any other person in instituting against, the Issuer, the Co-Issuer or any Tax Subsidiary any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other proceedings under Cayman Islands, U.S. federal or state bankruptcy or similar laws and that, if it violates such restriction, it will be subject to the Bankruptcy Subordination Agreement.

Certificated Secured Notes

Each initial purchaser and each transferee of a Certificated Secured Note (including a transfer of an interest in a Global Secured Note to a transferee acquiring a Certificated Secured Note) will be required to provide to the Co-Issuers and the Trustee, in connection with the initial purchase or any transfer of such Certificated Secured Note, a written certification substantially in the form provided in the Indenture, in which such investor or transferee will agree and represent in respect of the following (except as may be expressly agreed in writing between the Co-Issuers and any initial purchasers):

(i) It understands that the Notes have not been and will not be registered under the Securities Act or the securities law of any state or other jurisdiction, and, if in the future it decides to offer, resell, pledge or otherwise transfer the Notes, such Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture and the legends on such Notes, including the requirement for

written certifications. In particular, it understands that the Notes may be transferred only to a person that is either (a) a "qualified purchaser" (as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**")) that is either (i) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act that is not a broker dealer which owns and invests on a discretionary basis less than U.S.$25 million in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(D) or (a)(1)(E) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(F) of Rule 144A under the Securities Act and who purchases such Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder or (ii) solely in the case of Notes that are issued in the form of Certificated Secured Notes, an institutional "accredited investor" meeting the requirements of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act ("**IAI**") or (b) a person that is not a "U.S. person" as defined in Regulation S under the Securities Act, and is acquiring the Notes in an offshore transaction (as defined in Regulation S thereunder) in reliance on the exemption from registration provided by Regulation S thereunder. It acknowledges that no representation is made as to the availability of any exemption under the Securities Act or any state or other securities laws for resale of the Notes.

(ii) In connection with its purchase of the Notes: (i) none of the Co-Issuers, the Initial Purchaser, the Portfolio Manager (except with respect to Notes purchased by funds or accounts with respect to which the Portfolio Manager provides investment advisory services), the Trustee, the Collateral Administrator, the Administrator or any of their respective affiliates is acting as a fiduciary or financial or investment adviser for it; (ii) it is not relying (for purposes of making any investment decision or otherwise) upon any written or oral advice, counsel or representations of the Co-Issuers, the Initial Purchaser, the Portfolio Manager (except with respect to Notes purchased by funds or accounts with respect to which the Portfolio Manager provides investment advisory services), the Trustee, the Collateral Administrator, the Administrator or any of their respective affiliates other than any statements in the final Offering Circular for such Notes; (iii) it has read and understands the final Offering Circular for such Notes (including, without limitation, the descriptions therein of the structure of the transaction in which the Notes are being issued and the risks to purchasers of the Notes); (iv) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary, and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Co-Issuers, the Initial Purchaser, the Portfolio Manager (except with respect to Notes purchased by funds or accounts with respect to which the Portfolio Manager provides investment advisory services), the Trustee, the Collateral Administrator, the Administrator or any of their respective affiliates; (v) it will hold and transfer at least the minimum denomination of such Notes; (vi) it was not formed for the purpose of investing in the Notes (except when each beneficial owner of such Person is a Qualified Purchaser); (vii) it is a sophisticated investor and is purchasing the Notes with a full understanding of all of the terms, conditions and risks thereof, and it is capable of assuming and willing to assume those risks; (viii) it has had access to such financial and other information concerning the Issuer and the Notes as it has deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Notes, including an opportunity to ask questions of and request information from the Issuer and the Portfolio Manager; and (ix) it is able to bear the economic risks of an investment in the Notes and is able to sustain a complete loss of such investment in the Notes.

(iii) (a) It is either (1) not a "U.S. person" as defined in Regulation S under the Securities Act, and is acquiring the Notes in an offshore transaction (as defined in Regulation S) in reliance on the exemption from regulation provided by Regulation S, or (2) a "qualified purchaser" within the meaning of Section 2(a)(51) of the Investment Company Act and the rules thereunder that is either (x) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act that is not a broker dealer which owns and invests on a discretionary basis less than U.S.$25 million in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(D) or (a)(1)(E) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(F) of Rule 144A under the Securities Act and who purchases such Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder or (y) an institutional "accredited investor" meeting the requirements of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act; (b) it is acquiring the Notes as principal solely for its own account for investment and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (c) it is not a (A) partnership, (B) common trust fund, or (C) special trust, pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants may designate the particular investments to

be made; (d) it agrees that it shall not hold any Notes for the benefit of any other person, that it shall at all times be the sole beneficial owner thereof for purposes of the Investment Company Act and all other purposes and that it shall not sell participation interests in the Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Notes; (e) it is acquiring its interest in the Notes for its own account; and (f) it will hold and transfer at least the minimum denomination of the Notes and provide notice of the relevant transfer restrictions to subsequent transferees.

(iv) (a) In the case of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes, it represents and agrees that on each day from the date on which it acquires its interest in such Notes through and including the date on which it disposes of its interest in such Notes either that (1) it is neither a Benefit Plan Investor, nor a governmental, church, non-U.S. or other plan which is subject to any Other Plan Law or (2) its purchase, holding and disposition of any such Note 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 under any Other Plan Law); and

(b) in the case of the Class D Notes and the Class E Notes, it represents and agrees that on each day from the date on which it acquires its interest in a Class D Note or a Class E Note through and including the date on which it disposes of its interest in such Class D Note or Class E Note that (1) except as otherwise permitted in writing by the Issuer, it is not and will not be a Benefit Plan Investor or Controlling Person and (2) if it is a governmental, church, non-U.S. or other plan which is subject to any Other Plan Law, (a) it is not, and for so long as it holds such Class D Note or Class E Note or interest therein will not be, subject to any Similar Law, and (b) its acquisition, holding and disposition of its interest in such Class D Note or Class E Note will not constitute or result in a non-exempt violation of any Other Plan Law.

(v) It agrees that, for purposes of U.S. federal income and franchise tax, the Issuer will be treated as a foreign corporation and it agrees to treat the Notes as described in the "U.S. Federal Income Tax Considerations" section of the Offering Circular for all U.S. federal income tax purposes and will take no action inconsistent with such treatment unless required by law; *provided, however*, that a Holder of any Notes that are intended to be treated as debt for U.S. federal income tax purposes shall be permitted to make protective QEF elections under Section 1293 of the Code and to file protective information returns under Sections 6038, 6038B and 6046 of the Code, and in each case any successor provisions.

(vi) It will timely furnish the Issuer or its agents any U.S. federal income tax form or certification (such as IRS Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)), IRS Form W-8BEN-E (Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)), Form W-8IMY (Certification of Foreign Intermediary Status), IRS Form W-9 (Request for Taxpayer Identification Number and Certification), or IRS Form W-8ECI (Certification of Foreign Person's Claim for Exemption from Withholding on Income Effectively Connected with Conduct of a U.S. Trade or Business) or any successors to such IRS forms), or other information, form or certificate that the Issuer or its agents may reasonably request and will update or replace such form or certification in accordance with its terms or its subsequent amendments. The purchaser agrees to provide in a timely manner any information, form or certificate that is reasonably requested by the Issuer or its agents (a) to permit the Issuer to make payments to it without, or at a reduced rate of, withholding, (b) to enable the Issuer to qualify for a reduced rate of withholding in any jurisdiction from or through which the Issuer receives payments on its assets, or (c) to enable the Issuer or its agents to satisfy reporting and other obligations under the Code and Treasury Regulations. It agrees that, in the event it fails to provide the Issuer with any information requested in connection with FATCA or if its holding of the Notes prevents the Issuer from qualifying as, or complying with any obligations or requirements imposed on, a "Participating FFI" within the meaning of U.S. Temporary Treasury Regulation Section 1.1471-1T(b)(91) or a "deemed-compliant FFI" within the meaning of U.S. Treasury Regulation Section 1.1471-5(f), then (i) the Issuer is authorized to withhold amounts otherwise distributable to it as compensation for any amount withheld from payments to the Issuer or the underlying issuer as a result of such failure, and (ii) if the Issuer in its sole discretion believes it is required under FATCA (including a voluntary agreement entered into with the IRS pursuant thereto) to close out such a non-complying holder, it shall have the right, without further notice, to compel it to sell its Notes or the Issuer may sell the Notes to a purchaser selected by the Issuer on such terms as the Issuer may choose in its sole discretion, and the net proceeds of such sale (taking into account all taxes incurred by the Issuer in connection with such sale) shall

be remitted to the holder as payment in full of such Notes. For these purposes, the Issuer may sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA. The Issuer may also assign such Note a separate CUSIP or CUSIPs in the Issuer's sole discretion.

(vii) It acknowledges and agrees that it may not, prior to the date which is one year (or if longer, any applicable preference period) and one day after the payment in full of all Secured Notes and Subordinated Notes, institute against, or join any other person in instituting against, the Issuer, the Co-Issuer or any Tax Subsidiary any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other proceedings under Cayman Islands, U.S. federal or state bankruptcy or similar laws and that, if it violates such restriction, it will be subject to the Bankruptcy Subordination Agreement.

(viii) To the extent required by the Issuer, as determined by the Issuer or the Portfolio Manager on behalf of the Issuer, it understands that the Issuer and its agents may, upon notice to the Trustee, impose additional transfer restrictions on the Notes to comply with the USA PATRIOT Act and other similar laws or regulations, including, without limitation, requiring each transferee of a Note to make representations to the Issuer in connection with such compliance.

(ix) It understands that the Issuer, the Trustee, the Initial Purchaser and their respective counsel will rely upon the accuracy and truth of the foregoing representations, and it hereby consents to such reliance.

(x) In the case of the Class E Notes, it is not an Affected Bank. It acknowledges that no transfer of any Class E Note to an Affected Bank shall be effective, and the Trustee (acting solely in reliance upon such transfer certificate) shall not recognize any such transfer unless such transfer is specifically authorized by the Issuer in writing.

Subordinated Notes

Each initial purchaser and transferee of a Subordinated Note in certificated form (including a transfer of an interest in a Regulation S Global Subordinated Note to a transferee acquiring a Subordinated Note in certificated form) will be required to provide to the Co-Issuers and the Trustee, in connection with the initial purchase or any transfer of such certificated or Subordinated Note, a written certification substantially in the form provided in the Indenture, in which such investor or transferee will agree and represent in respect of the following (except as may be expressly agreed in writing between the Co-Issuers and any initial purchasers):

(i) It understands that the Subordinated Notes have not been and will not be registered under the Securities Act or the securities law of any state or other jurisdiction and, if in the future it decides to offer, resell, pledge or otherwise transfer the Subordinated Notes, such Subordinated Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture and the legends on such Subordinated Notes, including the requirement for written certifications. In particular, it understands that the Subordinated Notes may be transferred only to a person that is (A) a "qualified purchaser" (as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**")) that is either (1) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act that is not a broker dealer which owns and invests on a discretionary basis less than U.S.$25 million in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(D) or (a)(1)(E) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(F) of Rule 144A under the Securities Act and who purchases such Subordinated Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder or (2) an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act or (B) a person that is not a "U.S. person" as defined in Regulation S under the Securities Act, and is acquiring the Subordinated Notes in an offshore transaction (as defined in Regulation S thereunder) in reliance on the exemption from registration provided by Regulation S thereunder. It acknowledges that no representation is made as to the availability of any exemption under the Securities Act or any state or other securities laws for resale of the Subordinated Notes.

(ii) In connection with its purchase of the Subordinated Notes: (i) none of the Co-Issuers, the Initial Purchaser, the Portfolio Manager (except with respect to Notes purchased by funds or accounts with respect to which the Portfolio Manager provides investment advisory services), the Trustee, the Collateral Administrator,

the Administrator or any of their respective affiliates is acting as a fiduciary or financial or investment adviser for it; (ii) it is not relying (for purposes of making any investment decision or otherwise) upon any written or oral advice, counsel or representations of the Co-Issuers, the Initial Purchaser, the Portfolio Manager (except with respect to Notes purchased by funds or accounts with respect to which the Portfolio Manager provides investment advisory services), the Trustee, the Collateral Administrator, the Administrator or any of their respective affiliates other than any statements in the final Offering Circular for such Subordinated Notes; (iii) it has read and understands the final Offering Circular for such Subordinated Notes (including, without limitation, the descriptions therein of the structure of the transaction in which the Subordinated Notes are being issued and the risks to purchasers of the Subordinated Notes); (iv) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary, and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Co-Issuers, the Initial Purchaser, the Portfolio Manager (except with respect to Notes purchased by funds or accounts with respect to which the Portfolio Manager provides investment advisory services), the Trustee, the Collateral Administrator, the Administrator or any of their respective affiliates; (v) it will hold and transfer at least the minimum denomination of such Subordinated Notes; (vi) it was not formed for the purpose of investing in the Subordinated Notes (except when each beneficial owner of such Person is a Qualified Purchaser); (vii) it is a sophisticated investor and is purchasing the Subordinated Notes with a full understanding of all of the terms, conditions and risks thereof, and it is capable of assuming and willing to assume those risks; (viii) it has had access to such financial and other information concerning the Issuer and the Notes as it has deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Notes, including an opportunity to ask questions of and request information from the Issuer and the Portfolio Manager; and (ix) it is able to bear the economic risks of an investment in the Subordinated Notes and is able to sustain a complete loss of such investment in the Subordinated Notes.

(iii) (i) It is either (A) a "qualified purchaser" within the meaning of Section 2(a)(51) of the Investment Company Act and the rules thereunder that is either (x) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act that is not a broker dealer which owns and invests on a discretionary basis less than U.S.$25 million in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(D) or (a)(1)(E) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(F) of Rule 144A under the Securities Act and who purchases such Subordinated Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder or (y) an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act or (B) not a "U.S. person" as defined in Regulation S under the Securities Act and is acquiring the Subordinated Notes in an offshore transaction (as defined in Regulation S) in reliance on the exemption from registration provided by Regulation S; (ii) it is acquiring the Subordinated Notes as principal solely for its own account for investment and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (iii) it is not a (A) partnership, (B) common trust fund, or (C) special trust, pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants may designate the particular investments to be made; (iv) it agrees that it shall not hold any Subordinated Notes for the benefit of any other person, that it shall at all times be the sole beneficial owner thereof for purposes of the Investment Company Act and all other purposes and that it shall not sell participation interests in the Subordinated Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Subordinated Notes; (v) it is acquiring its interest in the Subordinated Notes for its own account; and (vi) it will hold and transfer at least the minimum denomination of the Subordinated Notes and provide notice of the relevant transfer restrictions to subsequent transferees.

(iv) That on each day from the date on which it acquires its interest in a Subordinated Note through and including the date on which it disposes of its interest in such Subordinated Note that (a) except as otherwise permitted in writing by the Issuer, it is not and will not be a Benefit Plan Investor or Controlling Person and (b) if it is a governmental, church, non-U.S. or other plan which is subject to any Other Plan Law, (a) it is not, and for so long as it holds such Subordinated Note or interest therein will not be, subject to any Similar Law, and (b) its acquisition, holding and disposition of its interest in such Subordinated Note will not constitute or result in a non-exempt violation of any Other Plan Law.

(v) It agrees that, for purposes of U.S. federal income and franchise tax, the Issuer will be treated as a foreign corporation and it agrees to treat the Subordinated Notes as described in the "U.S. Federal Income Tax Considerations" section of this Offering Circular for all U.S. federal income tax purposes and will take no action inconsistent with such treatment unless required by law.

(vi) It is not an Affected Bank. It acknowledges that no transfer of any Subordinated Note to an Affected Bank shall be effective, and the Trustee (acting solely in reliance upon such transfer certificate) shall not recognize any such transfer unless such transfer is specifically authorized by the Issuer in writing. Each purchaser and subsequent transferee, as applicable, of Subordinated Notes from persons other than the Issuer (including the purchaser) shall be deemed to have represented and agreed that such purchaser and subsequent transferee, as applicable, is not an Affected Bank.

(vii) It will timely furnish the Issuer or its agents any U.S. federal income tax form or certification (such as IRS Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)), IRS Form W-8BEN-E (Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)), Form W-8IMY (Certification of Foreign Intermediary Status), IRS Form W-9 (Request for Taxpayer Identification Number and Certification), or IRS Form W-8ECI (Certification of Foreign Person's Claim for Exemption from Withholding on Income Effectively Connected with Conduct of a U.S. Trade or Business) or any successors to such IRS forms), or other information, form or certificate that the Issuer or its agents may reasonably request and will update or replace such form or certification in accordance with its terms or its subsequent amendments. The purchaser agrees to provide in a timely manner any information, form or certificate that is reasonably requested by the Issuer or its agents (a) to permit the Issuer to make payments to it without, or at a reduced rate of, withholding, (b) to enable the Issuer to qualify for a reduced rate of withholding in any jurisdiction from or through which the Issuer receives payments on its assets, or (c) to enable the Issuer or its agents to satisfy reporting and other obligations under the Code and Treasury Regulations. It agrees that, in the event it fails to provide the Issuer with any information requested in connection with FATCA or if its holding of the Notes prevents the Issuer from qualifying as, or complying with any obligations or requirements imposed on, a "Participating FFI" within the meaning of U.S. Temporary Treasury Regulation Section 1.1471-1T(b)(91) or a "deemed-compliant FFI" within the meaning of U.S. Treasury Regulation Section 1.1471-5(f), then (i) the Issuer is authorized to withhold amounts otherwise distributable to it as compensation for any amount withheld from payments to the Issuer or the underlying issuer as a result of such failure, and (ii) if the Issuer in its sole discretion believes it is required under FATCA (including a voluntary agreement entered into with the IRS pursuant thereto) to close out such a non-complying holder, it shall have the right, without further notice, to compel it to sell its Notes or the Issuer may sell the Notes to a purchaser selected by the Issuer on such terms as the Issuer may choose in its sole discretion, and the net proceeds of such sale (taking into account all taxes incurred by the Issuer in connection with such sale) shall be remitted to the holder as payment in full of such Notes. For these purposes, the Issuer may sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA. The Issuer may also assign such Note a separate CUSIP or CUSIPs in the Issuer's sole discretion.

(viii) It acknowledges and agrees that it may not, prior to the date which is one year (or if longer, any applicable preference period) and one day after the payment in full of all Secured Notes and Subordinated Notes, institute against, or join any other person in instituting against, the Issuer, the Co-Issuer or any Tax Subsidiary any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other proceedings under Cayman Islands, U.S. federal or state bankruptcy or similar laws and that, if it violates such restriction, it will be subject to the Bankruptcy Subordination Agreement.

(ix) To the extent required by the Issuer, as determined by the Issuer or the Portfolio Manager on behalf of the Issuer, it understands that the Issuer and its agents may, upon notice to the Trustee, impose additional transfer restrictions on the Subordinated Notes to comply with the USA PATRIOT Act and other similar laws or regulations, including, without limitation, requiring each transferee of a Subordinated Note to make representations to the Issuer in connection with such compliance.

(x) It understands that the Issuer, the Trustee, the Initial Purchaser and their respective counsel will rely upon the accuracy and truth of the foregoing representations, and it hereby consents to such reliance.

Legends

The Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

This Note has not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state of the United States or any other jurisdiction, and may be reoffered, resold, pledged or otherwise transferred only (a) to a "qualified purchaser" (within the meaning of Section 2(a)(51) of the Investment Company Act and the rules thereunder) that is [either (1)][1] a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) in reliance on the exemption from Securities Act registration provided by such rule that is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25 million in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(D) or (a)(1)(E) of Rule 144A or a trust fund referred to in paragraph (a)(1)(F) of Rule 144A that holds the assets of such a plan, if investment decisions with respect to the plan are made by the beneficiaries, and not the fiduciary, trustee or sponsor, of the plan [or (2) an institutional "accredited investor" (meeting the requirements of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act)][2] or (b) to a person that is not a "U.S. person" (as defined in Regulation S under the Securities Act) and is acquiring this Note in reliance on the exemption from Securities Act registration provided by such regulation, and in each case in compliance with the certification and other requirements specified in the Indenture referred to herein and in compliance with any applicable securities law of any applicable jurisdiction. The Issuer has the right, under the Indenture, to compel any beneficial owner of an interest in a Global Secured Note (as defined in the Indenture) that is a U.S. person and is not a qualified purchaser and a qualified institutional buyer to sell its interest in the Notes, or may sell such interest on behalf of such owner.

[The acquisition of this Note or any interest in this Note by, or on behalf of, or with the assets of any employee benefit plan that is defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") that is subject to the fiduciary responsibility provisions of Title I of ERISA, any plan that is defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (the "Code"), that is subject to Section 4975 of the Code, or any entity whose underlying assets include "plan assets" within the meaning of the U.S. Department of Labor Regulations set forth at 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA or otherwise by reason of such employee benefit plan's or plan's investment in the entity, or any governmental, church, non-U.S. or other plan subject to federal, state, local or non-U.S. law substantially similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code is prohibited unless such acquisition, holding and subsequent disposition would not result in any 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 under any substantially similar federal, state, local or non-U.S. law). Each beneficial owner of this Note will be required or will be deemed to have made the representations and agreements set forth in Section 2.6 of the Indenture. Any purported transfer of the Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio*.][3]

[Each purchaser or transferee of this Note or any interest in this Note will be deemed to have represented and warranted (or, in the case of a Certificated Secured Note, required to represent and warrant), at the time of its acquisition and throughout the period that it holds such Note or any interest herein, that (1) except as otherwise permitted in writing by the Issuer, it is not (a) an "employee benefit plan" (as defined in Section 3(3) of Title I of the Employee Retirement Income

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1 Applicable to a Certificated Secured Note.

2 Applicable to a Certificated Secured Note.

3 Applicable to Class A-1 Notes, the Class A-2 Notes, Class B Notes and Class C Notes.

Security Act of 1974, as amended ("ERISA")) that is subject to the fiduciary responsibility provisions under Title I of ERISA, a "plan" as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (the "Code"), that is subject to Section 4975 of the Code, or any entity whose underlying assets include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity pursuant to 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA or otherwise (collectively, "Benefit Plan Investors") or (b) any person (other than a Benefit Plan Investor) holding Notes that has discretionary authority or control with respect to the assets of the Issuer or the Co-Issuer or that provides investment advice for a fee (direct or indirect) with respect to such assets or an "affiliate" (within the meaning of 29 C.F.R. Section 2510.3-101(f)(3)) of such a person and (2) if it is a governmental, church, non-U.S. or other plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code, (a) it is not, and for so long as it holds this Note or interest therein will not be, subject to any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer and the Portfolio Manager (or other Persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code, and (b) its acquisition, holding and disposition of its interest in this Note will not constitute or result in a violation of any federal, state, local or non-U.S. laws or regulations that are substantially similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code. Any purported transfer of this Note in violation of the requirements set forth in this paragraph shall be null and void *ab initio*.][4]

[Any transfer, pledge or other use of this Note for value or otherwise by or to any person is wrongful since the registered owner hereof, Cede & Co., has an interest herein, unless this Note is presented by an authorized representative of the Depository Trust Company ("DTC"), New York, New York, to the Co-Issuers or their agent for registration of transfer, exchange or payment and any Note issued is registered in the name of Cede & Co. or of such other entity as is requested by an authorized representative of DTC (and any payment hereon is made to Cede & Co.).

Transfers of this Note shall be limited to transfers in whole, but not in part, to nominees of DTC or to a successor thereof or such successor's nominee and transfers of portions of this Note shall be limited to transfers made in accordance with the restrictions set forth in the Indenture referred to herein.][5]

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 to the Trustee.

[This Note has been issued with "Original Issue Discount" (within the meaning of Section 1272 of the Internal Revenue Code of 1986, as amended). Upon written request to the Issuer at c/o MaplesFS Limited, Boundary Hall, Cricket Square, George Town, Grand Cayman, KY1-1102, Cayman Islands, Attention: The Directors, facsimile no. (345) 945-7100, the Issuer will promptly make available to any Holder of this Note the following information: (1) the issue price and date of the Note, (2) the amount of original issue discount on the Note and (3) the yield to maturity of the Note.][6]

Each Holder and beneficial owner and each transferee by purchase or holding of this Note (or any interest therein) will be deemed to have represented and agreed to treat the Issuer for purposes of U.S. federal income and franchise taxes as a foreign corporation and to treat the Notes as described in the "U.S. Federal Income Tax Considerations" section of the Offering Circular for all U.S. federal income tax purposes and will take no action inconsistent with such treatment unless required by law; *provided, however,* that a Holder of any Notes that are intended to be treated as debt for U.S. federal

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4 Applicable to Class D Notes and Class E Notes.

5 Applicable to Secured Notes issued in the form of a Global Secured Note.

6 Applicable to Class B Notes, Class C Notes, Class D Notes and Class E Notes.

income tax purposes shall, if the Issuer is treated as a corporation for U.S. federal income tax purposes, be permitted to make protective QEF elections under Section 1293 of the Code and to file protective information returns under Sections 6038, 6038B and 6046 of the Code, and in each case any successor provisions.

The failure to provide the Issuer, the Trustee and any paying agent with any U.S. federal income tax form or certification (such as IRS Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)), IRS Form W-8BEN-E (Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)), Form W-8IMY (Certification of Foreign Intermediary Status), IRS Form W-9 (Request for Taxpayer Identification Number and Certification), or IRS Form W-8ECI (Certification of Foreign Person's Claim for Exemption from Withholding on Income Effectively Connected with Conduct of a U.S. Trade or Business) or any successors to such IRS forms), or other information, form or certificate that the Issuer or its agents may reasonably request including any form or certificate that is reasonably requested by the Issuer or its agents (a) to permit the Issuer to make payments to it without, or at a reduced rate of, withholding, (b) to enable the Issuer to qualify for a reduced rate of withholding in any jurisdiction from or through which the Issuer receives payments on its assets, or (c) to enable the Issuer or its agents to satisfy reporting and other obligations under the Code and Treasury Regulations or the failure to update or replace such form or certification in accordance with its terms or its subsequent amendments may result in the imposition of U.S. federal withholding or back-up withholding upon payments to the holder in respect of this Note. Each holder and beneficial owner and each transferee by purchase or holding of this Note (or any interest therein) will be deemed to have represented and agreed that, in the event it fails to provide the Issuer with any information requested in connection with FATCA or if its holding of the Notes prevents the Issuer from qualifying as, or complying with any obligations or requirements imposed on, a "Participating FFI" within the meaning of U.S. Temporary Treasury Regulation Section 1.1471-1T(b)(91) or a "deemed-compliant FFI" within the meaning of U.S. Treasury Regulation Section 1.1471-5(f), then (i) the Issuer is authorized to withhold amounts otherwise distributable to it as compensation for any amount withheld from payments to the Issuer or the underlying issuer as a result of such failure, and (ii) if the Issuer in its sole discretion believes it is required under FATCA (including a voluntary agreement entered into with the IRS pursuant thereto) to close out such a non-complying holder, it shall have the right, without further notice, to compel it to sell its Notes or the Issuer may sell the Notes to a purchaser selected by the Issuer on such terms as the Issuer may choose in its sole discretion, and the net proceeds of such sale (taking into account all taxes incurred by the Issuer in connection with such sale) shall be remitted to the holder as payment in full of such Notes. For these purposes, the Issuer may sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA. The Issuer may also assign such Note a separate CUSIP or CUSIPs in the Issuer's sole discretion.

[Each Holder and beneficial owner of this Class E Note or an interest in this Class E Note will make, or by acquiring this Class E Note or an interest in this Class E Note will be deemed to make, a representation to the effect that it is not an Affected Bank unless such acquisition is authorized by the Issuer in writing. The Issuer has the right, under the Indenture, to compel any beneficial owner of this Class E Note that is an Affected Bank to sell all or a portion of its interest in this Class E Note, or may sell all or a portion of such interest on behalf of such owner. An "Affected Bank" is a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that directly or indirectly owns more than 33-1/3% of the aggregate principal amount of either the Class E Notes or the Subordinated Notes outstanding and (x) is not a "U.S. Person" as defined under Section 7701(a)(30) of the Code and (y) is not entitled to the benefits of an income tax treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to such bank are reduced to 0%.][7]

[7] Applicable to Class E Notes.

The Subordinated Notes in the form of a Regulation S Global Subordinated Note will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

This Subordinated Note has not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state of the United States or other jurisdiction, and may be reoffered, resold, pledged or otherwise transferred only (a) (1) to a "qualified purchaser" (within the meaning of Section 2(a)(51) of the Investment Company Act and the rules thereunder) that is also (2) (x) a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) in reliance on the exemption from Securities Act registration provided by such rule that is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25 million in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(D) or (a)(1)(E) of Rule 144A or a trust fund referred to in paragraph (a)(1)(F) of Rule 144A that holds the assets of such a plan, if investment decisions with respect to the plan are made by the beneficiaries, and not the fiduciary, trustee or sponsor, of the plan or (y) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act) or (b) to a person that is not a "U.S. person" (as defined in Regulation S under the Securities Act) and is acquiring this Subordinated Note in reliance on the exemption from Securities Act registration provided by such regulation, and in each case in compliance with the certification and other requirements specified in the Indenture referred to herein and in compliance with any applicable securities law of any applicable jurisdiction.

Each purchaser or transferee of this Subordinated Note (or any interest therein) will be deemed to have represented and warranted, at the time of its acquisition and throughout the period that it holds such Subordinated Note or any interest therein, that (1) except as otherwise permitted in writing by the Issuer, it is not (a) an "employee benefit plan" (as defined in Section 3(3) of Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) that is subject to the fiduciary responsibility provisions under Title I of ERISA, a "plan" as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (the "Code"), that is subject to Section 4975 of the Code, or any entity whose underlying assets include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity pursuant to 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA or otherwise (collectively, "Benefit Plan Investors") or (b) any person (other than a Benefit Plan Investor) holding Notes that has discretionary authority or control with respect to the assets of the Issuer or the Co-Issuer or that provides investment advice for a fee (direct or indirect) with respect to such assets or an "affiliate" (within the meaning of 29 C.F.R. Section 2510.3-101(f)(3)) of such a person and (2) if it is a governmental, church, non-U.S. or other plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code, (a) it is not, and for so long as it holds this Note or interest therein will not be, subject to any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer and the Portfolio Manager (or other Persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code, and (b) its acquisition, holding and disposition of its interest in this Note will not constitute or result in a violation of any federal, state, local or non-U.S. laws or regulations that are substantially similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code. Any purported transfer of the Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio*.

The Issuer has the right, under the Indenture, to compel any beneficial owner of an interest in a Subordinated Note that is a U.S. person and is not (x) a "qualified purchaser" and (y) a "qualified institutional buyer" or an institutional "accredited investor" to sell its interest in the Subordinated Notes, or may sell such interest on behalf of such owner.

Any transfer, pledge or other use of this Subordinated Note for value or otherwise by or to any person is wrongful since the registered owner hereof, Cede & Co., has an interest herein, unless this

Subordinated Note is presented by an authorized representative of the Depository Trust Company ("DTC"), New York, New York, to the Issuer or its agent for registration of transfer, exchange or payment and any Subordinated Note issued is registered in the name of Cede & Co. or of such other entity as is requested by an authorized representative of DTC (and any payment hereon is made to Cede & Co.).

Transfers of this Subordinated Note shall be limited to transfers made in accordance with the restrictions set forth in the Indenture referred to herein.

Distributions of principal proceeds and interest proceeds to the holder of the Subordinated Notes represented hereby are subordinate to the payment on each payment date of principal of and interest on the Secured Notes of the Issuer and the payment of certain other amounts, to the extent and as described in the Indenture governing such Secured Notes.

Each Holder and beneficial owner and each transferee by purchase or holding of this Subordinated Note (or any interest therein) will be deemed to have represented and agreed to treat the Issuer for purposes of U.S. federal income and franchise taxes as a foreign corporation and to treat the Notes as described in the "U.S. Federal Income Tax Considerations" section of the Offering Circular for all U.S. federal income tax purposes and will take no action inconsistent with such treatment unless required by law.

The failure to provide the Issuer, the Trustee and any paying agent with any U.S. federal income tax form or certification (such as IRS Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)), IRS Form W-8BEN-E (Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)), Form W-8IMY (Certification of Foreign Intermediary Status), IRS Form W-9 (Request for Taxpayer Identification Number and Certification), or IRS Form W-8ECI (Certification of Foreign Person's Claim for Exemption from Withholding on Income Effectively Connected with Conduct of a U.S. Trade or Business) or any successors to such IRS forms), or other information, form or certificate that the Issuer or its agents may reasonably request including any form or certificate that is reasonably requested by the Issuer or its agents (a) to permit the Issuer to make payments to it without, or at a reduced rate of, withholding, (b) to enable the Issuer to qualify for a reduced rate of withholding in any jurisdiction from or through which the Issuer receives payments on its assets, or (c) to enable the Issuer or its agents to satisfy reporting and other obligations under the Code and Treasury Regulations or the failure to update or replace such form or certification in accordance with its terms or its subsequent amendments may result in the imposition of U.S. federal withholding or back-up withholding upon payments to the holder in respect of this Subordinated Note. Each Holder and beneficial owner and each transferee by purchase or holding of this Subordinated Note (or any interest therein) will be deemed to have represented and agreed that, in the event it fails to provide the Issuer with any information requested in connection with FATCA or if its holding of the Notes prevents the Issuer from qualifying as, or complying with any obligations or requirements imposed on, a "Participating FFI" within the meaning of U.S. Temporary Treasury Regulation Section 1.1471-1T(b)(91) or a "deemed-compliant FFI" within the meaning of U.S. Treasury Regulation Section 1.1471-5(f), then (i) the Issuer is authorized to withhold amounts otherwise distributable to it as compensation for any amount withheld from payments to the Issuer or the underlying issuer as a result of such failure, and (ii) if the Issuer in its sole discretion believes it is required under FATCA (including a voluntary agreement entered into with the IRS pursuant thereto) to close out such a non-complying holder, it shall have the right, without further notice, to compel it to sell its Notes or the Issuer may sell the Notes to a purchaser selected by the Issuer on such terms as the Issuer may choose in its sole discretion, and the net proceeds of such sale (taking into account all taxes incurred by the Issuer in connection with such sale) shall be remitted to the holder as payment in full of such Notes. For these purposes, the Issuer may sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA. The Issuer may also assign such Note a separate CUSIP or CUSIPs in the Issuer's sole discretion.

Each Holder and beneficial owner of this Subordinated Note or an interest in this Subordinated Note will make, or by acquiring this Subordinated Note or an interest in this Subordinated Note will be deemed to make, a representation to the effect that it is not an Affected Bank unless such acquisition is authorized by the Issuer in writing. The Issuer has the right, under the Indenture, to compel any beneficial owner of this Subordinated Note that is an Affected Bank to sell all or a portion of its interest in this Subordinated Note, or may sell all or a portion of such interest on behalf of such owner. An "Affected Bank" is a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that directly or indirectly owns more than 33 1/3% of the aggregate principal amount of either the Class E Notes or the Subordinated Notes outstanding and (x) is not a "U.S. Person" as defined under Section 7701(a)(30) of the Code and (y) is not entitled to the benefits of an income tax treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to such bank are reduced to 0%.

The Subordinated Notes in the form of a Certificated Subordinated Note will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

This Subordinated Note has not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state of the United States or other jurisdiction, and may be reoffered, resold, pledged or otherwise transferred only (a) (1) to a "qualified purchaser" (within the meaning of Section 2(a)(51) of the Investment Company Act and the rules thereunder) that is also (2) (x) a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) in reliance on the exemption from Securities Act registration provided by such rule that is not a broker dealer which owns and invests on a discretionary basis less than U.S.$25 million in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(D) or (a)(1)(E) of Rule 144A or a trust fund referred to in paragraph (a)(1)(F) of Rule 144A that holds the assets of such a plan, if investment decisions with respect to the plan are made by the beneficiaries, and not the fiduciary, trustee or sponsor, of the plan or (y) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act) or (b) to a person that is not a "U.S. person" (as defined in Regulation S under the Securities Act) and is acquiring this Subordinated Note in reliance on the exemption from Securities Act registration provided by such regulation, and in each case in compliance with the certification and other requirements specified in the Indenture referred to herein and in compliance with any applicable securities law of any applicable jurisdiction.

Each purchaser or transferee of this Subordinated Note (or any interest therein) will be required to represent and warrant, at the time of its acquisition and throughout the period that it holds such Subordinated Note or any interest therein, that (1) except as otherwise permitted in writing by the Issuer, it is not (a) an "employee benefit plan" (as defined in Section 3(3) of Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) that is subject to the fiduciary responsibility provisions under Title I of ERISA, a "plan" as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (the "Code"), that is subject to Section 4975 of the Code, or any entity whose underlying assets include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity pursuant to 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA or otherwise (collectively, "Benefit Plan Investors") or (b) any person (other than a Benefit Plan Investor) holding Notes that has discretionary authority or control with respect to the assets of the Issuer or the Co-Issuer or that provides investment advice for a fee (direct or indirect) with respect to such assets or an "affiliate" (within the meaning of 29 C.F.R. Section 2510.3-101(f)(3)) of such a person and (2) if it is a governmental, church, non-U.S. or other plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code, (a) it is not, and for so long as it holds this Note or interest therein will not be, subject to any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer and the Portfolio Manager (or other Persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code, and (b) its acquisition,

holding and disposition of its interest in this Note will not constitute or result in a violation of any federal, state, local or non-U.S. laws or regulations that are substantially similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code. Any purported transfer of the Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio*.

The Issuer has the right, under the Indenture, to compel any beneficial owner of an interest in a Subordinated Note that is a U.S. person and is not (x) a "qualified purchaser" and (y) a "qualified institutional buyer" or an institutional "accredited investor," to sell its interest in the Subordinated Notes, or may sell such interest on behalf of such owner.

Distributions of principal proceeds and interest proceeds to the holder of the Subordinated Notes represented hereby are subordinate to the payment on each payment date of principal of and interest on the Secured Notes of the Issuer and the payment of certain other amounts, to the extent and as described in the Indenture governing such Secured Notes.

Each Holder and beneficial owner and each transferee by purchase or holding of this Subordinated Note (or any interest therein) will be deemed to have represented and agreed to treat the Issuer for purposes of U.S. federal income and franchise taxes as a foreign corporation and to treat the Notes as described in the "U.S. Federal Income Tax Considerations" section of the Offering Circular for all U.S. federal income tax purposes and will take no action inconsistent with such treatment unless required by law.

The failure to provide the Issuer, the Trustee and any paying agent with any U.S. federal income tax form or certification (such as IRS Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)), IRS Form W-8BEN-E (Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities)), Form W-8IMY (Certification of Foreign Intermediary Status), IRS Form W-9 (Request for Taxpayer Identification Number and Certification), or IRS Form W-8ECI (Certification of Foreign Person's Claim for Exemption from Withholding on Income Effectively Connected with Conduct of a U.S. Trade or Business) or any successors to such IRS forms), or other information, form or certificate that the Issuer or its agents may reasonably request including any form or certificate that is reasonably requested by the Issuer or its agents (a) to permit the Issuer to make payments to it without, or at a reduced rate of, withholding, (b) to enable the Issuer to qualify for a reduced rate of withholding in any jurisdiction from or through which the Issuer receives payments on its assets, or (c) to enable the Issuer or its agents to satisfy reporting and other obligations under the Code and Treasury Regulations or the failure to update or replace such form or certification in accordance with its terms or its subsequent amendments may result in the imposition of U.S. federal withholding or back-up withholding upon payments to the holder in respect of this Subordinated Note. Each Holder and beneficial owner and each transferee by purchase or holding of this Subordinated Note (or any interest therein) will be deemed to have represented and agreed that, in the event it fails to provide the Issuer with any information requested in connection with FATCA or if its holding of the Notes prevents the Issuer from qualifying as, or complying with any obligations or requirements imposed on, a "Participating FFI" within the meaning of U.S. Temporary Treasury Regulation Section 1.1471-1T(b)(91) or a "deemed-compliant FFI" within the meaning of U.S. Treasury Regulation Section 1.1471-5(f), then (i) the Issuer is authorized to withhold amounts otherwise distributable to it as compensation for any amount withheld from payments to the Issuer or the underlying issuer as a result of such failure, and (ii) if the Issuer in its sole discretion believes it is required under FATCA (including a voluntary agreement entered into with the IRS pursuant thereto) to close out such a non-complying holder, it shall have the right, without further notice, to compel it to sell its Notes or the Issuer may sell the Notes to a purchaser selected by the Issuer on such terms as the Issuer may choose in its sole discretion, and the net proceeds of such sale (taking into account all taxes incurred by the Issuer in connection with such sale) shall be remitted to the holder as payment in full of such Notes. For these purposes, the Issuer may sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would

permit the Issuer to comply with FATCA. The Issuer may also assign such Note a separate CUSIP or CUSIPs in the Issuer's sole discretion.

Each Holder and beneficial owner of this Subordinated Note or an interest in this Subordinated Note will make, or by acquiring this Subordinated Note or an interest in this Subordinated Note will be deemed to make, a representation to the effect that it is not an Affected Bank unless such acquisition is authorized by the Issuer in writing. The Issuer has the right, under the Indenture, to compel any beneficial owner of this Subordinated Note that is an Affected Bank to sell all or a portion of its interest in this Subordinated Note, or may sell all or a portion of such interest on behalf of such owner. An "Affected Bank" is a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that directly or indirectly owns more than 33 1/3% of the aggregate principal amount of either the Class E Notes or the Subordinated Notes outstanding and (x) is not a "U.S. Person" as defined under Section 7701(a)(30) of the Code and (y) is not entitled to the benefits of an income tax treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to such bank are reduced to 0%.

Non-Permitted Holder and Recalcitrant Holder

If (x) any Person that is a Non-Permitted Holder with respect to any Note becomes the beneficial owner of such Note or (y) any beneficial owner of an interest in any Note is designated as a Recalcitrant Holder, the Issuer shall, promptly after discovery of any such Non-Permitted Holder by any of the Issuer, the Co-Issuer or the Trustee (and notice by the Trustee, if a Trust Officer of the Trustee obtains actual knowledge, or the Co-Issuer, if it makes the discovery) (or (if the Issuer determines, in its sole discretion, that it is required under FATCA to close out such beneficial owner) after designation as a Recalcitrant Holder), send notice to such Non-Permitted Holder or such Recalcitrant Holder demanding that such Non-Permitted Holder or Recalcitrant Holder, as applicable, transfer its interest in such Notes to a Person that is not a Non-Permitted Holder or Recalcitrant Holder within 30 days (or, in the case of a Non-Permitted ERISA Holder, 14 days) of the date of such notice. If such Non-Permitted Holder or Recalcitrant Holder fails to so transfer the applicable Notes or interest (and, in the case of a Recalcitrant Holder, such beneficial owner continues to be a Recalcitrant Holder on the date of sale by the Issuer) , the Issuer shall have the right, without further notice to the Non-Permitted Holder or Recalcitrant Holder, as applicable, to sell such Non-Permitted Holder's or Recalcitrant Holder's Notes or interest (on behalf of such Non-Permitted Holder or Recalcitrant Holder) to a purchaser selected by the Issuer that is not a Non-Permitted Holder or Recalcitrant Holder. The Issuer, or the Portfolio Manager (on its own or acting through an investment bank selected by the Portfolio Manager at the Issuer's expense) acting on behalf of and at the direction of the Issuer, will select the purchaser by soliciting bids from one or more brokers or other market professionals that regularly deal in securities similar to the Notes, and selling such Notes or interest to the highest such bidder, *provided*, *however*, that the Issuer or the Portfolio Manager (acting at the Issuer's direction) may sell the applicable Notes or interest following an alternative sales procedure if the Issuer deems an alternative sales procedure to be reasonably necessary, so long as such sales procedure is consistent with Section 9-610(b) of the UCC, as applied to securities that may decline speedily in value. The Holder of each Note, the Non-Permitted Holder or Recalcitrant Holder and each other Person in the chain of title from the Holder to the Non-Permitted Holder or Recalcitrant Holder, by its acceptance of an interest in the applicable Notes, agrees to cooperate with the Issuer, the Portfolio Manager and the Trustee to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the Non-Permitted Holder or Recalcitrant Holder, as applicable. In addition, if any holder of the Subordinated Notes is (or is affiliated with) an Affected Bank, the Issuer, in its sole discretion, may treat (if necessary or helpful to reduce the likelihood that such ownership may cause withholding under Treasury Regulation Section 1.881-3) such holder as a Recalcitrant Holder and, thus, may cause the transfer of all or of a portion of the applicable Notes in the manner described in the Indenture. The terms and conditions of any sale under this subsection shall, subject to compliance with the requirements of this subsection, be determined in the sole discretion of the Issuer, and none of the Issuer, the Portfolio Manager nor the Trustee 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.

In addition, with respect to any Notes held or beneficially owned by a Recalcitrant Holder, the Issuer shall have the right to assign to such Notes a separate CUSIP number or numbers for purposes of imposing withholding taxes on such Notes.

LISTING AND GENERAL INFORMATION

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

2. It is expected that the total expenses relating to the application for admission of the Notes to the Official List of the Irish Stock Exchange and to trading on its regulated market will be approximately €14,690.

3. None of the Rating Agencies are established in the European Union and none have made an application to be registered for the purposes of the EU Regulation on credit rating agencies (Regulation (EC) No. 1060/2009), as amended.

4. Maples and Calder is acting solely in its capacity as listing agent for the Issuer (and not on its own behalf) in connection with the application for admission of the Notes to the Official List of the Irish Stock Exchange and trading on its regulated market.

5. For the term of the Notes, copies of the Memorandum and Articles of Association of the Issuer, the Certificate of Formation and Limited Liability Company Agreement of the Co-Issuer and the Indenture will be available for inspection in electronic form at the office of the Trustee.

6. Since incorporation, neither the Issuer nor the Co-Issuer has commenced operations, published annual reports or accounts, established any accounts or declared any dividends, except for the transactions described herein.

7. Neither of the Co-Issuers is, or has since incorporation been, involved in any governmental, litigation or arbitration proceedings relating to claims in amounts which may have or have had a significant effect on the financial positions of the Co-Issuers, nor, so far as either Co-Issuer is aware, is any such governmental, litigation or arbitration proceedings involving it pending or threatened.

8. The issuance by the Issuer of the Notes was authorized by the board of directors of the Issuer by resolutions passed prior to the Closing Date and the issuance by the Co-Issuer of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes was authorized by the managing member of the Co-Issuer by resolutions passed prior to the Closing Date.

9. The Issuer is not required by Cayman Islands law, and the Issuer does not intend, to publish annual reports and accounts. The Co-Issuer is not required by Delaware State law, and the Co-Issuer does not intend, to publish annual reports and accounts. The Indenture, however, requires the Issuer to provide the Trustee with written confirmation, on an annual basis, that to the best of its knowledge following review of the activities of the prior year, no Event of Default has occurred and in continuing or, if one has, specifying the same.

10. The Notes sold in offshore transactions in reliance on Regulation S under the Securities Act and represented by the Regulation S Global Secured Notes or the Regulation S Global Subordinated Notes, as applicable, have been accepted for clearance through Clearstream and Euroclear. The Notes sold to persons that are Qualified Institutional Buyers and Qualified Purchasers in reliance on Rule 144A under the Securities Act and represented by Rule 144A Global Secured Notes have been accepted for clearance through DTC. The CUSIP Numbers, Common Codes and International Securities Identification Numbers (ISIN) for the Secured Notes represented by Regulation S Global Secured Notes, Rule 144A Global Secured Notes and the Subordinated Notes represented by the Regulation S Global Subordinated Notes are as indicated below, as applicable.

	Rule 144A Global		Regulation S Global		
	CUSIP	**ISIN**	**Common Code**	**CUSIP**	**ISIN**
Class A-1 Notes.....	09627R AA2	US09627RAA23	110587490	G1201L AA9	USG1201LAA91
Class A-2 Notes.....	09627R AC8	US09627RAC88	110587538	G1201L AB7	USG1201LAB74
Class B Notes	09627R AE4	US09627RAE45	110587554	G1201L AC5	USG1201LAC57
Class C Notes	09627R AG9	US09627RAG92	110587562	G1201L AD3	USG1201LAD31
Class D Notes	09627Q AA4	US09627QAA40	110587619	G1201K AA1	USG1201KAA19
Class E Notes.....	09627Q AC0	US09627QAC06	110587627	G1201K AB9	USG1201KAB91
Subordinated Notes.....	NA	NA	110587635	G1201K AC7	USG1201KAC74

11. The Secured Notes in certificated form will bear the following identification numbers:

	CUSIP	**ISIN**
Class A-1 Notes.....	09627R AB0	US09627RAB06
Class A-2 Notes.....	09627R AD6	US09627RAD61
Class B Notes	09627R AF1	US09627RAF10
Class C Notes	09627R AH7	US09627RAH75
Class D Notes	09627Q AB2	US09627QAB23
Class E Notes.....	09627Q AD8	US09627QAD88

12. The Subordinated Notes in certificated form will bear the following identification numbers:

	Rule 144A Certificated		Accredited Investor	
	CUSIP	**ISIN**	**CUSIP**	**ISIN**
Subordinated Notes.....	09627Q AE6	US09627QAE61	09627Q AF3	US09627QAF37

REPORTS

For each calendar month, except a month in which a Payment Date occurs, commencing in March 2015, the Issuer will compile and make available (or cause to be compiled and made available) (including, via appropriate electronic means) to any holder in the register maintained by the Trustee, as the registrar appointed under the Indenture upon written request a Monthly Report containing, among other things, information relating to Collateral Obligations and Eligible Investments included in the Assets. Furthermore, the Issuer will (or will cause the Collateral Administrator to) prepare a Distribution Report, determined as of the close of business on each Determination Date preceding a Payment Date, and make available such distribution report (including, via appropriate electronic means), to any holder on the register maintained by the registrar under the Indenture upon written request information including, among other things, information relating to the Note balances as well as copies of reports produced pursuant to the Indenture and the Portfolio Management Agreement. The Monthly Report, the Distribution Report and any notices required to be provided to the holders of the Notes pursuant to the terms of the Indenture will be made available by the Trustee on its internet website.

LEGAL MATTERS

Certain legal matters with respect to the Notes will be passed upon for the Co-Issuers and the Initial Purchaser by Ashurst LLP, New York, New York. Certain legal matters with respect to the Portfolio Manager will be passed upon for the Portfolio Manager by Lowenstein Sandler LLP, New York, New York. Certain matters with respect to Cayman Islands law will be passed upon for the Issuer by Maples and Calder, Cayman Islands.

"**25% Limitation**" means a limitation that is exceeded only if Benefit Plan Investors hold 25% or more of the value of any class of equity interests in the Issuer, as determined under 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA.

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

(a) the aggregate principal balance of the Collateral Obligations, including the funded and unfunded balance on any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, but excluding Excepted Current Pay Obligations, Defaulted Obligations and Discount Obligations; *plus*

(b) without duplication, the amounts on deposit in the Collection Account representing Principal Proceeds and the Ramp-Up Account (including Eligible Investments therein); *plus*

(c) for all Defaulted Obligations that have been Defaulted Obligations for less than three years, the lesser of (i) the S&P Collateral Value and (ii) the Moody's Collateral Value; *plus*

(d) with respect to each Discount Obligation, the product of (x) the purchase price of such Discount Obligation (expressed as a percentage of par) and (y) the outstanding principal balance of such Discount Obligation on such date of determination); *minus*

(e) the Excess CCC/Caa Adjustment Amount; *plus*

(f) with respect to each Excepted Current Pay Obligation, the S&P Recovery Amount therefor;

provided, that with respect to any Collateral Obligation that satisfies more than one of the definitions under clauses (c) through (f) above will, for the purposes of this definition, be treated as belonging to the category of Collateral Obligations which results in the lowest Adjusted Collateral Principal Amount on any date of determination.

"**Administrative Expense Cap**" means, an amount equal on any Payment Date (when taken together with any Administrative Expenses paid in the order of priority contained in the definition thereof during the period since the preceding Payment Date or, in the case of the first Payment Date, the Closing Date) to the sum of (a) 0.02% *per annum* (prorated for the related Interest Accrual Period on the basis of a 360-day year and the actual number of days elapsed) of the Fee Basis Amount on the Determination Date relating to the immediately preceding Payment Date (or, for purposes of calculating this clause (a) in connection with the first Payment Date, on the Closing Date) and (b) U.S.$200,000 *per annum* (prorated for the related Interest Accrual Period on the basis of a 360-day year comprised of twelve 30-day months); *provided*, that if the amount of Administrative Expenses paid pursuant to clause (A) of "Description of the Notes—Priority of Payments—Application of Interest Proceeds" (including any excess applied in accordance with this proviso) on the four immediately preceding Payment Dates or during the related Collection Periods is less than the stated Administrative Expense Cap (without regard to any excess applied in accordance with this proviso) in the aggregate for such four preceding Payment Dates, the excess may be applied to the Administrative Expense Cap with respect to the then-current Payment Date so long as the application of such excess does not result in the non-payment of interest on any Class of Notes that are not Deferrable Notes; *provided*, *further*, that in respect of each of the first four Payment Dates from the Closing Date, such excess amount will be calculated based on the Payment Dates, if any, preceding such Payment Date.

"**Administrative Expenses**" include fees, expenses (including indemnities) and other amounts due or accrued with respect to any Payment Date and payable in the following order by the Issuer or the Co-Issuer *first*, on a *pari passu* basis to the Trustee (including indemnities) in each of its capacities pursuant to the Indenture and to the Collateral Administrator (including indemnities), for their fees and expenses under the applicable Transaction Documents, *second*, to make any capital infusion to a Tax Subsidiary necessary to pay any taxes or governmental fees owing by such Tax Subsidiary to the extent not paid by such Tax Subsidiary, and then *third*, on a *pro rata* basis to:

(i) the independent accountants, agents (other than the Portfolio Manager) and counsel of the Issuer for fees and expenses;

(ii) the Rating Agencies for fees and expenses (including surveillance fees) in connection with any rating of the Secured Notes or in connection with the rating of (or provision of credit estimates in respect of) any Collateral Obligations;

(iii) the Portfolio Manager under the Indenture and the Portfolio Management Agreement, including without limitation reasonable expenses of the Portfolio Manager (including (x) actual fees incurred and paid by the Portfolio Manager for its accountants, agents, counsel and administration (including without limitation fees payable to professionals in connection with complying with FAS 167 and other current or future accounting standards which may be applicable to the Portfolio Manager) and (y) out-of-pocket travel and other miscellaneous expenses incurred and paid by the Portfolio Manager in connection with the Portfolio Manager's management of the Collateral Obligations (including without limitation expenses related to the workout of Collateral Obligations), which will be allocated among the Issuer and other clients of the Portfolio Manager to the extent such expenses are incurred in connection with the Portfolio Manager's activities on behalf of the Issuer and such other clients) actually incurred and paid in connection with the purchase or sale of any Collateral Obligations, any other expenses actually incurred and paid in connection with the Collateral Obligations and amounts payable pursuant to the Portfolio Management Agreement but excluding the Management Fee;

(iv) the Administrator pursuant to the Administration Agreement and the Registered Office Agreement;

(v) any unpaid costs and expenses related to a Refinancing or a Re-Pricing; and

(vi) any other person in respect of any other fees or expenses permitted under the Indenture and the documents delivered pursuant to or in connection with the Indenture (including expenses incurred in connection with setting up and administering Tax Subsidiaries, the payment of facility rating fees and all legal and other fees and expenses incurred in connection with the purchase or sale of any Collateral Obligations and any other expenses incurred in connection with the Collateral Obligations including any Excepted Advances) and the Notes, including but not limited to, amounts owed to the Co-Issuer pursuant to the Indenture and any amounts due in respect of the listing of the Notes on any stock exchange or trading system, any costs associated with producing definitive Notes;

provided, that (x) amounts due in respect of actions taken on or before the Closing Date will not be payable as Administrative Expenses but will be payable only from the Expense Reserve Account pursuant to the Indenture, (y) for the avoidance of doubt, amounts that are specified as payable under the Priority of Payments that are not specifically identified therein as Administrative Expenses (including, without limitation, interest and principal in respect of the Notes and amounts owing to Hedge Counterparties) will not constitute Administrative Expenses and (z) the Portfolio Manager may direct the payment of Rating Agency fees (only out of amounts available pursuant to clause (b) of the definition of "Administrative Expense Cap") other than in the order required above if, in the Portfolio Manager's commercially reasonable judgment, such payments are necessary to avoid the withdrawal of any currently assigned rating on any outstanding Class of Secured Notes.

"**Affected Bank**" means a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that directly or indirectly owns more than 33 1/3% of the aggregate principal amount of either the Class E Notes or the Subordinated Notes outstanding and (x) is not a "U.S. Person" as defined under Section 7701(a)(30) of the Code and (y) is not entitled to the benefits of an income tax treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to such bank are reduced to 0%.

"**Affiliate**" means, with respect to a Person, (a) any other Person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such Person or (b) any other Person who is a director, officer or employee (i) of such Person, (ii) of any subsidiary or parent company of such Person or (iii) of any Person described in clause (a) above; *provided*, that neither the Administrator nor any special purpose entity for which it acts as share trustee or administrator will be deemed to be an Affiliate of the Issuer or the Co-Issuer solely because the Administrator or any of its Affiliates serves as administrator or share trustee for the Issuer or the Co-Issuer. For the purposes of this definition, control of a Person means the power, direct or indirect, (x) to vote more than 50% of the securities having ordinary voting power for the election of directors of any such Person or (y) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise; *provided*, that no special

purpose company to which the Portfolio Manager provides investment advisory services will be considered an Affiliate of the Portfolio Manager, *provided*, *further*, that no entity to which the Administrator provides shares trustee and/or administration services, including the provision of directors, will be considered to be an Affiliate of the Issuer solely by reason thereof.

"**Aggregate Ramp-Up Par Amount**" means an amount equal to U.S.$600,000,000.

"**Aggregate Ramp-Up Par Condition**" means a condition satisfied as of the end of the Ramp-Up Period if the Issuer has purchased, or entered into binding commitments to purchase (it being understood that the cash to be applied to settlement of any such committed purchase shall be deemed to be the Collateral Obligation purchased for purposes of this calculation), Collateral Obligations, including Collateral Obligations acquired by the Issuer on or prior to the Closing Date, having an aggregate principal balance (*provided* that the principal balance of any Defaulted Obligation will be the lower of its S&P Collateral Value and its Moody's Collateral Value) that in the aggregate equals or exceeds the Aggregate Ramp-Up Par Amount, without regard to prepayments, maturities or redemptions.

"**Anniversary Date**" means the three calendar month anniversary of the Closing Date.

"**Asset Quality Matrix**" means the following chart, used to determine which of the "row/column combinations" (or the linear interpolation between two adjacent rows and/or two adjacent columns, as applicable) are applicable for purposes of determining compliance with the Moody's Diversity Test, the Moody's Maximum Rating Factor Test and the Minimum Floating Spread Test, as set forth in the Indenture.

	Minimum Diversity Score							
Minimum Weighted Average Spread	**45**	**50**	**55**	**60**	**65**	**70**	**75**	**80**
2.20%	2290	2360	2415	2465	2505	2545	2575	2605
2.30%	2315	2385	2440	2490	2530	2570	2600	2630
2.40%	2340	2410	2465	2515	2555	2595	2625	2655
2.50%	2365	2435	2490	2540	2580	2620	2650	2680
2.60%	2390	2460	2515	2565	2605	2645	2675	2705
2.70%	2415	2485	2540	2590	2630	2670	2700	2730
2.80%	2445	2515	2570	2620	2660	2700	2730	2760
2.90%	2475	2545	2600	2650	2690	2730	2760	2790
3.00%	2505	2575	2630	2680	2720	2760	2790	2820
3.10%	2535	2605	2660	2710	2750	2790	2820	2850
3.20%	2565	2635	2690	2740	2780	2820	2850	2880
3.30%	2595	2665	2720	2770	2810	2850	2880	2910
3.40%	2625	2695	2750	2800	2840	2880	2910	2940
3.50%	2655	2725	2780	2830	2870	2910	2940	2970
3.60%	2685	2755	2810	2860	2900	2940	2970	3000
3.70%	2715	2785	2840	2890	2930	2970	3000	3030
3.80%	2745	2815	2870	2920	2960	3000	3030	3060
3.90%	2775	2845	2900	2950	2990	3030	3060	3090
4.00%	2805	2875	2930	2980	3020	3060	3090	3120
4.10%	2835	2905	2960	3010	3050	3090	3120	3150
4.20%	2865	2935	2990	3040	3080	3120	3150	3180
4.30%	2895	2965	3020	3070	3110	3150	3180	3200
4.40%	2920	2990	3045	3095	3135	3175	3200	3200
4.50%	2945	3015	3070	3120	3160	3200	3200	3200
4.60%	2970	3040	3095	3145	3185	3200	3200	3200
4.70%	2995	3065	3120	3170	3200	3200	3200	3200

	Minimum Diversity Score							
Minimum Weighted Average Spread	**45**	**50**	**55**	**60**	**65**	**70**	**75**	**80**
4.80%	3020	3090	3145	3195	3200	3200	3200	3200
	Moody's Maximum Weighted Average Rating Factor							

"**Assigned Moody's Rating**" means the publicly available rating or the estimated rating expressly assigned to a debt obligation (or facility) by Moody's that addresses the full amount of the principal and interest promised.

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

"**Bank**" means Citibank, N.A., a national banking association with trust powers (including any organization or entity succeeding to all or substantially all of the corporate trust business of Citibank, N.A.), in its individual capacity and not as Trustee, and any successor thereto.

"**Bankruptcy Exchange**" means the exchange of a Defaulted Obligation (without the payment of any additional funds other than reasonable and customary transfer costs) for another debt obligation issued by another obligor which, but for the fact that such debt obligation is a Defaulted Obligation or a Credit Risk Obligation, would otherwise qualify as a Collateral Obligation and (i) in the Portfolio Manager's reasonable business judgment, at the time of the exchange, such debt obligation received on exchange has a better likelihood of recovery than the Defaulted Obligation to be exchanged, (ii) as determined by the Portfolio Manager, at the time of the exchange, the debt obligation received on exchange is no less senior in right of payment vis-à-vis such obligor's other outstanding indebtedness than the Defaulted Obligation to be exchanged vis-à-vis its obligor's other outstanding indebtedness, (iii) as determined by the Portfolio Manager, both prior to and after giving effect to such exchange, each of the Coverage Tests is satisfied or, if any Coverage Test was not satisfied prior to such exchange, such Coverage Test will be maintained or improved by such exchange, (iv) no more than one other Bankruptcy Exchange has occurred during the Collection Period under which such Bankruptcy Exchange is occurring, (v) as determined by the Portfolio Manager, both prior to and after giving effect to such exchange, not more than 5.0% of the Collateral Principal Amount consists of obligations received in a Bankruptcy Exchange, (vi) the period for which the Issuer held the Defaulted Obligation to be exchanged will be included for all purposes in the Indenture when determining the period for which the Issuer holds the debt obligation received on exchange, (vii) as determined by the Portfolio Manager, such exchanged Defaulted Obligation was not acquired in a Bankruptcy Exchange, (viii) the exchange does not take place during the Restricted Trading Period and (ix) the Bankruptcy Exchange Test is satisfied.

"**Bankruptcy Exchange Test**" means a test that is satisfied if, in the Portfolio Manager's reasonable business judgment, the projected internal rate of return of the obligation obtained as a result of a Bankruptcy Exchange is greater than the projected internal rate of return of the Defaulted Obligation exchanged in a Bankruptcy Exchange, calculated by the Portfolio Manager by aggregating all cash and the Market Value of any Collateral Obligation subject to a Bankruptcy Exchange at the time of each Bankruptcy Exchange; *provided* that the foregoing calculation will not be required for any Bankruptcy Exchange prior to and including the occurrence of the third Bankruptcy Exchange.

"**Benefit Plan Investor**" means (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 as defined in Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code, or (c) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in the entity pursuant to 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA or otherwise.

"**Bond**" means any fixed or floating rate debt security that is not a loan or an interest therein.

"**Bridge Loan**" means any obligation incurred or issued in connection with a merger, acquisition, consolidation,

sale of all or substantially all of the assets of a person or entity, restructuring or similar transaction, which obligation by its terms is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings (other than any additional borrowing or refinancing if one or more financial institutions has provided the issuer of such obligation with a binding written commitment to provide the same, so long as (i) such commitment is equal to the outstanding principal amount of the Bridge Loan and (ii) such committed replacement facility has a maturity of at least one year and cannot be extended beyond such one year maturity pursuant to the terms thereof); *provided* that any Bridge Loan acquired by the Issuer must have an Assigned Moody's Rating and an explicit obligation rating from S&P (which rating may be public or private).

"**Business Day**" means any day other than (i) a Saturday or a Sunday or (ii) a day on which commercial banks are authorized or required by applicable law, regulation or executive order to close in New York, New York or in the city in which the principal corporate trust office of the Trustee is located or, for any final payment of principal, in the relevant place of presentation.

"**Caa Collateral Obligation**" means a Collateral Obligation (other than a Defaulted Obligation or a Discount Obligation) with a Moody's Rating of "Caa1" or lower.

"**CCC Collateral Obligation**" means a Collateral Obligation (other than a Defaulted Obligation) with an S&P Rating of "CCC+" or lower.

"**CCC/Caa Excess**" means the excess, if any, of (x) the greater of (i) the aggregate principal balance of all Collateral Obligations (other than a Defaulted Obligation) with a Moody's Rating of "Caa1" or lower and (ii) the aggregate principal balance of all Collateral Obligations (other than a Defaulted Obligation) with an S&P Rating of "CCC+" or lower, over (y) 7.5% of the Collateral Principal Amount as of the current Determination Date; *provided*, that in determining which of the Collateral Obligations will be included in the CCC/Caa Excess, the Collateral Obligations with the lowest Market Value expressed as a percentage will be deemed to constitute such CCC/Caa Excess.

"**Central Bank**" means the Central Bank of Ireland.

"**Certificated Secured Note**" means a Secured Note issued as a definitive, fully registered note without coupons and sold to a person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Secured Note is a Qualified Purchaser and an IAI (and if any such purchaser so elects and notifies the Issuer and the Initial Purchaser, Secured Notes sold to a purchaser that is a Qualified Institutional Buyer and a Qualified Purchaser).

"**Certificated Subordinated Note**" means a Subordinated Note issued as a definitive, fully registered note without interest coupons and sold to U.S. persons that are Qualified Institutional Buyers and Qualified Purchasers or IAIs and Qualified Purchasers and, at the election of the Issuer, Subordinated Notes sold to certain non-U.S. persons in offshore transactions in reliance on Regulation S.

"**CFR**" means, with respect to an obligor of a Collateral Obligation, if such obligor has a corporate family rating by Moody's, then such corporate family rating, provided, if such obligor does not have a corporate family rating by Moody's but any entity in the obligor's corporate family does have a corporate family rating, then the CFR is such corporate family rating.

"**Citigroup Companies**" means Citigroup and its Affiliates (including Citibank, N.A. and its Affiliates).

"**Class**" means, in the case of (x) the Secured Notes, all of the Secured Notes having the same Interest Rate, Stated Maturity and designation and (y) the Subordinated Notes, all of the Subordinated Notes.

"**Class A Notes**" means the Class A-1 Notes and the Class A-2 Notes, collectively.

"**Class A-1 Notes**" means the Class A-1 Senior Secured Floating Rate Notes issued pursuant to the Indenture.

"**Class A-2 Notes**" means the Class A-2 Senior Secured Floating Rate Notes issued pursuant to the Indenture.

"**Class B Notes**" means the Class B Senior Secured Deferrable Floating Rate Notes issued pursuant to the Indenture.

"**Class Break-even Default Rate**" means, with respect to the Highest Ranking Class, the maximum percentage of defaults, at any time, that the Current Portfolio or the Proposed Portfolio, as applicable, can sustain, as determined by S&P, through application of the applicable S&P CDO Monitor chosen by the Portfolio Manager in accordance with the Indenture that is applicable to the portfolio of Collateral Obligations, which, after giving effect to S&P's assumptions on recoveries, defaults and timing and to the Priority of Payments, will result in sufficient funds remaining for the payment of such Class or Classes of Notes in full. Not later than five Business Days after the end of the Ramp-Up Period, and from time to time thereafter, S&P will provide the Portfolio Manager and the Collateral Administrator with the Class Break-even Default Rates for each S&P CDO Monitor determined by the Portfolio Manager (with notice to the Collateral Administrator) pursuant to the definition of "S&P CDO Monitor."

"**Class C Notes**" means the Class C Senior Secured Deferrable Floating Rate Notes issued pursuant to the Indenture.

"**Class D Notes**" means the Class D Senior Secured Deferrable Floating Rate Notes issued pursuant to the Indenture.

"**Class Default Differential**" means, with respect to the Highest Ranking Class, at any time, the rate calculated by subtracting the Class Scenario Default Rate for such Class or Classes of Notes at such time from the Class Break-even Default Rate for such Class or Classes of Notes at such time.

"**Class E Notes**" means the Class E Senior Secured Deferrable Floating Rate Notes issued pursuant to the Indenture.

"**Class Scenario Default Rate**" means, with respect to the Highest Ranking Class, at any time, an estimate of the cumulative default rate for the Current Portfolio or the Proposed Portfolio, as applicable, consistent with S&P's initial rating of such Class or Classes of Notes, determined by application by the Portfolio Manager and the Collateral Administrator of the S&P CDO Monitor at such time.

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

"**Closing Date**" means September 30, 2014.

"**Collateral Administration Agreement**" means an agreement dated as of the Closing Date among the Issuer, the Portfolio Manager and the Collateral Administrator, as amended from time to time.

"**Collateral Interest Amount**" means, as of any date of determination, without duplication, the aggregate amount of Interest Proceeds that has been received or that is expected to be received (other than Interest Proceeds expected to be received from Defaulted Obligations, Deferrable Obligations and Partial Deferrable Obligations, but including (x) Interest Proceeds actually received from Defaulted Obligations (in accordance with the definition of "Interest Proceeds") and Deferrable Obligations (in accordance with the definition of "Interest Proceeds") and (y) Interest Proceeds expected to be received of the type described in clause (i) of the definition of "Partial Deferrable Obligation"), in each case during the Collection Period (and, if such Collection Period does not end on a Business Day, the next succeeding Business Day) in which such date of determination occurs (or after such Collection Period but on or prior to the related Payment Date if such Interest Proceeds would be treated as Interest Proceeds with respect to such Collection Period).

"**Collateral Principal Amount**" means, as of any date of determination, the sum of (a) the aggregate principal balance of the Collateral Obligations, including the funded and unfunded balance on any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, and (b) without duplication, the amounts on deposit in the Collection Account representing Principal Proceeds and the Ramp-Up Account (including Eligible Investments therein).

"**Companies Law**" means the Companies Law (2013 Revision) of the Cayman Islands.

"**Controlling Person**" means any Person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of the Issuer or the Co-Issuer or who provides investment advice for a fee (direct or indirect) with respect to such assets or an "affiliate" (within the meaning of 29 C.F.R. Section 2510.3-101(f)(3)) of such a Person.

"**Cov-Lite Loan**" means a Senior Secured Loan that (i) does not contain any financial covenants or (ii) requires the underlying obligor to comply with an Incurrence Covenant, but does not require the underlying obligor to comply with a Maintenance Covenant; *provided*, that for all purposes other than the determination of the S&P Recovery Rate for such loan, a loan described in clause (i) or (ii) above which either contains a cross-default provision to, or is *pari passu* with, another loan of the underlying obligor forming part of the same loan facility that requires the underlying obligor to comply with a Maintenance Covenant will be deemed not to be a Cov-Lite Loan.

"**Credit Improved Obligation**" means,

(a) so long as a Restricted Trading Period is not in effect, any Collateral Obligation that in the Portfolio Manager's commercially reasonable business judgment has significantly improved in credit quality from the condition of its credit at the time of purchase which judgment may (but need not) be based on one or more of the following facts:

(i) it has a market price that is greater than the price that is warranted by its terms and credit characteristics, or improved in credit quality since its acquisition by the Issuer;

(ii) the issuer of such Collateral Obligation has shown improved financial results since the published financial reports first produced after it was purchased by the Issuer;

(iii) the obligor of such Collateral Obligation since the date on which such Collateral Obligation was purchased by the Issuer has raised significant equity capital or has raised other capital that has improved the liquidity or credit standing of such obligor; or

(iv) with respect to which one or more of the following criteria applies:

(A) such Collateral Obligation has been upgraded or put on a watch list for possible upgrade by either of the Rating Agencies since the date on which such Collateral Obligation was acquired by the Issuer;

(B) the Disposition Proceeds (excluding Disposition Proceeds that constitute Interest Proceeds) of such Collateral Obligation would be at least 101% of its purchase price;

(C) the price of such Collateral Obligation has changed during the period from the date on which it was acquired by the Issuer to the proposed sale date by a percentage either at least 0.25% more positive, or 0.25% less negative, as the case may be, than the percentage change in the average price of the applicable Eligible Loan Index over the same period;

(D) the price of such Collateral Obligation changed during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either at least 0.50% more positive, or at least 0.50% less negative, as the case may be, than the percentage change in a nationally recognized loan index selected by the Portfolio Manager over the same period;

(E) the spread over the applicable reference rate for such Collateral Obligation has been decreased in accordance with the underlying Collateral Obligation since the date of acquisition by (1) 0.25% or more (in the case of a loan with a spread (prior to such decrease) less than or equal to 2.00%), (2) 0.375% or more (in the case of a loan with a spread (prior to such decrease) greater than 2.00% but less than or equal to 4.00%) or (3) 0.50% or more (in the case of a loan with a spread (prior to such decrease) greater than 4.00%) due, in each case, to an improvement in the related borrower's financial ratios or financial results;

(F) with respect to fixed-rate Collateral Obligations, there has been a decrease in the difference between its yield compared to the yield on the relevant United States Treasury security of more than 7.5% since the date of purchase; or

(G) it has a projected cash flow interest coverage ratio (earnings before interest and taxes divided by cash interest expense as estimated by the Portfolio Manager) of the underlying borrower or other obligor of such Collateral Obligation that is expected to be more than 1.15 times the current year's projected cash flow interest coverage ratio; or

(b) if a Restricted Trading Period is in effect, any Collateral Obligation:

(i) that in the Portfolio Manager's commercially reasonable business judgment has significantly improved in credit quality from the condition of its credit at the time of purchase and with respect to which one or more of the criteria referred to in clause (a)(iv) above applies, or

(ii) with respect to which a Majority of the Controlling Class vote to treat such Collateral Obligation as a Credit Improved Obligation.

"**Credit Risk Obligation**" means any Collateral Obligation that in the Portfolio Manager's commercially reasonable business judgment has a significant risk of declining in credit quality and, with a lapse of time, becoming a Defaulted Obligation and if a Restricted Trading Period is in effect:

(a) any Collateral Obligation as to which one or more of the following criteria applies:

(i) such Collateral Obligation has been downgraded or put on a watch list for possible downgrade by either of the Rating Agencies since the date on which such Collateral Obligation was acquired by the Issuer;

(ii) the price of such Collateral Obligation has changed during the period from the date on which it was acquired by the Issuer to the proposed sale date by a percentage either at least 0.25% more negative, or at least 0.25% less positive, as the case may be, than the percentage change in the average price of an Eligible Loan Index;

(iii) the Market Value of such Collateral Obligation has decreased by at least 1.00% of the price paid by the Issuer for such Collateral Obligation;

(iv) the spread over the applicable reference rate for such Collateral Obligation has been increased in accordance with the underlying Collateral Obligation since the date of acquisition by (1) 0.25% or more (in the case of a loan with a spread (prior to such increase) less than or equal to 2.00%), (2) 0.375% or more (in the case of a loan with a spread (prior to such increase) greater than 2.00% but less than or equal to 4.00%) or (3) 0.50% or more (in the case of a loan with a spread (prior to such increase) greater than 4.00%) due, in each case, to a deterioration in the related borrower's financial ratios or financial results;

(v) such Collateral Obligation has a projected cash flow interest coverage ratio (earnings before interest and taxes divided by cash interest expense as estimated by the Portfolio Manager) of the underlying borrower or other obligor of such Collateral Obligation of less than 1.00 or that is expected to be less than 0.85 times the current year's projected cash flow interest coverage ratio; or

(vi) with respect to fixed-rate Collateral Obligations, an increase since the date of purchase of more than 7.5% in the difference between the yield on such Collateral Obligation and the yield on the relevant United States Treasury security; or

(b) with respect to which a Majority of the Controlling Class consents to treat such Collateral Obligation as a Credit Risk Obligation.

"**Current Pay Obligation**" means any Collateral Obligation (other than a DIP Collateral Obligation) that (i) would otherwise be a Defaulted Obligation but for the exclusion of Current Pay Obligations from the definition of Defaulted Obligation pursuant to the proviso at the end of such definition; (ii)(a) if the issuer of such Collateral Obligation is subject to a bankruptcy proceeding, the relevant court has authorized the issuer to make payments of principal and interest on such Collateral Obligation and no such payments that are due and payable are unpaid (and no other payments authorized by the court are unpaid) and (b) otherwise, no interest payments or scheduled principal payments are due and payable that are unpaid; (iii) satisfies the S&P Additional Current Pay Criteria and (iv) for so long as Moody's is a Rating Agency in respect of any Class of Secured Notes, such Collateral Obligation has a facility rating from Moody's of either (A) at least "Caa1" (and if "Caa1," not on watch for downgrade) and its Market Value is at least 80% of its par value or (B) at least "Caa2" (and if "Caa2," not on watch for downgrade) and its Market Value is at least 85% of its par value (*provided* that for purposes of this definition, with respect to a Collateral Obligation already owned by the Issuer whose facility rating from Moody's is withdrawn, the facility rating shall be the last outstanding facility rating before the withdrawal; *provided, further*, that for purposes of this clause (iv), the Market Value shall not be determined pursuant to clause (iii) of the definition of Market Value); *provided, however*, that to the extent the aggregate principal balance of all Collateral Obligations that would otherwise be Current Pay Obligations exceeds 7.5% in aggregate principal balance of the Current Portfolio, such excess over 7.5% will constitute Defaulted Obligations; *provided*, *further*, that in determining which of the Collateral Obligations will be included in such excess, the Collateral Obligations with the lowest Market Value expressed as a percentage will be deemed to constitute such excess; *provided*, *further* that each such Collateral Obligation included in such excess will be treated as a Defaulted Obligation for all purposes until such time as the aggregate principal balance of Collateral Obligations that would otherwise be Current Pay Obligations would not exceed, on a pro forma basis including such Defaulted Obligation, 7.5% in aggregate principal balance of the Current Portfolio.

"**Current Portfolio**" means, at any time, the portfolio of Collateral Obligations and Eligible Investments, representing Principal Proceeds (determined in accordance with certain assumptions included in the Indenture), then held by the Issuer.

"**Defaulted Obligation**" means any Collateral Obligation included in the Assets as to which:

(a) a default as to the payment of principal and/or interest has occurred and is continuing with respect to such Collateral Obligation (without regard to any grace period applicable thereto, or waiver thereof, after the passage (in the case of a default that in the Portfolio Manager's judgment, as certified to the Trustee (with notice to the Collateral Administrator) in writing, is not due to credit-related causes) of five Business Days or seven calendar days, whichever is greater, but in no case beyond the passage of any grace period applicable thereto);

(b) a default as to the payment of principal and/or interest has occurred and is continuing on another Collateral Obligation of the same issuer which is senior or *pari passu* in right of payment to such Collateral Obligation (*provided* that both Collateral Obligations are full recourse obligations);

(c) the obligor or others have instituted proceedings to have the obligor adjudicated as bankrupt or insolvent or placed into receivership and such proceedings have not been stayed or dismissed within 60 days of filing or such obligor has filed for protection under Chapter 11 of the United States Bankruptcy Code;

(d) such Collateral Obligation has (x) an S&P Rating of "CC" or below, (y) an S&P Rating of "D" or "SD" or (z) a "probability of default" rating assigned by Moody's of "D" or "LD" or, in each case, had such ratings before they were withdrawn by S&P or Moody's, as applicable;

(e) such Collateral Obligation is *pari passu* or subordinate in right of payment as to the payment of principal and/or interest to another debt obligation of the same obligor which (i) has an S&P Rating of "CC" or lower or "D" or "SD" or had such rating before withdrawn or the obligor has a "probability of default" rating assigned by Moody's of "D" or "LD," and in each case such other debt obligation remains outstanding (*provided*, that both the Collateral Obligation and such other debt obligation are full recourse obligations of the applicable obligor or secured by the same collateral);

(f) the Portfolio Manager has received written notice or has knowledge that a default has occurred under the underlying instruments and any applicable grace period has expired such that the holders of such Collateral Obligation may accelerate the repayment of such Collateral Obligation (but only until such default is cured or waived) in the manner provided in the underlying instruments;

(g) the Portfolio Manager has in its reasonable commercial judgment otherwise declared such debt obligation to be a "Defaulted Obligation";

(h) such Collateral Obligation is a Participation Interest with respect to which the Selling Institution has defaulted in the performance of any of its payment obligations under the Participation Interest (except to the extent such defaults were cured within the applicable grace period under the underlying instruments of the obligor thereof);

(i) such Collateral Obligation is a Participation Interest in a loan that would, if such loan were a Collateral Obligation, constitute a "Defaulted Obligation" (other than under this clause (i)) or with respect to which the Selling Institution has an S&P Rating of "CC" or lower or "SD" or a Moody's probability of default rating of "D" or "LD" or had such rating before such rating was withdrawn;

(j) a Distressed Exchange has occurred in connection with such Collateral Obligation; or

(k) such Collateral Obligation is a Deferring Obligation;

provided, that a Collateral Obligation will not constitute a Defaulted Obligation pursuant to clauses (b) through (f) and (j) above if: (x) in the case of clauses (b), (c), (d), (e), (f) and (j), such Collateral Obligation is a Current Pay Obligation or (y) in the case of clauses (b), (c), (e) and (f), such Collateral Obligation is a DIP Collateral Obligation. Until notified by the Portfolio Manager or until an authorized officer of the Trustee or the Collateral Administrator obtains actual knowledge that a Collateral Obligation has become a Defaulted Obligation, neither the Trustee nor the Collateral Administrator should be deemed to have any notice or knowledge that a Collateral Obligation has become a Defaulted Obligation.

"**Deferrable Obligation**" means a Collateral Obligation (excluding a Partial Deferrable Obligation) which by its terms permits the deferral or capitalization of payment of accrued, unpaid interest.

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

"**Delayed Drawdown Collateral Obligation**" means any Collateral Obligation that (a) requires the Issuer to make one or more future advances to the borrower under the underlying instruments relating thereto, (b) specifies a maximum amount that can be borrowed on one or more fixed borrowing dates, and (c) does not permit the re-borrowing of any amount previously repaid by the borrower thereunder; *provided* that any such Collateral Obligation will be a Delayed Drawdown Collateral Obligation only until all commitments by the Issuer to make advances to the borrower expire or are terminated or reduced to zero.

"**Depository Event**" means any time at which (a) DTC notifies the Co-Issuers that it is unwilling or unable to continue as depositary for Global Secured Notes of any Class or Classes or the Regulation S Global Subordinated Notes or ceases to be a "clearing agency" registered under the Exchange Act and (b) a successor depositary or custodian is not appointed by the Co-Issuers within ninety (90) days after receiving such notice.

"**Determination Date**" means the last day of each Collection Period.

"**DIP Collateral Obligation**" means any interest in a loan or financing facility that has a public or private facility rating from Moody's and S&P (provided that such ratings shall only be required so long as each respective Rating Agency continues to rate one or more Classes of the Secured Notes) and is purchased directly or by way of assignment (a) which is an obligation of (i) a debtor-in-possession as described in §1107 of the Bankruptcy Code or (ii) a trustee if appointment of such trustee has been ordered pursuant to §1104 of the Bankruptcy Code (in either such case, a "**Debtor**") organized under the laws of the United States or any state therein, or (b) on which the related obligor is required to pay interest on a current basis and, with respect to either clause (a) or (b) above, 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) (A) such DIP Collateral Obligation is fully secured by liens on the Debtor's otherwise unencumbered assets pursuant to §364(c)(2) of the Bankruptcy Code or (B) such DIP Collateral Obligation is secured by liens of equal or senior priority on property of the Debtor's estate that is otherwise subject to a lien pursuant to §364(d) of the Bankruptcy Code and (ii) such DIP Collateral Obligation is fully secured based upon a current valuation or appraisal report. Notwithstanding the foregoing, such a loan will not be deemed to be a DIP Collateral Obligation following the emergence of the related debtor-in-possession from bankruptcy protection under Chapter 11 of the Bankruptcy Code.

"**Discount Obligation**" means any Collateral Obligation that is not a Swapped Non-Discount Obligation and that the Portfolio Manager determines is a loan that is acquired by the Issuer for a purchase price of (A) less than 80% of its principal balance if its Moody's Rating is "B3" or above or (B) less than 85% of its principal balance if its Moody's Rating is below "B3"; *provided* that such Collateral Obligation will cease to be a Discount Obligation at such time as the Market Value of such Collateral Obligation, for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Obligation, equals or exceeds 90% of the principal balance of such Collateral Obligation. For the avoidance of doubt, for purposes of determining whether a Collateral Obligation is a Discount Obligation, the price of a Collateral Obligation or Collateral Obligations purchased at separate times may not be averaged.

"**Disposition Proceeds**" means proceeds received with respect to sales of Collateral Obligations, Eligible Investments and Equity Securities and the termination of any Hedge Agreement, in each case, net of reasonable out-of-pocket expenses and disposition costs in connection with such sales.

"**Distressed Exchange**" means, in connection with any Collateral Obligation, a distressed exchange or other debt restructuring has occurred, as reasonably determined by the Portfolio Manager, pursuant to which the issuer or obligor of such Collateral Obligation has issued to the holders of such Collateral Obligation a new security or package of securities or obligations that, in the sole judgment of the Portfolio Manager, amounts to a diminished financial obligation or has the purpose of helping the issuer of such Collateral Obligation avoid default; *provided*, that no Distressed Exchange will be deemed to have occurred if the securities or obligations received by the Issuer in connection with such exchange or restructuring meet the definition of "Collateral Obligation."

"**Distressed Exchange Offer**" means an offer by the issuer of a Collateral Obligation to exchange one or more of its outstanding debt obligations for a different debt obligation or to repurchase one or more of its outstanding debt obligations for cash, or any combination thereof.

"**Diversity Score**" means a single number that indicates collateral concentration in terms of both issuer and industry concentration calculated as follows:

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

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

(iii) An "**Equivalent Unit Score**" is calculated for each issuer, and is equal to the lesser of (x) one and (y) the Issuer Par Amount for such issuer *divided by* the Average Par Amount.

(iv) An "**Aggregate Industry Equivalent Unit Score**" is then calculated for each of the Moody's industry classification groups (as set forth in the Indenture) and is equal to the sum of the Equivalent Unit Scores for each issuer in such industry classification group.

(v) An "**Industry Diversity Score**" is then established for each Moody's industry classification group by reference to the following table for the related Aggregate Industry Equivalent Unit Score; *provided*, that if any Aggregate Industry Equivalent Unit Score falls between any two such scores, the applicable Industry Diversity Score will be the lower of the two Industry Diversity Scores:

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

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
4.7500	2.6000	9.8500	3.9750	14.9500	4.5000		
4.8500	2.6333	9.9500	4.0000	15.0500	4.5100		
4.9500	2.6667	10.0500	4.0100	15.1500	4.5200		

(vi) The Diversity Score is then calculated by summing each of the Industry Diversity Scores for each Moody's industry classification group.

For purposes of calculating the Diversity Score, affiliated issuers in the same industry are deemed to be a single issuer, except as otherwise agreed to by Moody's and collateralized loan obligations will not be included.

"**Domicile**" or "**Domiciled**" means, with respect to any issuer of or obligor with respect to a Collateral Obligation: (a) except as provided in clause (b) and (c) below, its country of organization; or (b) if it is organized in a Tax Advantaged Jurisdiction, each of such jurisdiction and the country in which a substantial portion of its operations are located or from which a substantial portion of its revenue is derived, in each case directly or through subsidiaries; or (c) if its payment obligations in respect of such Collateral Obligation are guaranteed by a person or entity (in a guarantee agreement with such person or entity, which guarantee agreement complies with Moody's and S&P's then-current criteria with respect to guarantees) that is organized in the United States, then the United States.

"**Effective Spread**" means, with respect to any floating rate Collateral Obligation, the current *per annum* rate at which it pays interest *minus* LIBOR or, if such floating rate Collateral Obligation bears interest based on a floating rate index other than a London interbank offered rate-based index, the Effective Spread will be the then-current base rate applicable to such floating rate Collateral Obligation *plus* the rate at which such floating rate Collateral Obligation pays interest in excess of such base rate *minus* three-month LIBOR; *provided*, that (i) with respect to any unfunded commitment of any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, the Effective Spread means the commitment fee payable with respect to such unfunded commitment, and (ii) with respect to the funded portion of any commitment under any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, the Effective Spread means the current *per annum* rate at which it pays interest *minus* LIBOR or, if such funded portion bears interest based on a floating rate index other than a London interbank offered rate-based index, the Effective Spread will be the then-current base rate applicable to such funded portion *plus* the rate at which such funded portion pays interest in excess of such base rate *minus* three-month LIBOR; *provided*, *further*, that the Effective Spread of any floating rate Collateral Obligation (i) shall be deemed to be zero to the extent that the Issuer or the Portfolio Manager has actual knowledge that no payment of cash interest on such floating rate Collateral Obligation will be made by the obligor thereof during the applicable due period, (ii) shall not include any non-cash interest and (iii) solely in connection with determining compliance with the S&P CDO Monitor Test, the Effective Spread of any Partial Deferrable Obligation shall be the spread that is required to be paid in cash pursuant to the underlying instruments of such Partial Deferrable Obligation.

"**Eligible Investment Required Ratings**" means a short-term credit rating of "P-1" from Moody's and "A-1" from S&P or, if no short-term rating exists, a long-term credit rating of at least "Aaa" from Moody's and "AAA" from S&P.

"**Eligible Investments**" means (a) cash or (b) any United States Dollar investment that, at the time it is delivered to the Trustee (directly or through an intermediary or bailee), is one or more of the following obligations or securities:

(i) direct obligations of, and obligations the timely payment of principal and interest on which is fully and expressly guaranteed by, the United States of America or any agency or instrumentality of the United States of America the obligations of which are expressly backed by the full faith and credit of the United States of America, subject to limited exclusions set forth in the Indenture;

(ii) demand and time deposits in, certificates of deposit of, trust accounts with, bankers' acceptances issued by, or federal funds sold by any depository institution or trust company incorporated under the laws of the United States of America (including the Bank) or any state thereof and subject to supervision and

examination by federal and/or state banking authorities, in each case payable within 183 days of issuance, so long as the commercial paper and/or the debt obligations of such depository institution or trust company at the time of such investment or contractual commitment providing for such investment have the Eligible Investment Required Ratings;

(iii) commercial paper or other short-term obligations with the Eligible Investment Required Ratings and that either bear interest or are sold at a discount from the face amount thereof and have a maturity of not more than 183 days from their date of issuance; *provided* that this clause (v) will not include extendible commercial paper or asset backed commercial paper; and

(iv) money market funds domiciled outside of the United States which funds have, at all times, credit ratings of "Aaa(mf)" by Moody's and "AAAm" by S&P, respectively, or if Moody's or S&P has changed its credit rating nomenclature, such then rating meeting Rating Agency criteria;

provided, *however*, that Eligible Investments purchased with funds in the Collection Account will be held until maturity except as otherwise specifically provided herein and will include only such obligations or securities, other than those referred to in clause (iv) above, as mature (or are putable at par to the issuer thereof) no later than the earlier of 60 days and the Business Day prior to the next Payment Date (unless such Eligible Investments are issued by the Trustee in its capacity as a banking institution, in which case such Eligible Investments may mature on such Payment Date); *provided*, *further*, that none of the foregoing obligations or securities will constitute Eligible Investments if (a) such obligation or security has an "f," "r," "p," "pi," "q," "sf" or "t" subscript assigned by S&P or an "sf" subscript assigned by Moody's, (b) all, or substantially all, of the remaining amounts payable thereunder consist of interest and not principal payments, (c) such obligation or security is subject to withholding tax unless the issuer of the security is required to make "gross-up" payments that ensure that the net amount actually received by the Issuer (after payment of all taxes, whether imposed on such obligor or the Issuer) will equal the full amount that the Issuer would have received had no such taxes been imposed, (d) such obligation or security is secured by real property, (e) such obligation or security is purchased at a price greater than 100% of the principal or face amount thereof, (f) such obligation is a Structured Finance Obligation or (g) in the Portfolio Manager's sole judgment, such obligation or security is subject to material non-credit related risks; *provided*, *further*, that none of the foregoing obligations or securities will constitute Eligible Investments unless either (A) the obligation or security is issued by an entity that is treated for U.S. federal income tax purposes as a corporation that is not a United States real property holding corporation as defined in Section 897(c)(2) of the Code for U.S. federal income tax purposes, unless the stock is of a class that is regularly traded on an established securities market and the Issuer holds no more than 5% of such class of stock, all within the meaning of Section 897(c)(3) of the Code, (B) the obligation or security is treated as indebtedness for U.S. federal income tax purposes and is not a United States real property interest as defined under Section 897 of the Code, or (C) the Issuer has received written advice from Ashurst LLP or Lowenstein Sandler LLP or an opinion of other nationally recognized U.S. tax counsel experienced in such matters to the effect that the acquisition, ownership or disposition of such obligation or security 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 or otherwise subject the Issuer to U.S. federal income tax on a net income tax basis; *provided*, *further*, that notwithstanding the foregoing clauses (i) through (iv) above, Eligible Investments may only include obligations or securities that constitute cash equivalents for purposes of the rights and assets in paragraph 10(c)(8)(i)(B) of the exclusions from the definition of "covered fund" for purposes of the Volcker Rule. Eligible Investments may include, without limitation, those investments for which the Trustee or an Affiliate of the Trustee is the obligor or depository institution, or provides services and receives compensation. The Trustee shall have no obligation to determine if an investment is an Eligible Investment.

"**Eligible Loan Index**" means, with respect to each Collateral Obligation that is a loan, one of the following indices as selected by the Portfolio Manager upon the acquisition of such Collateral Obligation: the Credit Suisse Leveraged Loan Indices (formerly the DLJ Leveraged Loan Index Plus), the Deutsche Bank Leveraged Loan Index, the Goldman Sachs/Loan Pricing Corporation Liquid Leveraged Loan Index, the Merrill Lynch Leveraged Loan Index, the S&P/LSTA Leveraged Loan Indices or any replacement or other nationally recognized comparable loan index; *provided*, that the Portfolio Manager may change the index applicable to a Collateral Obligation at any time following the acquisition thereof after giving notice to the Trustee, the Collateral Administrator and Moody's.

"**Emerging Market Obligor**" means any obligor Domiciled in a country that (a) is not a Tax Advantaged Jurisdiction the foreign currency country ceiling rating of which (as well as the foreign currency country ceiling

rating of the country in which a substantial portion of its operations are located or from which a substantial portion of its revenue is derived, in each case directly or through subsidiaries) is, at the time of acquisition of the relevant Collateral Obligation, at least "Aa2" by Moody's or (b) is not any other country, the foreign currency issuer credit rating of which is, at the time of acquisition of the relevant Collateral Obligation, at least "AA-" by S&P, and the foreign currency country ceiling rating of which is, at the time of acquisition of the relevant Collateral Obligation, at least "Aa2" by Moody's.

"**Equity Security**" means any security or debt obligation which at the time of acquisition, conversion or exchange does not satisfy the requirements of a Collateral Obligation and is not an Eligible Investment; *provided* that any Specified Equity Security will be deemed to not be an Equity Security.

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

"**Excepted Advances**" means customary advances made to protect or preserve rights against the borrower of or obligor under a Collateral Obligation or to indemnify an agent or representative for lenders pursuant to the underlying instrument.

"**Excepted Current Pay Obligation**" means any Current Pay Obligation with respect to which the Market Value thereof is determined in accordance with the provisions of clause (iii)(x)(A) of the definition of "Market Value"; *provided* that if no Market Value determination is required to designate a Collateral Obligation as a Current Pay Obligation as provided for in the definition of S&P Additional Current Pay Criteria, then such Collateral Obligation will not be an Excepted Current Pay Obligation.

"**Excepted Property**" means (i) the transaction fee paid to the Issuer in consideration of the issuance of the Secured Notes and the Subordinated Notes, (ii) the funds attributable to the issuance and allotment of the Issuer's Ordinary Shares, (iii) the membership interests of the Co-Issuer, and (iv) the bank account in the Cayman Islands in which the funds referred to in items of (i) and (ii) above (and only such funds) are deposited (or any interest thereon).

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

(b) the aggregate principal balance of all Collateral Obligations included in the CCC/Caa Excess; *over*

(c) the sum of the Market Values of all Collateral Obligations included in the CCC/Caa Excess.

"**Excess Weighted Average Fixed Coupon**" means, as of any Measurement Date, a percentage equal to the product obtained by multiplying (a) the greater of zero and the excess, if any, of the Weighted Average Fixed Coupon over the Minimum Fixed Coupon by (b) the number obtained by dividing the aggregate principal balance of all fixed rate Collateral Obligations (excluding any Defaulted Obligation and, to the extent of any non-cash interest, any Deferrable Obligation or any Partial Deferrable Obligation) by the aggregate principal balance of all floating rate Collateral Obligations (excluding any Defaulted Obligation and, to the extent of any non-cash interest, any Deferrable Obligation or any Partial Deferrable Obligation).

"**Excess Weighted Average Floating Spread**" means, as of any Measurement Date, a percentage equal to the product obtained by multiplying (a) the greater of zero and the excess, if any, of the Weighted Average Floating Spread over the Minimum Floating Spread by (b) the number obtained by dividing the aggregate principal balance of all floating rate Collateral Obligations (excluding any Defaulted Obligation and, to the extent of any non-cash interest, any Deferrable Obligation or Partial Deferrable Obligation) by the aggregate principal balance of all fixed rate Collateral Obligations (excluding any Defaulted Obligation and, to the extent of any non-cash interest, any Deferrable Obligation or any Partial Deferrable Obligation).

"**FATCA**" means Sections 1471 through 1474 of the Code, any final current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any U.S. or non-U.S. fiscal or regulatory legislation, rules, guidance notes or practices adopted pursuant to any intergovernmental agreement entered into in connection with either the implementation of such sections of the Code or analogous provisions of non-U.S. law.

"**FATCA Compliance**" means compliance with Sections 1471 through 1474 of the Code and any related provisions of law, court decisions, or administrative guidance, including an agreement with the Secretary of the U.S. Department of the Treasury contemplated by Section 1471(b) or rules or legislation enacted in connection with an intergovernmental agreement entered into in connection with Sections 1471 through 1474 of the Code.

"**Fee Basis Amount**" means, as of any date of determination, the Collateral Principal Amount.

"**First-Lien Last-Out Loan**" means a Senior Secured Loan that, prior to a default with respect such loan, is entitled to receive payments pari passu with other Senior Secured Loans of the same obligor, but following a default becomes fully subordinated to other Senior Secured Loans of the same obligor and is not entitled to any payments until such other Senior Secured Loans are paid in full.

"**Floating Rate Notes**" means the Secured Notes.

"**Global Rating Agency Condition**" means, with respect to any action taken or to be taken by or on behalf of the Issuer, the satisfaction of both the Moody's Rating Condition and the S&P Rating Condition; *provided*, that the Global Rating Agency Condition will be satisfied for any Rating Agency waiving such requirement.

"**Global Secured Notes**" means, collectively, the Rule 144A Global Secured Notes and the Regulation S Global Secured Notes.

"**Group Country**" means any Group I Country, Group II Country or Group III Country.

"**Group I Country**" means Australia, Canada, The Netherlands and New Zealand (or such other countries as may be notified by Moody's to the Portfolio Manager and the Collateral Administrator from time to time).

"**Group II Country**" means Germany, Ireland, Sweden and Switzerland (or such other countries as may be notified by Moody's to the Portfolio Manager and the Collateral Administrator from time to time).

"**Group III Country**" means Austria, Belgium, Denmark, Finland, France, Iceland, Liechtenstein, Luxembourg and Norway (or such other countries as may be notified by Moody's to the Portfolio Manager and the Collateral Administrator from time to time).

"**Hedge Agreement**" means any interest rate swap, floor and/or cap agreements, including without limitation one or more interest rate basis swap agreements, between the Issuer and any Hedge Counterparty, as amended from time to time, and any replacement agreement entered into pursuant to the Indenture.

"**Hedge Counterparty**" means any one or more institutions entering into or guaranteeing a Hedge Agreement with the Issuer that satisfies the Required Hedge Counterparty Rating that has entered into a Hedge Agreement with the Issuer, including any permitted assignee or successor under the Hedge Agreements.

"**Highest Ranking Class**" means, as of any date of determination, the Class of Secured Notes that has no Priority Class.

"**Holder**" means, with respect to any Note, the Person whose name appears on the register as the registered holder of such Note.

"**Holder FATCA Information**" means information requested by the Issuer or an Intermediary (or an agent thereof) to be provided by the Holders or beneficial owners of Notes to the Issuer or an Intermediary that in the reasonable determination of the Issuer or an Intermediary (or agent thereof) is required to be requested by FATCA.

"**Incentive Management Fee Threshold**" means the threshold that will be satisfied on any Payment Date if the Subordinated Notes have received an annualized internal rate of return (computed using the "XIRR" function in Microsoft® Excel or an equivalent function in another software package and based on the assumption that the Subordinated Notes will have a purchase price of par) of at least 12.0% on the outstanding investment in the Subordinated Notes as of the current Payment Date (or such greater percentage threshold as the Portfolio Manager may specify in its sole discretion on or prior to the first Payment Date following the last day of the Ramp-Up Period

by written notice to the Issuer and the Trustee), after giving effect to all payments made or to be made on such Payment Date.

"**Incurrence Covenant**" means a covenant by the underlying obligor under a loan to comply with one or more financial covenants only upon the occurrence of certain actions of the underlying obligor or certain events relating to the underlying obligor, including, but not limited to, a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture, unless, as of any date of determination, such action was taken or such event has occurred, in each case the effect of which causes such covenant to meet the criteria of a Maintenance Covenant.

"**Interest Coverage Ratio**" means, for any designated Class or Classes of Secured Notes, as of any date of determination on or after the Determination Date immediately preceding the second Payment Date, the percentage derived from:

(a) the sum of (i) the Collateral Interest Amount as of such date of determination *minus* (ii) amounts payable (or expected as of the date of determination to be payable) on the following Payment Date as set forth in clauses (A), (B) and (C) under "Description of the Notes—Priority of Payments—Application of Interest Proceeds"; *divided by*

(b) interest due and payable on the Secured Notes of such Class or Classes, each Priority Class of Secured Notes and each *pari passu* Class of Secured Notes (excluding Deferred Interest with respect to any such Class or Classes, but including interest on Deferred Interest with respect to any such Class or Classes) on such Payment Date.

"**Interest Determination Date**" means, with respect to each Interest Accrual Period, the second London Banking Day preceding the first day of each Interest Accrual Period.

"**Interest Proceeds**" means, with respect to any Collection Period or Determination Date, without duplication, the sum of:

(i) all payments of interest and other income received (other than any interest due on any Partial Deferrable Obligation that has been deferred or capitalized at the time of acquisition) by the Issuer during the related Collection Period on the Collateral Obligations and Eligible Investments including the accrued interest (which, for the avoidance of doubt, will not include any increase in the accreted value of any Zero-Coupon Obligation) received in connection with a sale thereof during the related Collection Period, *less* any such amount that represents Principal Financed Accrued Interest (other than any Principal Financed Accrued Interest described in clause (i) of the definition thereof that the Portfolio Manager elects to treat as Interest Proceeds as long as (x) the aggregate principal balance of the (a) Collateral Obligations and (b) Eligible Investments representing Principal Proceeds equals or exceeds the Aggregate Ramp-Up Par Amount and (y) on the first Determination Date after the end of the Ramp-Up Period, the Ramp-Up Interest Deposit Restriction is satisfied with respect to any such designation as Interest Proceeds);

(ii) all principal and interest payments received by the Issuer during the related Collection Period on Eligible Investments purchased with Interest Proceeds;

(iii) all amendment and waiver fees, late payment fees and other fees received by the Issuer during the related Collection Period, except for those in connection with (a) the lengthening of the maturity of the related Collateral Obligation as determined by the Portfolio Manager at its discretion (with notice to the Trustee and the Collateral Administrator) or (b) the reduction of the par of the related Collateral Obligation;

(iv) commitment fees and other similar fees received by the Issuer during such Collection Period in respect of Revolving Collateral Obligations, Delayed Drawdown Collateral Obligations and Letter of Credit;

(v) any payment received with respect to any Hedge Agreement other than (a) an upfront payment received upon entering into such Hedge Agreement or (b) a payment received as a result of the termination of any Hedge Agreement to the extent not used by the Issuer to enter into a new or replacement Hedge Agreement (for purposes of this subclause (v), any such payment received or to be received on or before 10:00 a.m. New York time on the last day of the Collection Period in respect of such Payment Date will be deemed received in

respect of the preceding Collection Period and included in the calculation of Interest Proceeds received in such Collection Period);

(vi) [reserved];

(vii) any payments received as repayment for Excepted Advances;

(viii) all payments other than principal payments received by the Issuer during the related Collection Period on Collateral Obligations that are Defaulted Obligations solely as the result of a Moody's Rating of "LD" in relation thereto;

(ix) any amounts deposited in the Interest Collection Account from the Expense Reserve Account and, in the sole discretion of the Portfolio Manager, the Reserve Account pursuant to the Indenture in respect of the related Determination Date;

(x) any amounts deposited in the Interest Collection Account from the Ramp-Up Account at the direction of the Portfolio Manager pursuant to the Indenture;

(xi) any amounts deposited in the Interest Collection Account from the Contribution Account in accordance with the requirements set forth in the definition of the term "Permitted Use", at the direction of the related Contributor (or, if no direction is given by the Contributor, at the Portfolio Manager's reasonable discretion);

(xii) any amounts deposited in the Interest Collection Account from the Supplemental Reserve Account in accordance with the requirements set forth in the definition of the term "Permitted Use," at the direction of the Portfolio Manager; and

(xiii) any Current Deferred Management Fee deferred on such Payment Date (except to the extent designated as Principal Proceeds by the Portfolio Manager);

provided that, except as set forth in clause (viii) above, any amounts received in respect of any Defaulted Obligation will constitute (A) Principal Proceeds (and not Interest Proceeds) until the aggregate of all recoveries in respect of such Defaulted Obligation since it became a Defaulted Obligation equals the outstanding principal balance of such Collateral Obligation when it became a Defaulted Obligation, and then (B) Interest Proceeds thereafter; *provided*, *further*, that amounts that would otherwise constitute Interest Proceeds may be designated as Principal Proceeds pursuant to "Use of Proceeds—Ramp-Up Period" with notice to the Collateral Administrator. Notwithstanding the foregoing, in the Portfolio Manager's sole discretion (to be exercised on or before the related Determination Date), on any date after the first Payment Date, Interest Proceeds in any Collection Period may be deemed to be Principal Proceeds provided that such designation would not result in an interest deferral on any Class of Secured Notes. Under no circumstances will Interest Proceeds include the Excepted Property or any interest earned thereon.

"**Interest Rate**" means the *per annum* stated interest rate payable on the Secured Notes of each Class with respect to each Interest Accrual Period, (i) unless a Re-Pricing has occurred with respect to such Class of Secured Notes (other than the Class A-1 Notes), as described under "Description of the Notes—Re-Pricing"and (ii) upon the occurrence of a Re-Pricing with respect to such Class of Secured Notes (other than the Class A-1 Notes), the applicable revised spread over LIBOR to be applied with respect to such Class of Secured Notes.

"**Investment Advisers Act**" means the Investment Advisers Act of 1940, as amended.

"**Investment Criteria Adjusted Balance**" means, with respect to any Asset, the principal balance of such Asset; *provided*, that for all purposes the Investment Criteria Adjusted Balance of any:

(i) Deferring Obligation will be the lesser of (x) the S&P Collateral Value of such Deferring Obligation and (y) the Moody's Collateral Value of such Deferring Obligation;

(ii) Discount Obligation will be the product of (x) the purchase price of such Discount Obligation (expressed as a percentage of par) and (y) the outstanding principal balance of such Discount Obligation on such date of determination; and

(iii) CCC Collateral Obligation or Caa Collateral Obligation included in the CCC/Caa Excess will be the Market Value of such CCC Collateral Obligation or Caa Collateral Obligation;

provided, *further*, that the Investment Criteria Adjusted Balance for any Collateral Obligation that satisfies more than one of the definitions of Deferring Obligation, Discount Obligation, CCC Collateral Obligation or Caa Collateral Obligation will be the lowest amount determined pursuant to clauses (i), (ii) or (iii).

"**Junior Class**" means, with respect to a particular Class of Notes, each Class of Notes that is subordinated to such Class, as indicated in "Overview of Terms—Principal Terms of the Notes."

"**Letter of Credit**" means a facility whereby (i) a fronting bank ("**LOC Agent Bank**") issues or will issue a letter of credit ("**LC**") for or on behalf of a borrower pursuant to an underlying instrument, (ii) in the event that the LC is drawn upon and the borrower does not reimburse the LOC Agent Bank, the lender/participant is obligated to fund its portion of the facility and (iii) the LOC Agent Bank passes on (in whole or in part) the fees it receives for providing the LC to the lender/participant.

"**LIBOR**" means, with respect to the Floating Rate Notes, for any Interest Accrual Period, (a) the rate appearing on the Reuters Screen on the applicable Interest Determination Date for deposits with a term of three months or (b) if such rate is unavailable at the time LIBOR is to be determined, LIBOR shall be determined on the basis of the rates at which deposits in U.S. Dollars are offered by the Reference Banks at approximately 11:00 a.m., London time, on the Interest Determination Date to prime banks in the London interbank market for a period approximately equal to the Interest Accrual Period and an amount approximately equal to the amount of the aggregate outstanding amount of the Floating Rate Notes. The Calculation Agent will request the principal London office of each Reference Bank to provide a quotation of its rate. If at least two such quotations are provided, LIBOR shall be the arithmetic mean of such quotations (rounded upward to the next higher 1/100). If fewer than two quotations are provided as requested, LIBOR with respect to such Interest Accrual Period will be the arithmetic mean of the rates quoted by three major banks in New York, New York selected by the Calculation Agent after consultation with the Portfolio Manager at approximately 11:00 a.m., New York Time, on such Interest Determination Date for loans in U.S. Dollars to leading European banks for a term approximately equal to such Interest Accrual Period and an amount approximately equal to the aggregate outstanding amount of the Floating Rate Notes. If the Calculation Agent is required but is unable to determine a rate in accordance with at least one of the procedures described above, LIBOR will be LIBOR as determined on the previous Interest Determination Date.

Notwithstanding anything in the immediately preceding paragraph to the contrary, LIBOR for the first Interest Accrual Period will be determined by (x) calculating LIBOR with respect to each Notional Accrual Period on the applicable Notional Determination Date and using the Notional Designated Maturity (such calculation to be made in the same manner set forth in the immediately preceding paragraph above (e.g. determined by reference to the Reuters Screen or, if unavailable, by following the procedure set forth in the immediately preceding paragraph above)) and (y)(1) multiplying the rate determined for each Notional Accrual Period by the number of days in such Notional Accrual Period, (2) summing the amounts set forth in clause (y)(1) above and (3) dividing the amount set forth in clause (y)(2) above by the total number of days in the initial Interest Accrual Period.

"**Libor Floor Obligation**" means, as of any date, a floating rate Collateral Obligation (a) for which the related underlying instruments allow a libor rate option, (b) that provides that such libor rate is (in effect) calculated as the greater of (i) a specified "floor" rate per annum and (ii) the London interbank offered rate for the applicable interest period for such Collateral Obligation and (c) that, as of such date, bears interest based on such libor rate option, but only if as of such date the London interbank offered rate for the applicable interest period is less than such floor rate.

"**London Banking Day**" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London, England.

"**Maintenance Covenant**" means, as of any date of determination, a covenant by the underlying obligor of a loan to comply with one or more financial covenants during each reporting period applicable to such loan, whether or not any action by, or event relating to, the underlying obligor occurs after such date of determination.

"**Majority**" means, with respect to any Class of Notes, the holders of more than 50% of the aggregate outstanding principal amount of the Notes of such Class.

"**Manager Information**" means, collectively, the information concerning the Portfolio Manager and its Affiliates set forth under the headings "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Portfolio Manager", "Risk Factors—Relating to the Portfolio Manager" and "The Portfolio Manager".

"**Market Value**" means, with respect to any loans or other assets, the amount (determined by the Portfolio Manager) equal to the product of the principal amount thereof and the price determined in the following manner:

(i) the quote determined by any of Loan Pricing Corporation, MarkIt Partners, Houlihan Lokey (with respect to enterprise valuations of an obligor only) or any other nationally recognized loan pricing service selected by the Portfolio Manager; or

(ii) if such quote described in clause (i) is not available, the average of the bid-side quotes determined by three broker-dealers active in the trading of such asset that are independent (with respect to each other and the Portfolio Manager); or

(a) if only two such bids can be obtained, the lower of the bid-side quotes of such two bids; or

(b) if only one such bid can be obtained, such bid; *provided* that this subclause (B) will not apply at any time at which the Portfolio Manager is not a registered investment adviser under the Investment Advisers Act; or

(iii) if such quote or bid described in clause (i) or (ii) is not available, then the Market Value of such Collateral Obligation will be the lower of (x) the higher of (A) the S&P Recovery Rate and (B) 70% of the outstanding principal amount of such Collateral Obligation, (y) the Market Value determined by the Portfolio Manager exercising reasonable commercial judgment, consistent with the manner in which it would determine the market value of an asset for purposes of other funds or accounts managed by it and (z) the purchase price of such Collateral Obligation; *provided*, *however*, that, if the Portfolio Manager is not a registered investment adviser under the Investment Advisers Act, the Market Value of any such asset may not be determined in accordance with this clause (iii) for more than thirty days; or

(iv) if the Market Value of an asset is not determined in accordance with clause (i), (ii) or (iii) above, then the Market Value will be deemed to be zero until such determination is made in accordance with clause (i) or (ii) above.

"**Maximum Weighted Average Life**" means 8.0 years.

"**Measurement Date**" means (i) any day on which the Issuer purchases, or enters into a commitment to purchase, a Collateral Obligation or a default of a Collateral Obligation occurs, (ii) any Determination Date, (iii) the date as of which the information in any Monthly Report is calculated, (iv) with five (5) Business Days prior notice, any Business Day requested by either Rating Agency and (v) the last day of the Ramp-Up Period; *provided* that, in the case of (i) through (iv), no "Measurement Date" will occur prior to the last day of the Ramp-Up Period.

"**Minimum Fixed Coupon**" means 7.5%.

"**Minimum Fixed Coupon Test**" means a test that will be satisfied on any date of determination if the Weighted Average Fixed Coupon equals or exceeds the Minimum Fixed Coupon.

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

"**Minimum Floating Spread Test**" means a test that will be satisfied on any date of determination if the Weighted Average Floating Spread equals or exceeds the Minimum Floating Spread.

"**Moody's**" means Moody's Investors Service, Inc. and any successor thereto.

"**Moody's Adjusted Weighted Average Rating Factor**" mean, as of any date of determination, a number equal to the Moody's Weighted Average Rating Factor determined in the following manner: for purposes of determining a Moody's Default Probability Rating, Moody's Rating or Moody's Derived Rating in connection with determining the Moody's Weighted Average Rating Factor for purposes of this definition, the last paragraph of the definition of each of "Moody's Default Probability Rating," "Moody's Rating" and "Moody's Derived Rating" will be disregarded, and instead each applicable rating on credit watch by Moody's that is on (a) positive watch will be treated as having been upgraded by one rating subcategory, (b) negative watch will be treated as having been downgraded by two rating subcategories and (c) negative outlook will be treated as having been downgraded by one rating subcategory.

"**Moody's Average Life Adjustment Amount**" means, as of any date of determination during the Reinvestment Period only, an amount equal to the product of (i) the Maximum Weighted Average Life *minus* the S&P/Moody's Selected Maximum Average Life and (ii) 125.

"**Moody's Collateral Value**" means, as of any date of determination, with respect to any Defaulted Obligation, the lesser of (i) the Moody's Recovery Amount of such Defaulted Obligation as of such date and (ii) the Market Value of such Defaulted Obligation as of such date.

"**Moody's Counterparty Criteria**" means, with respect to any Participation Interest or Letter of Credit proposed to be acquired by the Issuer, criteria that will be met if immediately after giving effect to such acquisition, (x) the percentage of the Collateral Principal Amount that consists in the aggregate of Participation Interests or Letter of Credit that have the same or a lower Moody's credit rating does not exceed the "Aggregate Percentage Limit" set forth below for such Moody's credit rating and (y) the percentage of the Collateral Principal Amount that consists in the aggregate of Participation Interests or Letter of Credit that has the Moody's credit rating set forth under "Individual Percentage Limit" below or a lower credit rating does not exceed the "Individual Percentage Limit" set forth below for such Moody's credit rating:

Moody's credit rating of Selling Institution or LOC Agent Bank (at or below)	**Aggregate Percentage Limit**	**Individual Percentage Limit**
Aaa	20.0%	20.0%
Aa1	20.0%	10.0%
Aa2	20.0%	10.0%
Aa3	15.0%	10.0%
A1 *and* "P-1"	10.0%	5.0%
A2 *and* "P-1"	5.0%	5.0%
below A2*	0.0%	0.0%

* includes on watch for possible downgrade.

"**Moody's Diversity Test**" means a test that will be satisfied on any date of determination if the Diversity Score (rounded to the nearest whole number) equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the Asset Quality Matrix based upon the applicable "row/column combination" chosen by the Portfolio Manager with notice to the Collateral Administrator (or the linear interpolation between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture.

"**Moody's Effective Date Deemed Rating Confirmation**" means, in lieu of a written confirmation by Moody's of its initial rating of the Class A-1 Notes, a confirmation by Moody's of the initial rating of such Class A-1 Notes which is deemed to occur upon the furnishing (x) to Moody's of (i) a report identifying the Collateral Obligations and (ii) a report (the "**Moody's Effective Date Report**") prepared by the Collateral Administrator in accordance with and subject to the terms of the Collateral Administration Agreement and determined as of the last day of the Ramp-Up Period, containing (A) the information required in a Monthly Report and (B) a calculation with respect to whether the Aggregate Ramp-Up Par Condition is satisfied; and (y) to the Trustee of an accountants' report (A) comparing the issuer, principal balance, coupon/spread, stated maturity, S&P Rating, Moody's Default Probability Rating, Moody's Rating and country of Domicile with respect to each Collateral Obligation as of the end of the Ramp-Up Period and the information provided by the Issuer with respect to every other asset included in the Assets, by reference to such sources as shall be specified therein, (B) recalculating as of the end of the Ramp-Up Period (1) the Overcollateralization Ratio Tests, (2) the Collateral Quality Test (excluding the S&P CDO Monitor Test), (3) the Concentration Limitations and (4) the Aggregate Ramp-Up Par Condition (the calculations in this clause (B), the

"**Moody's Specified Tested Items**"); and (C) specifying the procedures undertaken by such accountants to review data and computations relating to the accountant's report. If (x) the Issuer provides the accountants' report to the Trustee that is consistent with the Moody's Effective Date Report and contains results of the Moody's Specified Tested Items that agree with the results in the Moody's Effective Date Report, and (y) the Issuer causes the Collateral Administrator to provide to Moody's the Moody's Effective Date Report and the Moody's Effective Date Report confirms satisfaction of the Moody's Specified Tested Items, then a Moody's Effective Date Deemed Rating Confirmation will have occurred. For the avoidance of doubt, the Moody's Effective Date Report shall not include or refer to the accountants' report.

"**Moody's Minimum Weighted Average Recovery Rate Test**" means the test that will be satisfied on any date of determination if the Moody's Weighted Average Recovery Rate equals or exceeds 42.9%.

"**Moody's Rating Condition**" means, with respect to any action taken or to be taken by or on behalf of the Issuer, a condition that is satisfied if Moody's has confirmed in writing, including electronic messages, facsimile, press release, posting to its internet website, or other means then considered industry standard (or has waived the review of such action by such means) to the Issuer, the Trustee and the Portfolio Manager that no immediate withdrawal or reduction with respect to its then-current rating of any Class of Secured Notes will occur as a result of such action; *provided* that

(i) satisfaction of the Moody's Rating Condition will not be required if no Class of Secured Notes outstanding is rated by Moody's or

(ii) if Moody's makes a public announcement or informs the Issuer, the Portfolio Manager or the Trustee in writing that (a) it believes that satisfaction of the Moody's Rating Condition is not required with respect to an action or (b) its practice is not to give such confirmations, satisfaction of Moody's Rating Condition will not be required with respect to the applicable action.

"**Moody's Rating Factor**" means, with respect to any Collateral Obligation, the number set forth in the table below opposite the Moody's Default Probability Rating of such Collateral Obligation.

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
Aaa	1	Ba1	940
Aa1	10	Ba2	1,350
Aa2	20	Ba3	1,766
Aa3	40	B1	2,220
A1	70	B2	2,720
A2	120	B3	3,490
A3	180	Caa1	4,770
Baa1	260	Caa2	6,500
Baa2	360	Caa3	8,070
Baa3	610	Ca or lower	10,000

"**Moody's Recovery Amount**" means, with respect to any Collateral Obligation, an amount equal to the product of (i) the applicable Moody's Recovery Rate and (ii) the principal balance of such Collateral Obligation.

"**Moody's Recovery Rate**" means, with respect to any Collateral Obligation, as of any date of determination, the recovery rate determined in accordance with the following, in the following order of priority:

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

(b) if the preceding clause does not apply to the Collateral Obligation, except with respect to DIP Collateral Obligations, the rate determined pursuant to the table below based on the number of rating subcategories difference between the Collateral Obligation's Moody's Rating and its Moody's Default Probability Rating (for purposes of

clarification, if the Moody's Rating is higher than the Moody's Default Probability Rating, the rating subcategories difference will be positive and if it is lower, negative):

Number of Moody's Ratings Subcategories Difference Between the Moody's Rating and the Moody's Default Probability Rating	Senior Secured Loans	First-Lien Last-Out Loans and Second Lien Loans*	Senior Unsecured Loans
+2 or more	60.0%	55.0%	45.0%
+1	50.0%	45.0%	35.0%
0	45.0%	35.0%	30.0%
-1	40.0%	25.0%	25.0%
-2	30.0%	15.0%	15.0%
-3 or less	20.0%	5.0%	5.0%

or

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

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

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

The principal balance of each Collateral Obligation (excluding any Defaulted Obligation)	**X**	The Moody's Rating Factor of such Collateral Obligation

divided by

The outstanding principal balance of all such Collateral Obligations and then rounding the result up to the nearest whole number.

"**Moody's Weighted Average Recovery Adjustment**" means, as of any date of determination, the greater of (a) zero and (b) the product of (i)(A) the Moody's Weighted Average Recovery Rate as of such date of determination multiplied by 100 *minus* (B) 42 and (ii) 75; *provided*, that if the Moody's Weighted Average Recovery Rate for purposes of determining the Moody's Weighted Average Recovery Adjustment is greater than 60%, then such Moody's Weighted Average Recovery Rate will equal 60% unless the Moody's Rating Condition is satisfied.

"**Moody's Weighted Average Recovery Rate**" means, as of any date of determination, the number, expressed as a percentage, obtained by summing the product of the Moody's Recovery Rate on such Measurement Date of each Collateral Obligation (excluding any Defaulted Obligation) and the principal balance of such Collateral Obligation, dividing such sum by the aggregate principal balance of all such Collateral Obligations and rounding up to the first decimal place.

"**Non-Permitted ERISA Holder**" means any Person who, pursuant to the Indenture, has made or is deemed to have made a Benefit Plan Investor, Controlling Person, prohibited transaction, Similar Law or Other Plan Law representation that is subsequently shown to be false or misleading or whose beneficial ownership otherwise causes a violation of the 25% Limitation.

"**Non-Permitted Holder**" means any Person (i) that is a U.S. Person that is not (a) in the case of a Rule 144A Global Secured Note, a Qualified Institutional Buyer and a Qualified Purchaser or (b) in the case of a Certificated Secured Note or a Subordinated Note, an Institutional Accredited Investor and a Qualified Purchaser or a Qualified Institutional Buyer and a Qualified Purchaser or (ii) that is a Non-Permitted ERISA Holder.

"**Note Payment Sequence**" means, with respect to the application, in accordance with the Priority of Payments, of Interest Proceeds or Principal Proceeds, as applicable, in the following order:

(i) to the payment of accrued and unpaid interest on the Class A-1 Notes until such amount has been paid in full;

(ii) to the payment of principal of the Class A-1 Notes until such amount has been paid in full;

(iii) to the payment of accrued and unpaid interest on the Class A-2 Notes until such amount has been paid in full;

(iv) to the payment of principal of the Class A-2 Notes until such amount has been paid in full;

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

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

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

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

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

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

(xi) to the payment of *first* accrued and unpaid interest and then *second* any Deferred Interest on the Class E Notes until such amounts have been paid in full; and

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

"**Notional Accrual Period**" means each of (i) the period from and including the Closing Date to but excluding the Anniversary Date, (ii) the period from and including the Anniversary Date to but excluding Second Anniversary Date and (iii) thereafter, the period from and including the Second Anniversary Date to but excluding the first Payment Date.

"**Notional Designated Maturity**" means with respect to all Notional Accrual Periods, three months.

"**Notional Determination Date**" means the second London Banking Day preceding the first day of each Notional Accrual Period.

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

"**Overcollateralization Ratio**" means, with respect to any specified Class or Classes of Secured Notes as of the last day of the Ramp-Up Period or any Measurement Date thereafter, the percentage derived from:

(i) the Adjusted Collateral Principal Amount; *divided by*

(ii) the sum of the aggregate outstanding principal amounts (including any Deferred Interest previously added to the principal amount of the Deferrable Notes that remains unpaid) of the Secured Notes of such Class or Classes, each Priority Class of Secured Notes and each *pari passu* Class of Secured Notes.

"**Partial Deferrable Obligation**" means any Collateral Obligation with respect to which under the related underlying instruments (i) a portion of the interest due thereon is required to be paid in cash on each payment date therefor and is not permitted to be deferred or capitalized (which portion will at least be equal to LIBOR or the

applicable index with respect to which interest on such Collateral Obligation is calculated (or, in the case of a fixed rate Collateral Obligation, at least equal to the forward swap rate for a designated maturity equal to the scheduled maturity of such Collateral Obligation)) and (ii) the issuer thereof or obligor thereon may defer or capitalize the remaining portion of the interest due thereon.

"**Participation Interest**" means a participation interest in a loan that, at the time of acquisition, or the Issuer's commitment to acquire the same, satisfies each of the following criteria:

(a) the loan underlying such participation would constitute a Collateral Obligation were it acquired directly;

(b) the Selling Institution is the lender on the loan;

(c) the aggregate participation in the loan granted by such Selling Institution to any one or more participants does not exceed the principal amount or commitment with respect to which the Selling Institution is a lender under such loan;

(d) such participation does not grant, in the aggregate, to the participant in such participation a greater interest than the Selling Institution holds in the loan or commitment that is the subject of the participation;

(e) the entire purchase price for such participation is paid in full (without the benefit of financing from the Selling Institution or its affiliates) at the time of the Issuer's acquisition (or, to the extent of a participation in the unfunded commitment under a Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, at the time of the funding of such loan);

(f) the participation provides the participant all of the economic benefit and risk of the whole or part of the loan or commitment that is the subject of the loan participation; and

(g) such participation is documented under a Loan Syndications and Trading Association, Loan Market Association or similar agreement standard for loan participation transactions among institutional market participants;

provided that, for the avoidance of doubt, a Participation Interest shall not include a sub-participation interest in any loan.

"**Permitted Hedge**" means a derivative meeting the requirements of paragraph 10(c)(8)(iv) of the exclusions from the definition of "covered fund" for purposes of the Volcker Rule.

"**Person**" means an individual, corporation (including a business trust), partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"**Plan Asset Regulations**" means the regulations issued by the United States Department of Labor at Section 2510.3-101 of Part 2510 of Chapter XXV, Title 29 of the United States Code of Federal Regulations or any successor regulations, as modified by Section 3(42) of ERISA, or otherwise.

"**Pledged Obligations**" means, as of any date of determination, the Collateral Obligations, the Eligible Investments and any Equity Security which forms part of the Assets that have been granted to the Trustee.

"**Post-Acceleration Payment Date**" means any Payment Date after the principal of the Secured Notes has been declared to be or has otherwise become immediately due and payable pursuant to the applicable provisions of the Indenture; *provided* that such declaration has not been rescinded or annulled.

"**Potential Tax Asset**" means any Collateral Obligation or other asset held by the Issuer with respect to which, as a result of a change in law, the Issuer has received an opinion of counsel of nationally recognized tax counsel to the effect that there is a reasonable basis to conclude that (i) the ownership of such Collateral Obligation or other asset would result in the Issuer being or becoming engaged in a trade or business in the United States or subject to

U.S. tax on a net income basis or subject to the U.S. branch profits tax or (ii) the ownership of such Collateral Obligation or other asset violates certain requirements set forth in the Portfolio Management Agreement.

"**Prefunded Letter of Credit**" means a Letter of Credit under which the lender/participant is obligated to collateralize or prefund its funding obligations to the LOC Agent Bank.

"**Principal Financed Accrued Interest**" means, with respect to (i) any Collateral Obligation owned or purchased by the Issuer on the Closing Date, an amount equal to the unpaid interest on such Collateral Obligation that accrued prior to the Closing Date that is owing to the Issuer and remains unpaid as of the Closing Date and (ii) any Collateral Obligation purchased after the Closing Date, the amount of Principal Proceeds, if any, applied towards the purchase of accrued interest on such Collateral Obligation; *provided*, *however*, in the case of this clause (ii), Principal Financed Accrued Interest will not include any accrued interest purchased with Interest Proceeds deemed to be Principal Proceeds as set forth in the definition of "Interest Proceeds."

"**Principal Proceeds**" means, with respect to any Collection Period or Determination Date, all amounts received by the Issuer during the related Collection Period that do not constitute Interest Proceeds; *provided*, that, for the avoidance of doubt, Principal Proceeds will not include the Excepted Property.

"**Priority Class**" means, with respect to any specified Class of Notes, each Class of Notes that ranks senior to such Class, as indicated in "Overview of Terms—Principal Terms of the Notes."

"**Priority Hedge Termination Event**" means the occurrence of (i) the Issuer's failure to make required payments or deliveries pursuant to a Hedge Agreement with respect to which the Issuer is the sole Defaulting Party (as defined in the relevant Hedge Agreement), (ii) the occurrence of certain events of bankruptcy, dissolution or insolvency with respect to the Issuer with respect to which the Issuer is the sole Defaulting Party (as defined in the relevant Hedge Agreement), (iii) the delivery to the Trustee of an irrevocable order to liquidate the Assets due to an Event of Default under the Indenture, (iv) a change in law after the Closing Date which makes it unlawful for either the Issuer or a Hedge Counterparty to perform its obligations under a Hedge Agreement or (v) any termination of a Hedge Agreement as a result of actions taken by the Trustee in response to a reduction in the Collateral Principal Amount with respect to which the Issuer is the sole Defaulting Party or Affected Party (as defined in the relevant Hedge Agreement).

"**Proposed Portfolio**" means the portfolio of Collateral Obligations and Eligible Investments resulting from the proposed purchase, sale, maturity or other disposition of a Collateral Obligation or a proposed reinvestment in an additional Collateral Obligation, as the case may be.

"**Prospectus**" means the final Offering Circular approved by the Central Bank under the Prospectus Directive, as the Prospectus in connection with the application to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market.

"**Prospectus Directive**"" means Directive 2003/71/EC.

"**Purchase Agreement**" means the agreement to be entered into between the Co-Issuers and Citigroup, as initial purchaser of the Secured Notes, as amended from time to time.

"**Ramp-Up Interest Deposit Restriction**" means a restriction that is satisfied if the sum of (x) the deposits transferred from the Ramp-Up Account and the Principal Collection Account into the Interest Collection Account as Interest Proceeds and (y) Principal Financed Accrued Interest described in clause (i) of the definition thereof that the Portfolio Manager elects to treat as Interest Proceeds on the first Determination Date after the end of the Ramp-Up Period does not exceed 1.25% of the Aggregate Ramp-Up Par Amount.

"**Rating Agency**" means each of Moody's and S&P, in each case only for so long as Notes rated by such entity on the Closing Date are outstanding and rated by such entity.

"**Recalcitrant Holder**" means (i) a Holder of debt or equity in the Issuer or the Co-Issuer that fails to provide the Holder FATCA Information or (ii) a foreign financial institution as defined under FATCA that does not satisfy (or is not deemed to satisfy or not excused from satisfying) Section 1471(b) of the Code.

"**Record Date**" means, with respect to any applicable Payment Date, the day which is fifteen days (whether or not a Business Day) prior to such Payment Date.

"**Redemption Date**" means any date specified for an Optional Redemption or a Partial Redemption by Refinancing under "Description of the Notes—Optional Redemption and Partial Redemption by Refinancing" and any Clean-Up Call Redemption Date.

"**Redemption Price**" means, when used with respect to (i) any Class of Secured Notes, (a) an amount equal to 100% of the aggregate outstanding amount thereof plus (b) accrued and unpaid interest thereon, to the Redemption Date and (ii) any Subordinated Note, its proportional share (based on the aggregate outstanding amount of such Subordinated Notes) of the amount of the proceeds of the Assets (including proceeds created when the lien of the Indenture is released) remaining after giving effect to the redemption of the Secured Notes in full and payment in full of (and/or creation of a reserve for) all expenses of the Co-Issuers; *provided* that, Holders of 100% of the aggregate outstanding amount of any Class of Secured Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class of Secured Notes; *provided, further*, that the Redemption Price for any Re-Priced Class shall equal the aggregate outstanding amount of the Re-Priced Class, plus accrued and unpaid interest thereon at the applicable Interest Rate to but excluding the applicable Re-Pricing Date.

"**Reference Banks**" mean, with respect to calculating LIBOR, any four major banks in the London market selected by the Calculation Agent after consultation with the Portfolio Manager.

"**Regulation D**" means Regulation D, as amended, under the Securities Act.

"**Regulation S Global Secured Note**" means a Secured Note issued as a permanent global note in definitive, fully registered form without interest coupons and sold to a non-U.S. person in an offshore transaction in reliance on Regulation S.

"**Regulation S Global Subordinated Note**" means a Subordinated Note issued as a permanent global note in definitive, fully registered form without interest coupons and sold, at the option of the Issuer (with the written consent of the Portfolio Manager), to non-U.S. persons in offshore transactions in reliance on Regulation S.

"**Reinvestment Overcollateralization Test**" means a test that will be satisfied as of any Measurement Date occurring on or after the last day of the Ramp-Up Period and before the last day of the Reinvestment Period on which Class E Notes remain outstanding, if the Overcollateralization Ratio with respect to the Class E Notes as of such Measurement Date is at least equal to 104.0%.

"**Reinvestment Target Par Balance**" means the Aggregate Ramp-Up Par Amount *minus* (A) the amount of any reduction in the aggregate outstanding amount of the Notes through the Priority of Payments *plus* (B) the aggregate amount of Principal Proceeds that result from the issuance of any additional Notes (after giving effect to such issuance of any additional Notes).

"**Required Hedge Counterparty Rating**" means, with respect to any Hedge Counterparty, the ratings required by the criteria of each Rating Agency then rating a Class of Secured Notes in effect at the time of execution of the related Hedge Agreement.

"**Restricted Trading Period**" means each day during which (1) (a) while any Class A-1 Notes are outstanding, the Moody's rating of the Class A-1 Notes or the S&P rating of any of the Class A-1 Notes is one or more subcategories below its initial rating thereof or has been withdrawn and not reinstated or (b) while any Class A-2 Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes are outstanding, the S&P rating of any of the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes or the Class E Notes is two or more subcategories below its initial rating or such rating has been withdrawn and not reinstated and (2) after giving effect to any sale of the relevant Collateral Obligations, either (x) the aggregate principal balance of the Collateral Obligations (excluding the Collateral Obligation being sold) and Eligible Investments constituting Principal Proceeds (including, without duplication, the anticipated net proceeds of such sale) will be less than the Reinvestment Target Par Balance or (y) any of the Coverage Tests are not satisfied; *provided* that such period will not be a Restricted Trading Period upon the direction of a Majority of the Controlling Class, which direction by a Majority of the Controlling Class will remain in effect until the earlier of (i) a subsequent direction by a Majority of

the Controlling Class to declare the beginning of a Restricted Trading Period or (ii) a further downgrade or withdrawal of any Class of Notes by Moody's or S&P, as applicable, that notwithstanding such direction would cause the conditions set forth in clauses (1) or (2) to be true. For the avoidance of doubt, no Restricted Trading Period will restrict any sale of a Collateral Obligation entered into by the Issuer at a time when a Restricted Trading Period was not in effect, regardless of whether such sale has settled.

"**Reuters Screen**" means the rates for deposits in dollars which appear on the Reuters Screen LIBOR 01 Page (or such other page that may replace that page on such service for the purpose of displaying comparable rates) on the Bloomberg Financial Markets Commodities News as of 11:00 a.m., London time, on the Interest Determination Date (or Notional Determination Date, if applicable).

"**Revolving Collateral Obligation**" means any Collateral Obligation (other than a Delayed Drawdown Collateral Obligation) that is a loan (including, without limitation, revolving loans, including funded and unfunded portions of revolving credit lines and letter of credit facilities, unfunded commitments under specific facilities and other similar loans and investments) that by its terms may require one or more future advances to be made to the borrower by the Issuer; *provided*, that any such Collateral Obligation will be a Revolving Collateral Obligation only until all commitments to make advances to the borrower expire or are terminated or irrevocably reduced to zero.

"**Rule 144A Global Secured Note**" means a Secured Note issued as a permanent global note in definitive, fully registered form without interest coupons and sold to a person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Secured Note is both a Qualified Institutional Buyer and a Qualified Purchaser.

"**S&P**" means Standard & Poor's Rating Services, a Standard & Poor's Financial Services LLC business, and any successor thereto.

"**S&P Additional Current Pay Criteria**" means criteria satisfied with respect to any Collateral Obligation (other than a DIP Collateral Obligation) if either (i) the issuer of such Collateral Obligation has made a Distressed Exchange Offer and the Collateral Obligation is already held by the Issuer and is subject to the Distressed Exchange Offer or ranks equal to or higher in priority than the obligation subject to the Distressed Exchange Offer, or (ii) such Collateral Obligation has a Market Value of at least 80% of its par value.

"**S&P Asset Specific Recovery Rating**" means, with respect to any Collateral Obligation, the corporate recovery rating assigned by S&P (*i.e.*, the S&P Recovery Rate) to such Collateral Obligation.

"**S&P CDO Monitor**" means, each dynamic, analytical computer model developed by S&P used to calculate the default frequency in terms of the amount of debt assumed to default as a percentage of the original principal amount of the Collateral Obligations consistent with a specified benchmark rating level based upon certain assumptions (including the applicable S&P Weighted Average Recovery Rate) and S&P's proprietary corporate default studies, as may be amended by S&P from time to time upon notice to the Issuer, the Trustee and the Collateral Administrator. Each S&P CDO Monitor will be chosen by the Portfolio Manager (with notice to the Collateral Administrator) and associated with either (x) an S&P Weighted Average Recovery Rate, a Weighted Average Life and a Weighted Average Floating Spread from the matrices below or (y) an S&P Weighted Average Recovery Rate, a Weighted Average Life and a Weighted Average Floating Spread confirmed by S&P.

S&P Recovery Rate Matrix

	Class A-1 Notes	Class A-2 Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes
Case	S&P Recovery Rate					
1	51.60%	61.30%	66.70%	73.00%	78.70%	84.20%
2	51.50%	61.20%	66.60%	72.90%	78.60%	84.10%
3	51.40%	61.10%	66.50%	72.80%	78.50%	84.00%
4	51.30%	61.00%	66.40%	72.70%	78.40%	83.90%
5	51.20%	60.90%	66.30%	72.60%	78.30%	83.80%
6	51.10%	60.80%	66.20%	72.50%	78.20%	83.70%
7	51.00%	60.70%	66.10%	72.40%	78.10%	83.60%
8	50.90%	60.60%	66.00%	72.30%	78.00%	83.50%
9	50.80%	60.50%	65.90%	72.20%	77.90%	83.40%

	Class A-1 Notes	Class A-2 Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes
Case	S&P Recovery Rate					
10	50.70%	60.40%	65.80%	72.10%	77.80%	83.30%
11	50.60%	60.30%	65.70%	72.00%	77.70%	83.20%
12	50.50%	60.20%	65.60%	71.90%	77.60%	83.10%
13	50.40%	60.10%	65.50%	71.80%	77.50%	83.00%
14	50.30%	60.00%	65.40%	71.70%	77.40%	82.90%
15	50.20%	59.90%	65.30%	71.60%	77.30%	82.80%
16	50.10%	59.80%	65.20%	71.50%	77.20%	82.70%
17	50.00%	59.70%	65.10%	71.40%	77.10%	82.60%
18	49.90%	59.60%	65.00%	71.30%	77.00%	82.50%
19	49.80%	59.50%	64.90%	71.20%	76.90%	82.40%
20	49.70%	59.40%	64.80%	71.10%	76.80%	82.30%
21	49.60%	59.30%	64.70%	71.00%	76.70%	82.20%
22	49.50%	59.20%	64.60%	70.90%	76.60%	82.10%
23	49.40%	59.10%	64.50%	70.80%	76.50%	82.00%
24	49.30%	59.00%	64.40%	70.70%	76.40%	81.90%
25	49.20%	58.90%	64.30%	70.60%	76.30%	81.80%
26	49.10%	58.80%	64.20%	70.50%	76.20%	81.70%
27	49.00%	58.70%	64.10%	70.40%	76.10%	81.60%
28	48.90%	58.60%	64.00%	70.30%	76.00%	81.50%
29	48.80%	58.50%	63.90%	70.20%	75.90%	81.40%
30	48.70%	58.40%	63.80%	70.10%	75.80%	81.30%
31	48.60%	58.30%	63.70%	70.00%	75.70%	81.20%
32	48.50%	58.20%	63.60%	69.90%	75.60%	81.10%
33	48.40%	58.10%	63.50%	69.80%	75.50%	81.00%
34	48.30%	58.00%	63.40%	69.70%	75.40%	80.90%
35	48.20%	57.90%	63.30%	69.60%	75.30%	80.80%
36	48.10%	57.80%	63.20%	69.50%	75.20%	80.70%
37	48.00%	57.70%	63.10%	69.40%	75.10%	80.60%
38	47.90%	57.60%	63.00%	69.30%	75.00%	80.50%
39	47.80%	57.50%	62.90%	69.20%	74.90%	80.40%
40	47.70%	57.40%	62.80%	69.10%	74.80%	80.30%
41	47.60%	57.30%	62.70%	69.00%	74.70%	80.20%
42	47.50%	57.20%	62.60%	68.90%	74.60%	80.10%
43	47.40%	57.10%	62.50%	68.80%	74.50%	80.00%
44	47.30%	57.00%	62.40%	68.70%	74.40%	79.90%
45	47.20%	56.90%	62.30%	68.60%	74.30%	79.80%
46	47.10%	56.80%	62.20%	68.50%	74.20%	79.70%
47	47.00%	56.70%	62.10%	68.40%	74.10%	79.60%
48	46.90%	56.60%	62.00%	68.30%	74.00%	79.50%
49	46.80%	56.50%	61.90%	68.20%	73.90%	79.40%
50	46.70%	56.40%	61.80%	68.10%	73.80%	79.30%
51	46.60%	56.30%	61.70%	68.00%	73.70%	79.20%
52	46.50%	56.20%	61.60%	67.90%	73.60%	79.10%
53	46.40%	56.10%	61.50%	67.80%	73.50%	79.00%
54	46.30%	56.00%	61.40%	67.70%	73.40%	78.90%
55	46.20%	55.90%	61.30%	67.60%	73.30%	78.80%
56	46.10%	55.80%	61.20%	67.50%	73.20%	78.70%
57	46.00%	55.70%	61.10%	67.40%	73.10%	78.60%
58	45.90%	55.60%	61.00%	67.30%	73.00%	78.50%
59	45.80%	55.50%	60.90%	67.20%	72.90%	78.40%
60	45.70%	55.40%	60.80%	67.10%	72.80%	78.30%
61	45.60%	55.30%	60.70%	67.00%	72.70%	78.20%
62	45.50%	55.20%	60.60%	66.90%	72.60%	78.10%
63	45.40%	55.10%	60.50%	66.80%	72.50%	78.00%
64	45.30%	55.00%	60.40%	66.70%	72.40%	77.90%
65	45.20%	54.90%	60.30%	66.60%	72.30%	77.80%
66	45.10%	54.80%	60.20%	66.50%	72.20%	77.70%

	Class A-1 Notes	Class A-2 Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes
Case	S&P Recovery Rate					
67	45.00%	54.70%	60.10%	66.40%	72.10%	77.60%
68	44.90%	54.60%	60.00%	66.30%	72.00%	77.50%
69	44.80%	54.50%	59.90%	66.20%	71.90%	77.40%
70	44.70%	54.40%	59.80%	66.10%	71.80%	77.30%
71	44.60%	54.30%	59.70%	66.00%	71.70%	77.20%
72	44.50%	54.20%	59.60%	65.90%	71.60%	77.10%
73	44.40%	54.10%	59.50%	65.80%	71.50%	77.00%
74	44.30%	54.00%	59.40%	65.70%	71.40%	76.90%
75	44.20%	53.90%	59.30%	65.60%	71.30%	76.80%
76	44.10%	53.80%	59.20%	65.50%	71.20%	76.70%
77	44.00%	53.70%	59.10%	65.40%	71.10%	76.60%
78	43.90%	53.60%	59.00%	65.30%	71.00%	76.50%
79	43.80%	53.50%	58.90%	65.20%	70.90%	76.40%
80	43.70%	53.40%	58.80%	65.10%	70.80%	76.30%
81	43.60%	53.30%	58.70%	65.00%	70.70%	76.20%
82	43.50%	53.20%	58.60%	64.90%	70.60%	76.10%
83	43.40%	53.10%	58.50%	64.80%	70.50%	76.00%
84	43.30%	53.00%	58.40%	64.70%	70.40%	75.90%
85	43.20%	52.90%	58.30%	64.60%	70.30%	75.80%
86	43.10%	52.80%	58.20%	64.50%	70.20%	75.70%
87	43.00%	52.70%	58.10%	64.40%	70.10%	75.60%
88	42.90%	52.60%	58.00%	64.30%	70.00%	75.50%
89	42.80%	52.50%	57.90%	64.20%	69.90%	75.40%
90	42.70%	52.40%	57.80%	64.10%	69.80%	75.30%
91	42.60%	52.30%	57.70%	64.00%	69.70%	75.20%
92	42.50%	52.20%	57.60%	63.90%	69.60%	75.10%
93	42.40%	52.10%	57.50%	63.80%	69.50%	75.00%
94	42.30%	52.00%	57.40%	63.70%	69.40%	74.90%
95	42.20%	51.90%	57.30%	63.60%	69.30%	74.80%
96	42.10%	51.80%	57.20%	63.50%	69.20%	74.70%
97	42.00%	51.70%	57.10%	63.40%	69.10%	74.60%
98	41.90%	51.60%	57.00%	63.30%	69.00%	74.50%
99	41.80%	51.50%	56.90%	63.20%	68.90%	74.40%
100	41.70%	51.40%	56.80%	63.10%	68.80%	74.30%
101	41.60%	51.30%	56.70%	63.00%	68.70%	74.20%
102	41.50%	51.20%	56.60%	62.90%	68.60%	74.10%
103	41.40%	51.10%	56.50%	62.80%	68.50%	74.00%
104	41.30%	51.00%	56.40%	62.70%	68.40%	73.90%
105	41.20%	50.90%	56.30%	62.60%	68.30%	73.80%
106	41.10%	50.80%	56.20%	62.50%	68.20%	73.70%
107	41.00%	50.70%	56.10%	62.40%	68.10%	73.60%
108	40.90%	50.60%	56.00%	62.30%	68.00%	73.50%
109	40.80%	50.50%	55.90%	62.20%	67.90%	73.40%
110	40.70%	50.40%	55.80%	62.10%	67.80%	73.30%
111	40.60%	50.30%	55.70%	62.00%	67.70%	73.20%
112	40.50%	50.20%	55.60%	61.90%	67.60%	73.10%
113	40.40%	50.10%	55.50%	61.80%	67.50%	73.00%
114	40.30%	50.00%	55.40%	61.70%	67.40%	72.90%
115	40.20%	49.90%	55.30%	61.60%	67.30%	72.80%
116	40.10%	49.80%	55.20%	61.50%	67.20%	72.70%
117	40.00%	49.70%	55.10%	61.40%	67.10%	72.60%
118	39.90%	49.60%	55.00%	61.30%	67.00%	72.50%
119	39.80%	49.50%	54.90%	61.20%	66.90%	72.40%
120	39.70%	49.40%	54.80%	61.10%	66.80%	72.30%
121	39.60%	49.30%	54.70%	61.00%	66.70%	72.20%
122	39.50%	49.20%	54.60%	60.90%	66.60%	72.10%
123	39.40%	49.10%	54.50%	60.80%	66.50%	72.00%

	Class A-1 Notes	Class A-2 Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes
Case	S&P Recovery Rate					
124	39.30%	49.00%	54.40%	60.70%	66.40%	71.90%
125	39.20%	48.90%	54.30%	60.60%	66.30%	71.80%
126	39.10%	48.80%	54.20%	60.50%	66.20%	71.70%
127	39.00%	48.70%	54.10%	60.40%	66.10%	71.60%
128	38.90%	48.60%	54.00%	60.30%	66.00%	71.50%
129	38.80%	48.50%	53.90%	60.20%	65.90%	71.40%
130	38.70%	48.40%	53.80%	60.10%	65.80%	71.30%
131	38.60%	48.30%	53.70%	60.00%	65.70%	71.20%
132	38.50%	48.20%	53.60%	59.90%	65.60%	71.10%
133	38.40%	48.10%	53.50%	59.80%	65.50%	71.00%
134	38.30%	48.00%	53.40%	59.70%	65.40%	70.90%
135	38.20%	47.90%	53.30%	59.60%	65.30%	70.80%
136	38.10%	47.80%	53.20%	59.50%	65.20%	70.70%
137	38.00%	47.70%	53.10%	59.40%	65.10%	70.60%
138	37.90%	47.60%	53.00%	59.30%	65.00%	70.50%
139	37.80%	47.50%	52.90%	59.20%	64.90%	70.40%
140	37.70%	47.40%	52.80%	59.10%	64.80%	70.30%
141	37.60%	47.30%	52.70%	59.00%	64.70%	70.20%
142	37.50%	47.20%	52.60%	58.90%	64.60%	70.10%
143	37.40%	47.10%	52.50%	58.80%	64.50%	70.00%
144	37.30%	47.00%	52.40%	58.70%	64.40%	69.90%
145	37.20%	46.90%	52.30%	58.60%	64.30%	69.80%
146	37.10%	46.80%	52.20%	58.50%	64.20%	69.70%
147	37.00%	46.70%	52.10%	58.40%	64.10%	69.60%
148	36.90%	46.60%	52.00%	58.30%	64.00%	69.50%
149	36.80%	46.50%	51.90%	58.20%	63.90%	69.40%
150	36.70%	46.40%	51.80%	58.10%	63.80%	69.30%
151	36.60%	46.30%	51.70%	58.00%	63.70%	69.20%
152	36.50%	46.20%	51.60%	57.90%	63.60%	69.10%
153	36.40%	46.10%	51.50%	57.80%	63.50%	69.00%
154	36.30%	46.00%	51.40%	57.70%	63.40%	68.90%
155	36.20%	45.90%	51.30%	57.60%	63.30%	68.80%
156	36.10%	45.80%	51.20%	57.50%	63.20%	68.70%
157	36.00%	45.70%	51.10%	57.40%	63.10%	68.60%
158	35.90%	45.60%	51.00%	57.30%	63.00%	68.50%
159	35.80%	45.50%	50.90%	57.20%	62.90%	68.40%
160	35.70%	45.40%	50.80%	57.10%	62.80%	68.30%

The S&P Recovery Rate for each Class of Notes may be chosen individually by Class.

Minimum Floating Spread Matrix

Case	Minimum Floating Spread
1	2.20%
2	2.25%
3	2.30%
4	2.35%
5	2.40%
6	2.45%
7	2.50%
8	2.55%
9	2.60%
10	2.65%
11	2.70%
12	2.75%
13	2.80%

Case	Minimum Floating Spread
14	2.85%
15	2.90%
16	2.95%
17	3.00%
18	3.05%
19	3.10%
20	3.15%
21	3.20%
22	3.25%
23	3.30%
24	3.35%
25	3.40%
26	3.45%
27	3.50%
28	3.55%
29	3.60%
30	3.65%
31	3.70%
32	3.75%
33	3.80%
34	3.85%
35	3.90%
36	3.95%
37	4.00%
38	4.05%
39	4.10%
40	4.15%
41	4.20%
42	4.25%
43	4.30%
44	4.35%
45	4.40%
46	4.45%
47	4.50%
48	4.55%
49	4.60%
50	4.65%
51	4.70%
52	4.75%
53	4.80%
54	4.85%
55	4.90%

Weighted Average Life Matrix

Case	Weighted Average Life
1	4.0
2	4.5
3	5.0
4	5.5
5	6.0
6	6.5
7	7.0
8	7.5
9	8.0

"**S&P CDO Monitor Test**" means a test that will be satisfied on any date of determination following receipt by the Issuer and the Collateral Administrator of the applicable input file to the S&P CDO Monitor if, after giving effect to the purchase of an additional Collateral Obligation, each Class Default Differential of the Proposed Portfolio is positive. The S&P CDO Monitor Test will be considered to be improved if each Class Default Differential of the Proposed Portfolio is greater than the corresponding Class Default Differential of the Current Portfolio.

"**S&P Collateral Value**" means, with respect to any Defaulted Obligation, the lesser of (i) the S&P Recovery Amount of such Defaulted Obligation as of the relevant Measurement Date and (ii) the Market Value of such Defaulted Obligation as of the relevant Measurement Date.

"**S&P Minimum Weighted Average Recovery Rate Test**" means a test that will be satisfied on any date of determination if the S&P Weighted Average Recovery Rate for the Highest Ranking Class equals or exceeds the S&P Weighted Average Recovery Rate for such Class selected by the Portfolio Manager (with notice to the Collateral Administrator) in connection with the S&P CDO Monitor Test.

"**S&P Rating Condition**" means, with respect to any action taken or to be taken by or on behalf of the Issuer, a condition that is satisfied if S&P has specifically confirmed in writing, including by electronic messages, facsimile, press release, posting to its internet website, or other means then considered industry standard (or has waived the review of such action by such means), to the Issuer, the Trustee and the Portfolio Manager that no immediate withdrawal or reduction with respect to its then-current rating of any Class of Secured Notes will occur as a result of such action; *provided*, that

(i) the S&P Rating Condition will be deemed to be satisfied if no Class of Secured Notes outstanding is rated by S&P or

(ii) if S&P makes a public announcement or informs the Issuer, the Portfolio Manager or the Trustee in writing that (a) it believes that satisfaction of the S&P Rating Condition is not required with respect to an action or (b) its practice is not to give such confirmations, satisfaction of the S&P Rating Condition will not be required with respect to the applicable action.

"**S&P Recovery Amount**" means with respect to any Collateral Obligation, an amount equal to:

(a) the applicable S&P Recovery Rate; multiplied by

(b) the principal balance of such Collateral Obligation.

"**S&P Recovery Rate**" means, with respect to a Collateral Obligation, the recovery rate determined in the manner set forth in Annex B.

"**S&P Weighted Average Recovery Rate**" means, as of any date of determination, the number, expressed as a percentage and determined for the Highest Ranking Class, obtained by summing the products obtained by multiplying the outstanding principal balance of each Collateral Obligation (excluding any Defaulted Obligation) by its corresponding recovery rate as determined in accordance with Annex B hereto, dividing such sum by the aggregate principal balance of all Collateral Obligations (excluding any Defaulted Obligations), and rounding to the nearest tenth of a percent.

"**S&P/Moody's Selected Maximum Average Life**" means, as of any date of determination, the Weighted Average Life associated with the S&P CDO Monitor chosen by the Portfolio Manager pursuant to the definition of "S&P CDO Monitor" with respect to such date.

"**Sale Proceeds**" means all proceeds (excluding accrued interest, if any) received with respect to Assets as a result of sales of such Assets less any reasonable expenses incurred by the Portfolio Manager, the Trustee or the Collateral Administrator (other than amounts payable as Administrative Expenses) in connection with such sales.

"**Second Anniversary Date**" means the six calendar month anniversary of the Closing Date.

"**Second Lien Loan**" means any assignment of or Participation Interest or other interest in a loan that (i) is not (and that by its terms is not permitted to become) subordinate in right of payment to any other obligation of the obligor of the loan other than a Senior Secured Loan with respect to the liquidation of such obligor or the collateral for such loan and (ii) is secured by a valid second priority perfected security interest or lien to or on specified collateral securing the obligor's obligations under the loan, which security interest or lien is not subordinate to the security interest or lien securing any other debt for borrowed money other than a Senior Secured Loan on such specified collateral.

"**Secured Parties**" means collectively the holders of the Secured Notes, each Hedge Counterparty, the Collateral Administrator, the custodian and the Trustee (in each of its capacities).

"**Securities Intermediary**" is as defined in Section 8-102(a)(14) of the Uniform Commercial Code.

"**Securities Lending Agreement**" means an agreement pursuant to which the Issuer agrees to loan any counterparty one or more obligations.

"**Selling Institution**" means the entity obligated to make payments to the Issuer under the terms of a Participation Interest.

"**Senior Secured Loan**" means any assignment of, Participation Interest in or other interest in a loan that (i) is secured by a first priority perfected security interest or lien on specified collateral (subject to customary exemptions for permitted liens, including, without limitation, any tax liens), (ii) has the most senior pre-petition priority (including *pari passu* with other obligations of the obligor) in any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings and (iii) by its terms is not permitted to become subordinate in right of payment to any other obligation of the obligor thereof.

"**Senior Unsecured Loan**" means any assignment of or Participation Interest in or other interest in an unsecured loan that is not subordinated to any other unsecured indebtedness of the obligor.

"**Similar Law**" means any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer and the Portfolio Manager (or other Persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code.

"**Step-Down Obligation**" means any Collateral Obligation (other than a Libor Floor Obligation) the underlying instruments of which contractually mandate decreases in coupon payments or spread over time (in each case other than decreases that are conditioned upon an improvement in the creditworthiness of the obligor or changes in a pricing grid or based on improvements in financial ratios or other similar coupon or spread-reset features).

"**Step-Up Obligation**" means any Collateral Obligation which provides for an increase, in the case of a Collateral Obligation which bears interest at a fixed rate, in the *per annum* interest rate on such Collateral Obligation or, in the case of a Collateral Obligation which bears interest at a floating rate, in the spread over that applicable index or benchmark rate, solely as a function of the passage of time.

"**Structured Finance Obligation**" means any obligation of a special purpose vehicle (other than the Notes or any other security or obligation issued by the Issuer) secured directly by, referenced to, or representing ownership of, a pool of receivables or other assets including collateralized debt obligations.

"**Supermajority**" means, with respect to any Class of Notes, the holders of at least 66⅔% of the aggregate outstanding principal amount of the Notes of such Class.

"**Swapped Non-Discount Obligation**" means any Collateral Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the proceeds of a sale of a Collateral Obligation that was not a Discount Obligation at the time of its purchase, and will not be considered a Discount Obligation so long as such purchased Collateral Obligation (a) is purchased or committed to be purchased within 20 Business 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

Obligation, (c) is purchased at a purchase price not less than 65% of the principal balance thereof, and (d) has rating(s) equal to or greater than the rating(s) of the sold Collateral Obligation; *provided*, that to the extent the aggregate principal balance of Swapped Non-Discount Obligations purchased by the Issuer since the Closing Date exceeds 5.0% of the Collateral Principal Amount, such excess will not constitute Swapped Non-Discount Obligations; *provided*, *further*, that such Collateral Obligation will cease to be a Swapped Non-Discount Obligation at such time as the average Market Value of such Collateral Obligation, for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Obligation, equals or exceeds 90% of the average price of the principal balance of such Collateral Obligation.

"**Synthetic Security**" means a security or swap transaction other than a Participation Interest that has payments associated with either payments of interest and/or principal on a reference obligation or the credit performance of a reference obligation.

"**Tax Advantaged Jurisdiction**" means (a) one of the jurisdictions of the Bahamas, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands, Jersey, Singapore or the U.S. Virgin Islands so long as each such jurisdiction is rated at least "AA" by S&P and "Aa2" by Moody's or (b) upon satisfaction of the Global Rating Agency Condition with respect to the treatment of another jurisdiction as a Tax Advantaged Jurisdiction, such other jurisdiction.

"**Tax Event**" means an event that will occur: if on or prior to the next Payment Date (i) any obligor is or, on the next scheduled payment date under any Collateral Obligation or Eligible Investment, will be required to deduct or withhold from any payment to the Issuer for or on account of any tax for whatever reason and such obligor is not required to pay to the Issuer such additional amount as is necessary to ensure that the net amount actually received by the Issuer (after payment of all taxes, whether assessed against such obligor or the Issuer) equals the full amount that the Issuer would have received had no such taxes been imposed, (ii) any jurisdiction imposes or will impose tax on the Issuer, (iii) the Issuer is or will be required to deduct or withhold from any payment to any counterparty for or on account of any tax and the Issuer is obligated to make a gross up payment (or otherwise pay additional amounts) to the counterparty, or (iv) a Hedge Counterparty is or will be required to deduct or withhold from any payment under a Hedge Agreement for or on account of any tax for whatever reason and such Hedge Counterparty is not required to pay to the Issuer such additional amount as is necessary to ensure that the net amount actually received by the Issuer (after payment of all taxes, whether assessed against such Hedge Counterparty or the Issuer) will equal the full amount that the Issuer would have received had no such taxes been imposed, and the aggregate amount of such a tax or taxes imposed on the Issuer or withheld from payments to the Issuer and with respect to which the Issuer receives less than the full amount that the Issuer would have received had no such deduction occurred, or "gross up payments" required to be made by the Issuer (x) is in excess of $1,000,000 during the Collection Period in which such event occurs or (y) the aggregate of all such amounts imposed, or "gross up payment" requirements required to be made by the Issuer, during any 12-month period is, in excess of $1,000,000.

"**Taxed Asset**" means an equity interest in a "partnership" (within the meaning of Section 7701(a)(2) of the Code), "grantor trust" (within the meaning of the Code) or entity that is disregarded as separate from its owners for U.S. federal income tax purposes that is or may be engaged or deemed to be engaged in a trade or business in the United States, in each case, received in a workout of a Defaulted Obligation or otherwise acquired in connection with a workout of a Collateral Obligation.

"**Third Party Credit Exposure**" as of any date of determination means the sum (without duplication) of (a) the principal balance of each Collateral Obligation that consists of a Participation Interest *plus* (b) the principal balance of each Collateral Obligation that is a Letter of Credit.

"**Third Party Credit Exposure Limits**" means limits that will be satisfied if the Third Party Credit Exposure with counterparties having the ratings below from S&P do not exceed the percentage of the Collateral Principal Amount specified below:

S&P's credit rating of Selling Institution or LOC Agent Bank	Aggregate Percentage Limit	Individual Percentage Limit
AAA	20%	20%
AA+	10%	10%
AA	10%	10%
AA-	10%	10%
A+	5%	5%
A	5%	5%
A– or below	0%	0%

provided that a Selling Institution or LOC Agent Bank having an S&P credit rating of "A" must also have a short-term S&P rating of "A-1" otherwise its Aggregate Percentage Limit and Individual Percentage Limit shall be 0%.

"**Transaction Documents**" means the Indenture, the Portfolio Management Agreement, the Collateral Administration Agreement, the Securities Account Control Agreement, the Purchase Agreement, the Administration Agreement and the Registered Office Agreement.

"**Trust Officer**" means, when used with respect to the Trustee, any officer within the corporate trust office (or any successor group of the Trustee) including any vice president, assistant vice president or officer of the Trustee customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the corporate trust office because of such person's knowledge of and familiarity with the particular subject, and in each case having direct responsibility for the administration of the Indenture.

"**Unsalable Asset**" means (a)(i) a Defaulted Obligation, (ii) an Equity Security, (iii) an obligation received in connection with an Offer, in a restructuring or plan of reorganization with respect to the obligor or (iv) any other exchange or any other security or debt obligation that is part of the Assets, in the case of (i), (ii) or (iii) in respect of which the Issuer has not received a payment in cash during the preceding 12 months or (b) any Pledged Obligation identified in the certificate of the Portfolio Manager as having a Market Value of less than $1,000, in each case of (a) and (b) with respect to which the Portfolio Manager certifies to the Trustee that (x) it has made commercially reasonable efforts to dispose of such Pledged Obligation for at least 90 days and (y) in its commercially reasonable judgment such Pledged Obligation is not expected to be saleable for the foreseeable future.

"**Unscheduled Principal Payments**" means any principal payments received with respect to a Collateral Obligation during and after the Reinvestment Period as a result of optional redemptions, exchange offers, tender offers, consents or other payments or prepayments made at the option of the issuer thereof.

"**Weighted Average Fixed Coupon**" means, as of any Measurement Date, an amount equal to the number, expressed as a percentage, obtained by dividing:

(a) in the case of each fixed rate Collateral Obligation (excluding any Deferrable Obligation and any Partial Deferrable Obligation to the extent of any non-cash interest), the stated interest coupon on such Collateral Obligation times the principal balance of such Collateral Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation); by

(b) an amount equal to the lesser of (i) the product of (A) the Reinvestment Target Par Balance and (B) a fraction, the numerator of which is equal to the aggregate principal balance of fixed rate Collateral Obligations and the denominator of which is equal to the aggregate principal balance of all Collateral Obligations as of such Measurement Date (in each case excluding (1) any Deferrable Obligation or Partial Deferrable Obligation to the extent of any non-cash interest and (2) the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation that are fixed rate Collateral Obligations) and (ii) the aggregate principal balance of the fixed rate Collateral Obligations as of such Measurement Date (excluding (1) any Deferrable Obligation or Partial Deferrable Obligation to the extent of any non-cash interest and (2) the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation that are fixed rate Collateral Obligations);

provided that in the case of each of the foregoing clauses (a) and (b), in calculating the Weighted Average Fixed Coupon in respect of (1) any Step-Down Obligation, the coupon of such Collateral Obligation will be the lowest permissible coupon pursuant to the underlying instruments of the obligor of such Step-Down Obligation and (2) any Step-Up Obligation, the coupon of such Collateral Obligation will be the current coupon pursuant to the underlying instruments of the obligor of such Step-Up Obligation; *provided, further*, that to the extent that the calculation above is insufficient to satisfy the Minimum Fixed Coupon Test, the Excess Weighted Average Floating Spread shall be added thereto; *provided*, *further*, that, for purposes of the S&P CDO Monitor, clause (b)(i) above shall be deemed to be inapplicable and the Weighted Average Fixed Coupon shall be determined on the basis of clause (b)(ii) above only.

"**Weighted Average Floating Spread**" means, as of any Measurement Date, a fraction (expressed as a percentage) obtained by (i) multiplying the principal balance of each floating rate Collateral Obligation (*plus*, in the case of any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, the unfunded portion of the commitment thereunder) held by the Issuer as of such Measurement Date by its Effective Spread, (ii) summing the amounts determined pursuant to clause (i), (iii) dividing the sum determined pursuant to clause (ii) by the aggregate principal balance of all floating rate Collateral Obligations (*plus* the unfunded portions of all Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations) held by the Issuer as of such Measurement Date, and (iv) if the result obtained in clause (iii) is less than the minimum percentage necessary to pass the Minimum Floating Spread Test, adding to such sum the amount of the Excess Weighted Average Fixed Coupon, if any, as of such Measurement Date; *provided* that Defaulted Obligations will not be included in the calculation of the Weighted Average Floating Spread; *provided*, *further,* that in the case of calculating the Weighted Average Floating Spread in respect of (1) any Step-Down Obligation, the Effective Spread of such Collateral Obligation will be the lowest permissible spread pursuant to the underlying instruments of the obligor of such Step-Down Obligation and (2) any Step-Up Obligation, the Effective Spread of such Collateral Obligation will be the current spread pursuant to the underlying instruments of the obligor of such Step-Up Obligation.

"**Weighted Average Life**" means, on any Measurement Date with respect to any Collateral Obligation (other than any Defaulted Obligation), the number obtained by (i) summing the products obtained by multiplying (a) the Average Life at such time of each such Collateral Obligation by (b) the outstanding principal balance of such Collateral Obligation and (ii) dividing such sum by the aggregate principal balance at such time of all Collateral Obligations (excluding any Defaulted Obligation).

"**Zero-Coupon Obligation**" means any Collateral Obligation that at the time of purchase does not by its terms provide for the payment of cash interest; *provided*, that if, after such purchase such Collateral Obligation provides for the payment of cash interest, it will cease to be a Zero-Coupon Obligation.

Annex A

S&P Rating Definition

"**S&P Rating**" means, with respect to any Collateral Obligation (excluding Current Pay Obligations whose issuer has made a Distressed Exchange Offer), as of any date of determination, the rating determined in accordance with the following methodology:

(i) with respect to a Collateral Obligation that is not a DIP Collateral Obligation (a) if there is an issuer credit rating of the issuer of such Collateral Obligation by S&P as published by S&P, or the guarantor which unconditionally and irrevocably guarantees such Collateral Obligation then the S&P Rating will be such rating (regardless of whether there is a published rating by S&P on the Collateral Obligations of such issuer held by the Issuer) or (b) if there is no issuer credit rating of the issuer by S&P but (i) if there is a senior unsecured rating on any obligation or security of the issuer, the S&P Rating of such Collateral Obligation will equal such rating; (ii) if there is a senior secured rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation will be one subcategory below such rating; and (iii) if there is a subordinated rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation will be one subcategory above such rating if such rating is higher than "BB+," and will be two subcategories above such rating if such rating is "BB+" or lower;

(ii) with respect to any Collateral Obligation that is a DIP Collateral Obligation with a current or active rating by S&P as published by S&P, the S&P Rating thereof will be the credit rating assigned to such issue by S&P;

(iii) if there is not a rating by S&P on the issuer or on an obligation of the issuer, then the S&P Rating may be determined pursuant to clauses (a) through (d) below:

(a) if an obligation of the issuer is not a DIP Collateral Obligation and is publicly rated by Moody's, then the S&P Rating will be determined in accordance with the methodologies for establishing the Moody's Rating set forth above except that the S&P Rating of such obligation will be (1) one subcategory below the S&P equivalent of the Moody's Rating if such Moody's Rating is "Baa3" or higher and (2) two subcategories below the S&P equivalent of the Moody's Rating if such Moody's Rating is "Ba1" or lower; *provided* that the aggregate principal balance of the Collateral Obligations that may have an S&P Rating derived from a Moody's Rating as set forth in this clause (a) may not exceed 10.0% of the Collateral Principal Amount; *provided*, that, to the extent that Moody's is no longer acting as a Rating Agency and an applicable successor is not in place, the S&P Rating Condition will have been satisfied prior to any determination in accordance with this clause (iii)(a);

(b) the S&P Rating may be based on a credit estimate provided by S&P within the prior twelve (12) months (at which point the credit estimate shall expire), and in connection therewith, the Issuer, the Portfolio Manager on behalf of the Issuer or the issuer of such Collateral Obligation will, prior to or within thirty (30) days after the acquisition of such Collateral Obligation, apply (and concurrently submit all available Required S&P Credit Estimate Information in respect of such application to creditestimates@sandp.com) to S&P for a credit estimate which will be its S&P Rating; *provided*, that, until the receipt from S&P of such estimate, such Collateral Obligation will have an S&P Rating as determined by the Portfolio Manager in its sole discretion if the Portfolio Manager certifies to the Trustee that it believes that such S&P Rating determined by the Portfolio Manager is commercially reasonable and will be at least equal to such rating; *provided*, *further*, that if such Required S&P Credit Estimate Information is not submitted within such thirty (30) day period, then, pending receipt from S&P of such estimate, the Collateral Obligation will have (1) the S&P Rating as determined by the Portfolio Manager for a period of up to ninety (90) days after acquisition of such Collateral Obligation and (2) an S&P Rating of "CCC-"following such ninety day period; unless, during such ninety day period, the Portfolio Manager has requested the extension of such period and S&P, in its sole discretion, has granted such request; *provided, further*, that with respect to any Collateral Obligation for which S&P has provided a credit estimate, the Portfolio Manager (on behalf of the Issuer) will request that S&P confirm or update such

estimate annually (and pending receipt of such confirmation or new estimate, the Collateral Obligation will have the prior estimate);

(c) with respect to a DIP Collateral Obligation, if the S&P Rating cannot otherwise be determined pursuant to this definition, the S&P Rating of such Collateral Obligation will be "CCC-"; and

(d) with respect to a Collateral Obligation that is not a Defaulted Obligation, the S&P Rating of such Collateral Obligation will at the election of the Issuer (at the direction of the Portfolio Manager) be "CCC-"; *provided* that (i) the Portfolio Manager expects the obligor in respect of such Collateral Obligation to continue to meet its payment obligations under such Collateral Obligation, (ii) such obligor is not currently in reorganization or bankruptcy, (iii) such obligor has not defaulted on any of its debts during the immediately preceding two year period and (iv) the Issuer or the Portfolio Manager on behalf of the Issuer shall use commercially reasonable efforts to provide the Required S&P Credit Estimate Information;

provided, that for purposes of the determination of the S&P Rating, (x) if the applicable rating assigned by S&P to an obligor or its obligations is on "credit watch positive" by S&P, such rating will be treated as being one subcategory above such assigned rating, (y) if the applicable rating assigned by S&P to an obligor or its obligations is on "credit watch negative" by S&P, such rating will be treated as being one subcategory below such assigned rating and (z) any reference to the S&P rating in this definition will mean the public S&P rating and will not include any private or confidential S&P rating unless (a) the obligor and any other relevant party has provided written consent to S&P for the use of such rating; and (b) such rating is subject to continuous monitoring by S&P.

The S&P Rating of any Collateral Obligation that is a Current Pay Obligation whose issuer has made a Distressed Exchange Offer will be determined as follows:

(a) Subject to clause (d) below, if applicable, if the Collateral Obligation is and will remain senior to the debt obligations on which the related Distressed Exchange Offer has been made and the issuer is not subject to a bankruptcy proceeding, the issuer credit rating of the issuer published by S&P of the Collateral Obligation is below "CCC-" as a result of the Distressed Exchange Offer and S&P has not published revised ratings following the completion or withdrawal of the Distressed Exchange Offer and:

(i) there is an issue credit rating published by S&P for the Collateral Obligation and

(A) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 1+, then the S&P Rating of such Collateral Obligation will be the higher of (x) three subcategories below such issue credit rating and (y) "CCC-";

(B) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 1, then the S&P Rating of such Collateral Obligation will be the higher of (x) two subcategories below such issue credit rating and (y) "CCC-";

(C) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 2, then the S&P Rating of such Collateral Obligation will be the higher of (x) one subcategory below such issue credit rating and (y) "CCC-";

(D) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 3 or 4, then the S&P Rating of such Collateral Obligation will be the higher of (x) such issue credit rating and (y) "CCC-";

(E) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 5, then the S&P Rating of such Collateral Obligation will be the higher of (x) one subcategory above such issue credit rating and (y) "CCC-"; or

(F) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 6, then the S&P Rating of such Collateral Obligation will be the higher of (x) two subcategories above such issue credit rating and (y) "CCC-"; or

(ii) there is either no issue credit rating or no S&P Asset Specific Recovery Rating for the Collateral Obligation, then the S&P Rating of such Collateral Obligations will be "CCC-";

(b) Subject to clause (d) below, if applicable, if the Collateral Obligation is the debt obligation on which the related Distressed Exchange Offer has been made, until S&P publishes revised ratings following the completion or withdrawal of the offer, the S&P Rating of such Collateral Obligation will be "CCC-";

(c) Subject to clause (d) below, if applicable, if the Collateral Obligation is subordinate to the debt obligation on which the related Distressed Exchange Offer has been made, until S&P publishes revised ratings following the completion or withdrawal of the offer the S&P Rating of such Collateral Obligation will be "CCC-";

(d) If multiple Collateral Obligations have the same issuer and such issuer made a Distressed Exchange Offer, the S&P Rating for each such Collateral Obligation will be determined as follows:

(i) *first*, an S&P Rating for each such Collateral Obligation will be determined in accordance with clauses (a), (b) and (c) of this definition;

(ii) *second*, the S&P Rating for each such Collateral Obligation determined in accordance with sub-clause (d)(i) above will be converted into "Rating Points" equivalent pursuant to the table set forth below:

S&P Rating	"Rating Points"	"Weighted Average Rating Points"
AAA	1	1
AA+	2	2
AA	3	3
AA-	4	4
A+	5	5
A	6	6
A-	7	7
BBB+	8	8
BBB	9	9
BBB-	10	10
BB+	11	11
BB	12	12
BB-	13	13
B+	14	14
B	15	15
B-	16	16
CCC+	17	17
CCC	18	18
CCC-	19	19

(iii) *third*, "Weighted Average Rating Points" for each such Collateral Obligation will be calculated by dividing "X" by "Y" where:

"X" will equal the sum of each of the products obtained by multiplying the Rating Points of each such Collateral Obligation by the Collateral Principal Amount of such Collateral Obligation, and

"Y" will equal the aggregate principal balance of all the Collateral Obligations subject to the same Distressed Exchange Offer;

(iv) *fourth*, the "Weighted Average Rating Points" determined in accordance with sub-clause (d)(iii) above will be rounded to the nearest whole number and converted into an S&P Rating by matching the "Weighted Average Rating Points" of such Collateral Obligation with the S&P Rating set forth in the table in sub-clause (d)(ii) above. The S&P Rating that matches the "Weighted Average Rating Points" for such Collateral Obligations will be the S&P Rating for each Collateral Obligation for which an S&P Rating is required to be determined pursuant to this clause (d).

"**Required S&P Credit Estimate Information**" means S&P's "Credit Estimate Information Requirements" dated April 2011 and any other available information S&P reasonably requests in order to produce a credit estimate for a particular asset.

Annex B

S&P Recovery Rate Tables

(i) If a Collateral Obligation has an S&P Asset Specific Recovery Rating, the S&P Recovery Rate for such Collateral Obligation will be the applicable percentage set forth in Table 1 below, based on such S&P Asset Specific Recovery Rating and the applicable Class of Note:

Table 1: S&P Recovery Rates For Collateral Obligations With S&P Asset Specific Recovery Ratings*

Asset Specific Recovery Rates	Published Range of Recovery Rates	S&P Recovery Rate for Secured Notes rated "AAA" (%)	S&P Recovery Rate for Secured Notes rated "AA" (%)	S&P Recovery Rate for Secured Notes rated "A" (%)	S&P Recovery Rate for Secured Notes rated "BBB" (%)	S&P Recovery Rate for Secured Notes rated "BB" (%)	S&P Recovery Rate for Secured Notes rated "B" and "CCC" (%)
1+	100	75	85	88	90	92	95
1	90-100	65	75	80	85	90	95
2	80-90	60	70	75	81	86	90
2	70-80 or not published	50	60	66	73	79	80
3	60-70	40	50	56	63	67	70
3	50-60 or not published	30	40	46	53	59	60
4	40-50	27	35	42	46	48	50
4	30-40 or not published	20	26	33	39	40	40
5	20-30	15	20	24	26	28	30
5	10-20 or not published	5	10	15	20	20	20
6	0-10	2	4	6	8	10	10

* The S&P Recovery Rate will be the applicable rate set forth above based on the Highest Ranking Class and the rating thereof as of the Closing Date.

(ii) If a Collateral Obligation is senior unsecured debt or subordinate debt and does not have an S&P Asset Specific Recovery Rating but the same issuer has other debt obligations that rank senior, the S&P Recovery Rate for such Collateral Obligation will be the applicable percentage set forth in Tables 2 and 3 below:

Table 2: Recovery Rates for Senior Unsecured Assets Junior to Assets with Recovery Ratings*

Senior Asset Recovery Rate Group 1	S&P Recovery Rate for Secured Notes rated "AAA" (%)	S&P Recovery Rate for Secured Notes rated "AA" (%)	S&P Recovery Rate for Secured Notes rated "A" (%)	S&P Recovery Rate for Secured Notes rated "BBB" (%)	S&P Recovery Rate for Secured Notes rated "BB" (%)	S&P Recovery Rate for Secured Notes rated "B" and "CCC" (%)
1+	18	20	23	26	29	31
1	18	20	23	26	29	31
2	18	20	23	26	29	31
3	12	15	18	21	22	23
4	5	8	11	13	14	15
5	2	4	6	8	9	10

	S&P Recovery Rate for Secured Notes rated "AAA"	S&P Recovery Rate for Secured Notes rated "AA"	S&P Recovery Rate for Secured Notes rated "A"	S&P Recovery Rate for Secured Notes rated "BBB"	S&P Recovery Rate for Secured Notes rated "BB"	S&P Recovery Rate for Secured Notes rated "B" and "CCC"
6	--	--	--	--	--	--
Group 2						
1+	16	18	21	24	27	29
1	16	18	21	24	27	29
2	16	18	21	24	27	29
3	10	13	15	18	19	20
4	5	5	5	5	5	5
5	2	2	2	2	2	2
6	--	--	--	--	--	--
Group 3						
1+	13	16	18	21	23	25
1	13	16	18	21	23	25
2	13	16	18	21	23	25
3	8	11	13	15	16	17
4	5	5	5	5	5	5
5	2	2	2	2	2	2
6	--	--	--	--	--	--

* The S&P Recovery Rate will be the applicable rate set forth above based on the Highest Ranking Class and the rating thereof as of the Closing Date.

Table 3: Recovery Rates for Subordinated Assets Junior to Assets with Recovery Ratings*

Senior Asset Recovery Rate	S&P Recovery Rate for Secured Notes rated "AAA"	S&P Recovery Rate for Secured Notes rated "AA"	S&P Recovery Rate for Secured Notes rated "A"	S&P Recovery Rate for Secured Notes rated "BBB"	S&P Recovery Rate for Secured Notes rated "BB"	S&P Recovery Rate for Secured Notes rated "B" and "CCC"
Group 1						
1+	8	8	8	8	8	8
1	8	8	8	8	8	8
2	8	8	8	8	8	8
3	5	5	5	5	5	5
4	2	2	2	2	2	2
5	--	--	--	--	--	--
6	--	--	--	--	--	--

* The S&P Recovery Rate will be the applicable rate set forth above based on the Highest Ranking Class and the rating thereof as of the Closing Date.

(iii) In all other cases, as applicable, based on the applicable Class of Note, the S&P Recovery Rate for such Collateral Obligation will be the applicable percentage set forth in Table 4 below:

Table 4: Tiered Corporate Recovery Rates (By Asset Class and Class of Notes)*

	S&P Recovery Rate for Secured Notes rated "AAA"	S&P Recovery Rate for Secured Notes rated "AA"	S&P Recovery Rate for Secured Notes rated "A"	S&P Recovery Rate for Secured Notes rated "BBB"	S&P Recovery Rate for Secured Notes rated "BB"	S&P Recovery Rate for Secured Notes rated "B" and "CCC"
Senior secured first-lien (%)**						
Group 1	50	55	59	63	75	79
Group 2	45	49	53	58	70	74
Group 3	39	42	46	49	60	63

Group 4	17	19	27	29	31	34
Senior secured cov-lite loans (%)						
Group 1	41	46	49	53	63	67
Group 2	37	41	44	49	59	62
Group 3	32	35	39	41	50	53
Group 4	17	19	27	29	31	34
Mezzanine/ second-lien/senior unsecured loans/ First-Lien Last-Out Loans (%)* **						
Group 1	18	20	23	26	29	31
Group 2	16	18	21	24	27	29
Group 3	13	16	18	21	23	25
Group 4	10	12	14	16	18	20
Subordinated loans (%)						
Group 1	8	8	8	8	8	8
Group 2	10	10	10	10	10	10
Group 3	9	9	9	9	9	9
Group 4	5	5	5	5	5	5
Synthetic Securities	****	****	****	****	****	****

Group 1: Hong Kong, Norway, Singapore, Sweden, U.K., Ireland, Finland, Denmark, Netherlands, Australia, and New Zealand
Group 2: Belgium, Germany, Austria, Portugal, Luxembourg, South Africa, Switzerland, Canada, Israel, Japan and United States
Group 3: France, Italy, Greece, South Korea, Taiwan, Brazil, Mexico, Spain, Turkey and United Arab Emirates
Group 4: Kazakhstan, Russia, Ukraine and others not included in Group 1, Group 2 or Group 3

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* The S&P Recovery Rate will be the applicable rate set forth above based on the Highest Ranking Class and the rating thereof as of the Closing Date.

** Solely for the purpose of determining the S&P Recovery Rate for such loan, no loan will constitute a "Senior Secured Loan" unless such loan (a) is secured by a valid first priority security interest in collateral and (b) in the Portfolio Manager's commercially reasonable judgment (with such determination being made in good faith by the Portfolio Manager at the time of such loan's purchase and based upon information reasonably available to the Portfolio Manager at such time and without any requirement of additional investigation beyond the Portfolio Manager's customary credit review procedures), is secured by specified collateral that has a value not less than an amount equal to the sum of (i) the aggregate principal amount of all loans senior or pari passu to such loans and (ii) the outstanding principal balance of such loan, which value may be derived from, among other things, the enterprise value of the issuer of such loan, excluding any loan secured primarily by equity or goodwill (provided that the terms of this footnote may be amended or revised at any time by a written agreement of the Issuer, the Portfolio Manager and the Trustee (without the consent of any holder of any Note), subject to the satisfaction of the S&P Rating Condition, in order to conform to S&P then-current criteria for such loans).

*** Solely for the purpose of determining the S&P Recovery Rate for such loan, the aggregate principal balance of all Senior Unsecured Loans, First-Lien Last-Out Loans and Second Lien Loans that, in the aggregate, represent up to 15% of the Collateral Principal Amount will have the S&P Recovery Rate specified for Senior Unsecured Loans, First-Lien Last-Out Loans and Second Lien Loans in the table above and the aggregate principal balance of all Senior Unsecured Loans, First-Lien Last-Out Loans and Second Lien Loans in excess of 15% of the Collateral Principal Amount will have the S&P Recovery Rate specified for Subordinated Loans in the table above.

**** As determined by S&P on a case by case basis.

Annex C

Moody's Rating Definitions

"**Moody's Default Probability Rating**" means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) With respect to a Collateral Obligation, if the obligor of such Collateral Obligation has a CFR, then such CFR;

(b) With respect to a Collateral Obligation if not determined pursuant to clause (a) above, if the obligor of such Collateral Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on any such obligation as selected by the Portfolio Manager in its sole discretion;

(c) With respect to a Collateral Obligation if not determined pursuant to clauses (a) or (b) above, if the obligor of such Collateral Obligation has one or more senior secured obligations with an Assigned Moody's Rating, then the Moody's rating that is one subcategory lower than the Assigned Moody's Rating on any such senior secured obligation as selected by the Portfolio Manager in its sole discretion;

(d) With respect to a Collateral Obligation if not determined pursuant to clauses (a), (b) or (c) above, if a rating estimate has been assigned to such Collateral Obligation by Moody's upon the request of the Issuer, the Portfolio Manager or an Affiliate of the Portfolio Manager, then the Moody's Default Probability Rating is such rating estimate as long as such rating estimate or a renewal for such rating estimate has been issued or provided by Moody's in each case within the 15 month period preceding the date on which the Moody's Default Probability Rating is being determined; *provided* that if such rating estimate has been issued or provided by Moody's for a period (x) longer than 13 months but not beyond 15 months, the Moody's Default Probability Rating will be one subcategory lower than such rating estimate and (y) beyond 15 months, the Moody's Default Probability Rating will be deemed to be "Caa3;"

(e) If such Collateral Obligation is a DIP Collateral Obligation, the Moody's Derived Rating set forth in clause (a) in the definition thereof;

(f) With respect to a Collateral Obligation if not determined pursuant to any of clauses (a) through (e) above and at the election of the Portfolio Manager, the Moody's Derived Rating; and

(g) With respect to a Collateral Obligation if not determined pursuant to any of clauses (a) through (f) above, the Collateral Obligation will be deemed to have a Moody's Default Probability Rating of "Caa3."

For purposes of calculating a Moody's Default Probability Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

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

(a) With respect to any DIP Collateral Obligation, the Moody's Rating or Moody's Default Probability Rating of such Collateral Obligation shall be the rating which is one subcategory below the facility rating (whether public or private) of such DIP Collateral Obligation rated by Moody's.

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

(A) pursuant to the table below:

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

(B) In the event, the Collateral Obligation does not have an S&P rating, but another security or obligation of the obligor is publicly rated by S&P:

Obligation Category of Rated Obligation	Number of Subcategories Relative to Rated Obligation Rating
Senior secured obligation	-1
Unsecured obligation	0
Subordinated obligation	+1

or

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

provided, that the Aggregate Principal Balance of the Collateral Obligations that may have a Moody's Rating derived from an S&P Rating as set forth in sub-clauses (A) or (B) of this clause (b) may not exceed 15% of the Collateral Principal Amount.

(c) If not determined pursuant to clauses (a) or (b) above and such Collateral Obligation is not rated by Moody's or S&P and no other security or obligation of the issuer of such Collateral Obligation is rated by Moody's or S&P, and if Moody's has been requested by the Issuer, the Portfolio Manager or the issuer of such Collateral Obligation to assign a rating or rating estimate with respect to such Collateral Obligation but such rating or rating estimate has not been received, pending receipt of such estimate, the Moody's Derived Rating of such Collateral Obligation for purposes of the definitions of Moody's Rating or Moody's Default Probability Rating shall be (i) "B3" if the Portfolio Manager certifies to the Trustee and the Collateral Administrator that the Portfolio Manager believes that such estimate shall be at least "B3" and if the Aggregate Principal Balance of Collateral Obligations determined pursuant to this clause (c)(i) and clause (a) above does not exceed 5% of the Collateral Principal Amount or (ii) otherwise, "Caa1."

For purposes of calculating a Moody's Derived Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

"**Moody's Rating**" means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) With respect to a Collateral Obligation that is a Senior Secured Loan:

(A) if such Collateral Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(B) if such Collateral Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Obligation has a CFR, then the Moody's rating that is one subcategory higher than such CFR;

(C) if neither clause (A) nor (B) above apply, if such Collateral Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Moody's rating that is two subcategories higher than the Assigned Moody's Rating on any such obligation as selected by the Portfolio Manager in its sole discretion;

(D) if none of clauses (A) through (C) above apply, at the election of the Portfolio Manager, the Moody's Derived Rating; and

(E) if none of clauses (A) through (D) above apply, the Collateral Obligation will be deemed to have a Moody's Rating of "Caa3"; and

(b) With respect to a Collateral Obligation other than a Senior Secured Loan:

(A) if such Collateral Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(B) if such Collateral Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on any such obligation as selected by the Portfolio Manager in its sole discretion;

(C) if neither clause (A) nor (B) above apply, if such Collateral Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Obligation has a CFR, then the Moody's rating that is one subcategory lower than such CFR;

(D) if none of clauses (A), (B) or (C) above apply, if such Collateral Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Obligation has one or more subordinated debt obligations with an Assigned Moody's Rating, then the Moody's rating that is one subcategory higher than the Assigned Moody's Rating on any such obligation as selected by the Portfolio Manager in its sole discretion;

(E) if none of clauses (A) through (D) above apply, at the election of the Portfolio Manager, the Moody's Derived Rating; and

(F) if none of clauses (A) through (E) above apply, the Collateral Obligation will be deemed to have a Moody's Rating of "Caa3".

For purposes of calculating a Moody's Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

INDEX OF DEFINED TERMS

Following is an index of defined terms used in this Offering Circular and the page number where each definition appears.

D

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PRINCIPAL OFFICE OF ISSUER
BlueMountain CLO 2014-3 Ltd.
c/o MaplesFS Limited
Boundary Hall, Cricket Square
George Town, Grand Cayman
KY1-1102, Cayman Islands

PRINCIPAL OFFICE OF CO-ISSUER
BlueMountain CLO 2014-3 LLC
c/o Maples Fiduciary Services (Delaware) Inc.
4001 Kennett Pike, Suite 302
Wilmington, Delaware 19807

TRUSTEE AND PAYING AGENT
Citibank, N.A.
388 Greenwich Street, 14th Floor
New York, New York 10013

PORTFOLIO MANAGER
BlueMountain Capital Management, LLC
280 Park Avenue, 12th Floor
New York, New York 10017

IRISH LISTING AGENT
Maples and Calder
75 St. Stephen's Green
Dublin 2, Ireland

LEGAL ADVISORS

To the Co-Issuers as to United States law
Ashurst LLP
Times Square Tower
7 Times Square
New York, New York 10036

To the Issuer as to Cayman Islands law
Maples and Calder
PO Box 309, Ugland House
South Church Street
George Town, Grand Cayman
KY1-1104, Cayman Islands

To the Initial Purchaser as to United States law
Ashurst LLP
Times Square Tower
7 Times Square
New York, New York 10036

To the Portfolio Manager as to United States law
Lowenstein Sandler LLP
1251 Avenue of the Americas, 18th Floor
New York, New York 10020

To the Trustee as to United States law
Dentons US LLP
1221 Avenue of the Americas
New York, New York 10020

BlueMountain CLO 2014-3 Ltd.
BlueMountain CLO 2014-3 LLC

U.S.$372,000,000 Class A-1 Senior Secured Floating Rate Notes due 2026
U.S.$76,000,000 Class A-2 Senior Secured Floating Rate Notes due 2026
U.S.$41,750,000 Class B Senior Secured Deferrable Floating Rate Notes due 2026
U.S.$31,700,000 Class C Senior Secured Deferrable Floating Rate Notes due 2026
U.S.$25,700,000 Class D Senior Secured Deferrable Floating Rate Notes due 2026
U.S.$13,700,000 Class E Senior Secured Deferrable Floating Rate Notes due 2026
U.S.$51,200,000 Subordinated Notes due 2026

OFFERING CIRCULAR

Initial Purchaser of the Secured Notes

Citigroup

October 2, 2014

ANNEX B

FIRST SUPPLEMENTAL INDENTURE

EXECUTION COPY

FIRST SUPPLEMENTAL INDENTURE

dated as of April 17, 2017

among

BLUEMOUNTAIN CLO 2014-3 LTD.,
as Issuer

BLUEMOUNTAIN CLO 2014-3 LLC,
as Co-Issuer

and

CITIBANK, N.A.,
as Trustee

to

the Indenture, dated as of September 30, 2014,
among the Issuer, the Co-Issuer and the Trustee

THIS FIRST SUPPLEMENTAL INDENTURE, dated as of April 17, 2017 (this "Supplemental Indenture"), among BlueMountain CLO 2014-3 Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands, as Issuer (the "Issuer"), BlueMountain CLO 2014-3 LLC, a limited liability company formed under the laws of the State of Delaware (the "Co-Issuer" and, together with the Issuer, the "Co-Issuers") and Citibank, N.A., as trustee (the "Trustee"), is entered into pursuant to the terms of the Indenture, dated as of September 30, 2014, among the Issuer, the Co-Issuer and the Trustee (as amended, modified or supplemented from time to time, the "Indenture"). Capitalized terms used in this Supplemental Indenture that are not otherwise defined herein have the meanings assigned thereto in the Indenture.

PRELIMINARY STATEMENT

WHEREAS, pursuant to Section 8.1(xv) of the Indenture, without the consent of the Holders of any Notes or any Hedge Counterparty, the Co-Issuers, when authorized by Board Resolutions, at any time and from time to time subject to the requirements of Section 8.1 of the Indenture with regard to the ratings of any Class of Secured Notes and to the other requirements of Article VIII of the Indenture, may enter into one or more supplemental indentures in form satisfactory to the Trustee for the purpose of effecting a Refinancing;

WHEREAS, the Co-Issuers desire to enter into this Supplemental Indenture to make changes to the Indenture necessary to issue replacement securities in connection with a Partial Redemption by Refinancing of certain Classes of Secured Notes pursuant to Section 9.3 of the Indenture through issuance on the date of this Supplemental Indenture of the classes of securities set forth in Section 1(a) below;

WHEREAS, all of the Outstanding Class A-1 Notes, Class A-2 Notes, Class B Notes and Class C Notes issued on September 30, 2014 are being redeemed simultaneously with the execution of this Supplemental Indenture by the Co-Issuers and the Trustee;

WHEREAS, the Class D Notes, the Class E Notes and the Subordinated Notes shall remain Outstanding following the Refinancing;

WHEREAS, pursuant to (i) Sections 9.3 and 9.4 of the Indenture, at least a Majority of the Subordinated Notes have directed the Issuer to cause the redemption of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes from Refinancing Proceeds and (ii) Section 9.3 of the Indenture, at least a Majority of the Subordinated Notes and the Portfolio Manager have consented to the terms of such Refinancing and any financial institutions acting as lenders thereunder or purchasers thereof and the conditions thereto set forth in Section 9.3 of the Indenture have been satisfied;

WHEREAS, pursuant to Section 8.3(b) of the Indenture, the Trustee has delivered an initial copy of this Supplemental Indenture to the Holders of the Notes the Portfolio Manager, the Collateral Administrator, any Hedge Counterparty and each Rating Agency not later than 15 Business Days prior to the execution hereof;

WHEREAS, the conditions set forth in the Indenture for entry into a supplemental indenture pursuant to Section 8.1(xv) of the Indenture have been satisfied; and

WHEREAS, pursuant to the terms of this Supplemental Indenture, each purchaser of a Refinancing Note (as defined in Section 1(a) below) will be deemed to have consented to the execution of this Supplemental Indenture by the Co-Issuers and the Trustee.

NOW THEREFORE, for good and valuable consideration the receipt of which is hereby acknowledged, the Co-Issuers and the Trustee hereby agree as follows:

SECTION 1. Terms of the Refinancing Notes and Amendments to the Indenture.

(a) The Co-Issuers shall issue replacement securities (referred to herein as the "Refinancing Notes") the proceeds of which shall be used to redeem the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes issued under the Indenture on September 30, 2014 (such Notes, the "Refinanced Notes") which Refinancing Notes shall be divided into the Classes, having the designations, original principal amounts and other characteristics as follows:

Refinancing Notes

Class Designation	**A-1-R**	**A-2-R**	**B-R**	**C-R**
Original Principal Amount	U.S.$372,000,000	U.S.$76,000,000	U.S.$41,750,000	U.S.$31,700,000
Stated Maturity	Payment Date in October 2026	Payment Date in October 2026	Payment Date in October 2026	Payment Date in October 2026
Index	LIBOR[(1)]	LIBOR[(1)]	LIBOR[(1)]	LIBOR[(1)]
Index Maturity	3 month	3 month	3 month	3 month
Spread:	1.14%	1.60%	2.10%	3.20%
Expected Initial Rating(s)				
S&P	AAA(sf)	AA(sf)	A(sf)	BBB(sf)
Moody's	Aaa(sf)	N/A	N/A	N/A
Ranking:				
Priority Classes	None	A-1-R	A-1-R, A-2-R	A-1-R, A-2-R, B-R
Pari Passu Classes	None	None	None	None
Junior Classes	A-2-R, B-R, C-R, D, E, Subordinated	B-R, C-R, D, E, Subordinated	C-R, D, E, Subordinated	D, E, Subordinated
Listed Notes	Yes	Yes	Yes	Yes
Deferrable Notes	No	No	Yes	Yes
ERISA Restricted Notes	No	No	No	No
Applicable Issuer(s)	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers

(b) The issuance date of the Refinancing Notes and the redemption date of the Refinanced Notes shall be April 17, 2017 (the "Refinancing Date"). Payments on the Refinancing Notes issued on the Refinancing Date will be made on each Payment Date, commencing on the Payment Date in July 2017.

(c) Effective as of the date hereof, the Indenture shall be amended as follows:

1. The definition of "Class A-1 Notes" is deleted in its entirety and replaced with the following:

"Class A-1 Notes": Prior to the Refinancing Date, the Class A-1 Senior Secured Floating Rate Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3 and on and after the Refinancing Date, the Class A-1-R Notes.

2. The definition of "Class A-2 Notes" is deleted in its entirety and replaced with the following:

"Class A-2 Notes": Prior to the Refinancing Date, the Class A-2 Senior Secured Floating Rate Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3 and on and after the Refinancing Date, the Class A-2-R Notes.

3. The definition of "Class B Notes" is deleted in its entirety and replaced with the following:

"Class B Notes": Prior to the Refinancing Date, the Class B Senior Secured Deferrable Floating Rate Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3 and on and after the Refinancing Date, the Class B-R Notes.

4. The definition of "Class C Notes" is deleted in its entirety and replaced with the following:

"Class C Notes": Prior to the Refinancing Date, the Class C Senior Secured Deferrable Floating Rate Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3 and on and after the Refinancing Date, the Class C-R Notes.

5. The definition of "Closing Date" is deleted in its entirety and replaced with the following:

"Closing Date": September 30, 2014, or solely with respect to the Refinancing Notes, the Refinancing Date, as context requires.

6. The definition of "Initial Purchaser" is deleted in its entirety and replaced with the following:

"Initial Purchaser": Citigroup Global Markets Inc., in its capacity as initial purchaser under the Purchase Agreement and, on and after the Refinancing Date, the Refinancing Initial Purchaser under the Refinancing Purchase Agreement.

7. The definition of "Offering Circular" is deleted in its entirety and replaced with the following:

"Offering Circular": The offering circular, dated September 26, 2014 relating to the Notes or, with respect to the Refinancing Notes, the offering circular dated April 12, 2017 relating to the issuance of the Refinancing Notes, in each case including any supplements thereto.

8. The definition of "Purchase Agreement" is deleted in its entirety and replaced with the following:

"Purchase Agreement": An agreement dated as of the Closing Date between the Co-Issuers and Citigroup Global Markets Inc., as initial purchaser of the Secured Notes, as amended from time to time, and on and after the Refinancing Date, the Refinancing Purchase Agreement.

9. The following new definitions, as set forth below, are added to Annex A of the Indenture in alphabetical order:

"Class A-1-R Notes": The Class A-1-R Senior Secured Floating Rate Notes issued on the Refinancing Date and having the characteristics specified in Section 2.3.

"Class A-2-R Notes": The Class A-2-R Senior Secured Floating Rate Notes issued on the Refinancing Date and having the characteristics specified in Section 2.3.

"Class B-R Notes": The Class B-R Senior Secured Deferrable Floating Rate Notes issued on the Refinancing Date and having the characteristics specified in Section 2.3.

"Class C-R Notes": The Class C-R Senior Secured Deferrable Floating Rate Notes issued on the Refinancing Date and having the characteristics specified in Section 2.3.

"Refinancing Date": April 17, 2017.

"Refinancing Initial Purchaser": Citigroup Global Markets Inc., in its capacity as initial purchaser of the Refinancing Notes under the Refinancing Purchase Agreement.

"Refinancing Notes": The Class A-1-R Notes, the Class A-2-R Notes, the Class B-R Notes and the Class C-R Notes.

"Refinancing Purchase Agreement": The purchase agreement dated as of April 17, 2017, by and among the Co-Issuers and the Refinancing Initial Purchaser related to the sale of the Refinancing Notes.

10. On and after the Refinancing Date, the table in Section 2.3 of the Indenture shall be modified by adding the table in section 1(a) of this Supplemental Indenture.

11. Section 8.1(xv) of the Indenture is deleted in its entirety and replaced with the following:

"(xv) to effect a Refinancing in conformity with Section 9.2(b) or Section 9.3 or a Re-Pricing in conformity with Section 9.8;"

12. The first paragraph of Section 9.2(b) of the Indenture is amended by inserting the following proviso at the end thereof:

"; *provided further* that no subsequent Refinancing of the Refinancing Notes shall be permitted."

13. The first paragraph of Section 9.3 of the Indenture is amended by inserting the following proviso at the end thereof:

"; *provided further* that no subsequent Refinancing of the Refinancing Notes shall be permitted."

14. The first sentence of Section 9.8(a) of the Indenture is amended by deleting "other than the Class A Notes" and inserting "other than the Refinancing Notes".

15. The second paragraph of Section 9.8(a) is deleted in its entirety and replaced with:

"The Refinancing Notes shall not be subject to a Re-Pricing."

16. Exhibit A1 to the Indenture is amended by:

(A) replacing all references to "Class A-1" with "Class A-1-R";

(B) replacing all references to "Class A-2" with "Class A-2-R";

(C) replacing all references to "Class B" with "Class B-R";

(D) replacing all references to "Class C" with "Class C-R";

(E) deleting "commencing on the Payment Date in April 2015" and inserting "commencing on the Payment Date in April 2015 (or, in the case of the Refinancing Notes, the Payment Date in July 2017)";

(F) deleting "LIBOR plus [1.48][2.15][3.05][3.55][5.10][5.65]%" and inserting "LIBOR plus [1.14][1.60][2.10][3.20][5.10][5.65]%";

(G) deleting "(the "Indenture")" and inserting "(as amended from time to time, the "Indenture")"; and

(H) solely with respect to Schedule A thereto, deleting "September 30, 2014" and inserting "[September 30, 2014][the Refinancing Date]".

17. Exhibit B1, Exhibit B2A, Exhibit B2B, Exhibit B4A, Exhibit B4B, Exhibit B5, Exhibit D and Exhibit F to the Indenture are amended by:

(A) replacing all references to "Class A-1" with "Class A-1-R";

(B) replacing all references to "Class A-2" with "Class A-2-R";

(C) replacing all references to "Class B" with "Class B-R";

(D) replacing all references to "Class C" with "Class C-R"; and

(E) deleting "(the "Indenture")" and inserting "(as amended from time to time, the "Indenture")".

18. Exhibit B3, Exhibit B6 and Exhibit E to the Indenture are amended by deleting "(the "Indenture")" and inserting "(as amended from time to time, the "Indenture")".

SECTION 2. Issuance and Authentication of Refinancing Notes; Cancellation of Refinanced Notes.

(a) The Co-Issuers hereby direct the Trustee to deposit in the Principal Collection Account and transfer to the Payment Account the proceeds of the Refinancing Notes received on the Refinancing Date and certain other amounts on deposit in the Interest Collection Account, the Contribution Account and the Supplemental Reserve Account, as applicable, in an amount necessary to pay the Redemption Prices of the Refinanced Notes and to pay any remaining expenses and other amounts referred to in clause (ii) of the second paragraph of Section 9.3 of the Indenture, in each case, in accordance with Section 9.3 of the Indenture and as separately directed by the Issuer (or the Refinancing Initial Purchaser or the Portfolio Manager on its behalf).

(b) The Refinancing Notes shall be issued as Rule 144A Global Secured Notes and Regulation S Global Secured Notes and shall be executed by the Co-Issuers and delivered to the Trustee for authentication and thereupon the same shall be authenticated and delivered to the Issuer by the Trustee upon Issuer Order and upon receipt by the Trustee of the following:

(i) Officers' Certificate of the Co-Issuers. An Officer's certificate of each of the Co-Issuers (1) evidencing the authorization by Board Resolution of the execution and delivery of this Supplemental Indenture, the Refinancing Purchase Agreement and the execution, authentication and delivery of the Refinancing Notes applied for by it and specifying the Stated Maturity, principal amount and Note Interest Rate of each Class of Refinancing Notes to be issued by it and authenticated and delivered and (2) certifying that (a) the attached copy of such Board Resolution is a true and complete copy thereof, (b) such resolutions have not been rescinded and are in full force and effect on and as of the Refinancing Date and (c) the Officers authorized to execute and deliver such documents hold the offices and have the signatures indicated thereon.

(ii) Governmental Approvals. From each of the Co-Issuers either (A) a certificate of the Issuer or the Co-Issuer, as applicable, or other official document evidencing the due authorization, approval or consent of any governmental body or bodies, at the time having jurisdiction in the premises, together with an Opinion of Counsel that no other authorization, approval or consent of any governmental body is required for the valid issuance of such Refinancing Notes or (B) an Opinion of Counsel of the Issuer or the Co-Issuer, as applicable, that no such authorization, approval or consent of any governmental body is required for the valid issuance of such Refinancing Notes except as has been given (provided that the opinions delivered pursuant to clause (iii) below may satisfy the requirement).

(iii) U.S. Counsel Opinions. Opinions of Paul Hastings LLP, special U.S. counsel to the Co-Issuers, dated the Refinancing Date.

(iv) Cayman Counsel Opinion. An opinion of Maples and Calder, Cayman Islands counsel to the Issuer, dated the Refinancing Date.

(v) Trustee Counsel Opinion. An opinion of Dentons US LLP, counsel to the Trustee, dated the Refinancing Date.

(vi) Officers' Certificates of Co-Issuers Regarding Indenture. An Officer's certificate of each of the Co-Issuers stating that the Issuer or the Co-Issuer, as applicable, is not in default under the Indenture (as amended by this Supplemental Indenture) and that the issuance of the Refinancing Notes applied for by it will not result in a breach of any of the terms, conditions or provisions of, or constitute a default under, its organizational documents, any indenture or other

agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which it is a party or by which it may be bound or to which it may be subject; that all conditions precedent provided in the Indenture and this Supplemental Indenture relating to the authentication and delivery of the Refinancing Notes applied for have been complied with; and that all expenses due or accrued with respect to the offering of such Refinancing Notes or relating to actions taken on or in connection with the Refinancing Date have been paid or reserves therefor have been made.

(vii) Rating Letters. An Officer's certificate of the Issuer to the effect that attached thereto is a true and correct copy of a letter signed by each Rating Agency, as applicable, and confirming that such Rating Agency's rating of the Refinancing Notes is as set forth in Section 1(a) of this Supplemental Indenture.

(c) On the Redemption Date specified above, the Trustee, as custodian of the Global Notes, shall cause all Global Notes representing the Refinanced Notes to be surrendered for transfer and shall cause the Refinanced Notes to be cancelled in accordance with Section 2.10 of the Indenture.

SECTION 3. Consent of the Holders of the Refinancing Notes.

Each Holder or beneficial owner of a Refinancing Note, by its acquisition thereof on the Refinancing Date, shall be deemed to agree to the Indenture, as amended hereby, set forth in this Supplemental Indenture and the execution of the Co-Issuers and the Trustee hereof.

SECTION 4. Governing Law.

THIS SUPPLEMENTAL INDENTURE AND EACH NOTE AND ALL DISPUTES ARISING THEREFROM OR RELATING THERETO SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED THEREIN WITHOUT REGARD TO THE CONFLICT OF LAW PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

SECTION 5. Execution in Counterparts.

This Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. Delivery of an executed counterpart of this Supplemental Indenture by electronic means (including email or telecopy) will be effective as delivery of a manually executed counterpart of this Supplemental Indenture.

SECTION 6. Concerning the Trustee.

The recitals contained in this Supplemental Indenture shall be taken as the statements of the Co-Issuers, and the Trustee assumes no responsibility for their correctness. Except as provided in the Indenture, the Trustee shall not be responsible or accountable in any way whatsoever for or with respect to the validity, execution or sufficiency of this Supplemental Indenture and makes no representation with respect thereto. In entering into this Supplemental Indenture, the Trustee shall be entitled to the benefit of every provision of the Indenture relating to the conduct of or affecting the liability of or affording protection to the Trustee.

SECTION 7. No Other Changes.

Except as provided herein, the Indenture shall remain unchanged and in full force and effect, and each reference to the Indenture and words of similar import in the Indenture, as amended hereby, shall be a reference to the Indenture as amended hereby and as the same may be further amended, supplemented and otherwise modified and in effect from time to time. This Supplemental Indenture may be used to create a conformed amended and restated Indenture for the convenience of administration by the parties hereto.

SECTION 8. Execution, Delivery and Validity.

Each of the Co-Issuers represents and warrants to the Trustee that (i) this Supplemental Indenture has been duly and validly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms and (ii) the execution of this Supplemental Indenture is authorized or permitted under the Indenture and all conditions precedent thereto have been satisfied.

SECTION 9. Binding Effect.

This Supplemental Indenture shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 10. Direction to the Trustee.

The Issuer hereby directs the Trustee to execute this Supplemental Indenture and acknowledges and agrees that the Trustee will be fully protected in relying upon the foregoing direction.

SECTION 11. Limited Recourse; Non-Petition.

The terms of Section 2.8(i) and Section 5.4(d) of the Indenture shall apply to this Supplemental Indenture mutatis mutandis as if fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Supplemental Indenture as of the date first written above.

BLUEMOUNTAIN CLO 2014-3 LTD.,
as Issuer

By: _____
Name: Rachel Fisher
Title: Director

BLUEMOUNTAIN CLO 2014-3 LLC,
as Co-Issuer

By: _____
Name:
Title:

CITIBANK, N.A.,
not in its individual capacity but solely as Trustee

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Supplemental Indenture as of the date first written above.

BLUEMOUNTAIN CLO 2014-3 LTD.,
as Issuer

By: _____
Name:
Title:

BLUEMOUNTAIN CLO 2014-3 LLC,
as Co-Issuer

By: _____
Name: Edward L Truitt Jr.
Title: Independent Manager

CITIBANK, N.A.,
not in its individual capacity but solely as Trustee

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Supplemental Indenture as of the date first written above.

BLUEMOUNTAIN CLO 2014-3 LTD.,
as Issuer

By: _____
Name:
Title:

BLUEMOUNTAIN CLO 2014-3 LLC,
as Co-Issuer

By: _____
Name:
Title:

CITIBANK, N.A.,
not in its individual capacity but solely as Trustee

By: _____
Name: Jennifer Parker
Title: Vice President

AGREED AND CONSENTED TO:

BLUEMOUNTAIN CLO MANAGEMENT, LLC,
as Portfolio Manager

By: _____
Name: DAVID O'MARA
Title: Deputy General Counsel

PRINCIPAL OFFICE OF CO-ISSUERS

BlueMountain CLO 2014-3 Ltd.
c/o MaplesFS Limited
P.O. Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

BlueMountain CLO 2014-3 LLC
c/o Maples Fiduciary Services (Delaware) Inc.
4001 Kennett Pike, Suite 302
Wilmington, Delaware 19807

TRUSTEE AND PAYING AGENT

Citibank, N.A.
388 Greenwich Street, 14th Floor
New York, New York 10013

PORTFOLIO MANAGER

BlueMountain CLO Management, LLC
280 Park Avenue, 12th Floor
New York, New York 10017

COLLATERAL ADMINISTRATOR

Virtus Group, LP
1301 Fannin Street, 17th Floor
Houston, Texas 77002
Attention: BlueMountain CLO 2014-3 Ltd.

IRISH LISTING AGENT

Maples and Calder
75 St. Stephen's Green
Dublin 2
Ireland

LEGAL ADVISORS

To the Co-Issuers and the Refinancing Initial Purchaser
as to United States law

Paul Hastings LLP
200 Park Avenue
New York, New York 10166

To the Issuer
as to Cayman Islands law
Maples and Calder
P.O. Box 309, Ugland House
South Church Street, George Town
Grand Cayman, KY1-1104

To the Portfolio Manager
as to United States law

Perkins Coie LLP
30 Rockefeller Plaza, 22nd Floor
New York, New York 10112

To the Trustee
as to United States law
Dentons US LLP
1221 Avenue of the Americas
New York, New York 10020