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The document has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither Citigroup Global Markets Limited nor CVC Cordatus Loan Fund V Designated Activity Company (the "ISSUER") nor any person who controls any of them respectively (nor any director, officer, employee or agent of it or affiliate
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If you are in any doubt about the contents of the document you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

On the Issue Date, without the express written consent of the Collateral Manager in the form of a U.S. Risk Retention Waiver, Refinancing Notes may not be acquired by "U.S. persons" as defined in the U.S. Risk Retention Rules. Additionally, during the Restricted Period, without the express written consent of the Collateral Manager in the form of a U.S. Risk Retention Waiver, Refinancing Notes may not be transferred to "U.S. persons" as defined in the U.S. Risk Retention Rules. Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S. Investors will be required to provide written confirmation in respect of their status under the U.S. Risk Retention Rules to the Collateral Manager.

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CVC CORDATUS LOAN FUND V DESIGNATED ACTIVITY COMPANY

(Registered as a designated activity company limited by shares in Ireland with limited liability under registered number 554659)

Please note that references in this document to the Issuer name as CVC Cordatus Loan Fund V Designated Activity Company, or otherwise being described as a designated activity company, are due to the fact that the Issuer will have that corporate status and name under Irish law prior to the application to the Central Bank of Ireland of the final Offering Circular in respect of the Refinancing Notes for approval, such changes being effected as a requirement of Irish law.

<table>
<thead>
<tr>
<th>Notes</th>
<th>Initial Principal Amount</th>
<th>Issue Price</th>
<th>Initial Stated Interest Rate</th>
<th>Alternative Stated Interest Rate</th>
<th>Final Maturity Date</th>
<th>Moody's Rating</th>
<th>S&amp;P Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>€2,000,000</td>
<td>100.00%</td>
<td>3 month EURIBOR + 0.48%</td>
<td>6 month EURIBOR + 0.48%</td>
<td>21 July 2030</td>
<td>Aaa(sf)</td>
<td>AAA(sf)</td>
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<tr>
<td>A</td>
<td>€263,000,000</td>
<td>100.00%</td>
<td>3 month EURIBOR + 0.89%</td>
<td>6 month EURIBOR + 0.89%</td>
<td>21 July 2030</td>
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<td>AAA(sf)</td>
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<td>B-1</td>
<td>€32,000,000</td>
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<td>3 month EURIBOR + 1.50%</td>
<td>6 month EURIBOR + 1.50%</td>
<td>21 July 2030</td>
<td>Aa2(sf)</td>
<td>AA(sf)</td>
</tr>
<tr>
<td>B-2</td>
<td>€30,000,000</td>
<td>100.00%</td>
<td>3 month EURIBOR + 2.00%</td>
<td>6 month EURIBOR + 2.00%</td>
<td>21 July 2030</td>
<td>Aa2(sf)</td>
<td>AA(sf)</td>
</tr>
<tr>
<td>C</td>
<td>€30,000,000</td>
<td>100.00%</td>
<td>3 month EURIBOR + 2.05%</td>
<td>6 month EURIBOR + 2.05%</td>
<td>21 July 2030</td>
<td>A2(sf)</td>
<td>A(sf)</td>
</tr>
<tr>
<td>D</td>
<td>€23,000,000</td>
<td>100.00%</td>
<td>3 month EURIBOR + 2.95%</td>
<td>6 month EURIBOR + 2.95%</td>
<td>21 July 2030</td>
<td>Baa2(sf)</td>
<td>BBB(sf)</td>
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<tr>
<td>E</td>
<td>€28,000,000</td>
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<td>6 month EURIBOR + 5.07%</td>
<td>21 July 2030</td>
<td>Ba2(sf)</td>
<td>BB(sf)</td>
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<tr>
<td>F</td>
<td>€13,000,000</td>
<td>95.00%</td>
<td>3 month EURIBOR + 6.65%</td>
<td>6 month EURIBOR + 6.65%</td>
<td>21 July 2030</td>
<td>B2(sf)</td>
<td>B-(sf)</td>
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<tr>
<td></td>
<td>€47,800,000</td>
<td>100.00%</td>
<td>Excess</td>
<td>Excess</td>
<td>21 July 2030</td>
<td>Not Rated</td>
<td>Not Rated</td>
</tr>
</tbody>
</table>

1 The Placement Agent may offer the Refinancing Notes at other prices as may be negotiated at the time of sale, which may vary among different purchasers and which may be different from the issue price of the Refinancing Notes.

2 Applicable at all times prior to the occurrence of a Frequency Switch Event.
Any Class of Rated Notes may be issued with a fixed rate, a floating rate or a combination of both.

Applicable at all times following the occurrence of a Frequency Switch Event, provided that the rate of interest of the Floating Rate Notes will be determined for the period from and including the final Payment Date before the Maturity Date, to but excluding the Maturity Date if such final Payment Date falls in April 2030, by reference to three month EURIBOR.

Moody’s Investors Service Ltd is established in the EU and is registered under Regulation (EC) No 1060/2009.

The ratings assigned to the Class X Notes, the Class A Notes and the Class B Notes address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes address the ultimate payment of principal and interest. A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by Moody’s.

S&P Global Ratings is established in the EU and is registered under Regulation (EC) No 1060/2009.

The ratings assigned to the Class X Notes, the Class A Notes and the Class B Notes address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes address the ultimate payment of principal and interest. A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by S&P.

The Subordinated Notes were issued on the Original Issue Date and are not being offered pursuant to this Offering Circular. The Maturity Date of the Subordinated Notes will be extended on the Issue Date as set out in this Offering Circular.

The assets securing the Notes will consist of a portfolio of Senior Secured Loans, Senior Secured Bonds, Second Lien Loans, Mezzanine Obligations and High Yield Bonds managed by CVC Credit Partners Group Limited (the "Collateral Manager").

On 21 May 2015 (the "Original Issue Date"), CVC Cordatus Loan Fund V Designated Activity Company (formerly known as CVC Cordatus Loan Fund V Limited) (the "Issuer") issued €264,735,000 Class A-1 Senior Secured Floating Rate Notes due 2029 (the "Original Class A-1 Notes"), €5,265,000 Class A-2 Senior Secured Fixed Rate Notes due 2029 (the "Original Class A-2 Notes"), €36,865,000 Class B-1 Senior Secured Floating Rate Notes due 2029 (the "Original Class B-1 Notes"), €12,635,000 Class B-2 Senior Secured Fixed Rate Notes due 2029 (the "Original Class B-2 Notes") and, together with the Class A-1 Notes, the Class B-1 Notes, the Class A-2 Notes, the Class B-2 Notes and the Subordinated Notes, €27,000,000 Class C Senior Secured Deferrable Floating Rate Notes due 2029 (the "Original Class C Notes"), €25,250,000 Class D Senior Secured Deferrable Floating Rate Notes due 2029 (the "Original Class D Notes"), €28,750,000 Class E Senior Secured Deferrable Floating Rate Notes due 2029 (the "Original Class E Notes"), €15,150,000 Class F Senior Secured Deferrable Floating Rate Notes due 2029 (the "Original Class F Notes") and, together with the Original Class A Notes, the Original Class C Notes, the Original Class D Notes and the Original Class E Notes, the "Refinanced Notes" and €47,800,000 Subordinated Notes due 2029 (the "Subordinated Notes" and together with the Refinanced Notes, the "Original Notes").

On 21 July 2017 (the "Issue Date"), the Issuer will, subject to the satisfaction of certain conditions, refinance in whole each of the Original Class A Notes, the Original Class B Notes, the Original Class C Notes, the Original Class D Notes, the Original Class E Notes and the Original Class F Notes, by issuing €2,000,000 Class X Senior Secured Floating Rate Notes due 2030 (the "Class X Notes"), €263,000,000 Class A Senior Secured Floating Rate Notes due 2030 (the "Class A Notes"), €32,000,000 Class B-1 Senior Secured Floating Rate Notes due 2030 (the "Class B-1 Notes"), €30,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2030 (the "Class B-2 Notes" and, together with the Class A Notes, the "Class B Notes"), €30,000,000 Class C Senior Secured Deferrable Floating Rate Notes due 2030 (the "Class C Notes"), €23,000,000 Class D Senior Secured Deferrable Floating Rate Notes due 2030 (the "Class D Notes"), €28,000,000 Class E Senior Secured Deferrable Floating Rate Notes due 2030 (the "Class E Notes") and €13,000,000 Class F Senior Secured Deferrable Floating Rate Notes due 2030 (the "Class F Notes").
(the "Class F Notes" and, together with the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the "Refinancing Notes" and the Refinancing Notes together with the Subordinated Notes, the "Notes"). The Refinanced Notes will be redeemed in full on the Issue Date from the proceeds of the issue of the Refinancing Notes.

The Refinancing Notes will be issued and secured pursuant to a trust deed (the "Trust Deed") dated 21 May 2015, as supplemented on the Issue Date, made between (amongst others) the Issuer and Citibank, N.A. London Branch, in its capacity as trustee (the "Trustee"). The Subordinated Notes were issued on the Original Issue Date and are not being offered pursuant to this Offering Circular. The terms and conditions applicable to the Subordinated Notes will be amended in accordance with the Terms and Conditions of the Notes outlined in this Offering Circular.

Interest on the Notes will be payable (a) quarterly in arrear on 21 January, 21 April, 21 July and 21 October prior to the occurrence of a Frequency Switch Event (as defined herein) and semi-annually in arrear on 21 January and 21 July (where the Payment Date (as defined herein) immediately prior to the occurrence of a Frequency Switch Event falls in either January or July) or 21 April and 21 October (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either April or October) following the occurrence of a Frequency Switch Event (or, in each case, if such day is not a Business Day (as defined herein), then on the next succeeding Business Day (unless it would fall in the following month, in which case it shall be moved to the immediately preceding Business Day)) in each year, commencing after the Issue Date on 21 October 2017 and ending on the Maturity Date (as defined below) and (b) on any Redemption Date, in each case in accordance with the Priorities of Payments described herein.

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

See the section entitled "Risk Factors" herein for a discussion of certain factors to be considered in connection with an investment in the Notes.

This Offering Circular has been approved by the Central Bank of Ireland (the "Central Bank"), as competent authority under Directive 2003/71/EC (as amended, 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 (the "Official List") and trading on the regulated market of the Irish Stock Exchange (the "Main Securities Market"). Such approval relates only to the Refinancing Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC (as amended) and/or which are to be offered to the public in any Member State of the European Economic Area. There can be no assurance that any such listing approval will be granted or, if granted, that such listing and admission to trading will be maintained. This Offering Circular constitutes a “prospectus” for the purposes of the Prospectus Directive and will be made available from the website of the Central Bank and will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Directive 2003/71/EC Regulations 2005 (as amended) of Ireland.

The Refinanced Notes were admitted to the Official List and are trading on the Main Securities Market. Such admission shall be terminated on the Issue Date. The Subordinated Notes will continue to be listed and admitted to trading on the Main Securities Market following the Issue Date.

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

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act") and the Refinancing Notes will be offered only: (a) outside the United States to non-U.S. Persons (as defined in Regulation S under the Securities Act ("Regulation S"); and (b) within the United States to persons and outside the United States to U.S. Persons (as such term is defined in Regulation S ("U.S. Persons")), in each case, who are both qualified institutional buyers (as defined in Rule 144A ("Rule 144A") under the Securities Act) in reliance on Rule 144A and qualified purchasers for the purposes of Section 3(c)(7) of the United States Investment Company Act of 1940, as amended (the "Investment Company Act"). Neither the Issuer, the Collateral Manager nor the Sub-Manager will be registered under the Investment Company Act. Interests in the Notes will be subject to certain restrictions on transfer, and each purchaser of Refinancing Notes offered hereby in making its purchase will be deemed to have made certain acknowledgements, representations and agreements. See "Plan of Distribution" and "Transfer Restrictions".

The Collateral Manager intends to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions that meet certain requirements. Consequently, (a) on the Issue Date, the Refinancing Notes may not be purchased by any person except for (i) persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules ("Risk Retention U.S. Persons") or (ii) persons that have obtained a U.S. Risk Retention Waiver (as defined herein) from the Collateral Manager, and (b) during the Restricted Period, the Notes may not be transferred to any person except for (i) persons that are not Risk Retention U.S. Persons, or (ii) persons that have obtained a U.S. Risk Retention Waiver (as defined herein) from the Collateral Manager ("U.S. Risk Retention Transfer Restriction"). Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of "U.S. person" in Regulation S. Each initial investor will be required to provide written confirmation in respect of their status under the U.S. Risk Retention Rules to the Collateral Manager. See "Risk Factors – Regulatory Initiatives" and "Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence – US Risk Retention Requirements".

The Refinancing Notes (other than those Refinancing Notes that are Retention Notes to be purchased by the Retention Holder) are being offered on the Issue Date by the Issuer through Citigroup Global Markets Limited in its capacity as placement agent of the offering of such Refinancing Notes (the "Placement Agent") subject to prior sale, when, as and if delivered to and accepted by the Placement Agent, and to certain conditions. Those Refinancing Notes that are Retention Notes to be purchased by the Retention Holder shall be purchased from the Placement Agent by the Retention Holder. It is expected that delivery of the Refinancing Notes will be made on or about the Issue Date. It is a condition of the Refinancing Notes that all of the Refinancing Notes are issued concurrently. The Placement Agent may offer the Refinancing Notes at prices as may be negotiated at the time of sale, which may vary among different purchasers.

The date of this Offering Circular is 20 July 2017

Arranger and Placement Agent

Citigroup
The Issuer accepts responsibility for the information contained in this offering circular (the "Offering Circular") and to the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Collateral Manager accepts responsibility for the information contained in the sections of this Offering Circular headed "Risk Factors – Certain Conflicts of Interest – Collateral Manager", "The Collateral Manager", "The Retention Requirements – Description of the Retention Holder" and "The Retention Requirements – Origination of Collateral Debt Obligations". To the best of the knowledge and belief of the Collateral Manager (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information as of the date hereof. The Sub-Manager accepts responsibility for the information contained in the section of this Offering Circular headed "The Sub-Manager". To the best of the knowledge and belief of the Sub-Manager (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information as of the date hereof. Virtus Group LP accepts responsibility for the information contained in the section of this Offering Circular headed "The Collateral Administrator". To the best of the knowledge and belief of Virtus Group LP (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Except for the sections of this Offering Circular headed "Risk Factors – Certain Conflicts of Interest – Collateral Manager", "The Collateral Manager", "The Retention Requirements – Description of the Retention Holder" and "The Retention Requirements – Origination of Collateral Debt Obligations", in the case of the Collateral Manager, "The Sub-Manager", in the case of the Sub-Manager, "The Collateral Administrator", in the case of the Collateral Administrator and "The Liquidity Facility Provider", in the case of the Liquidity Facility Provider, none of the Collateral Manager, the Collateral Administrator, the Liquidity Facility Provider, the Sub-Manager, or the Retention Holder accept any responsibility for the accuracy and completeness of any information contained in this Offering Circular. The delivery of this Offering Circular at any time does not imply that the information herein is correct at any time subsequent to the date of this Offering Circular.

None of the Placement Agent, Citigroup Global Markets Limited in its capacity as arranger (the "Arranger"), the Trustee, the Collateral Manager (save in respect of the sections headed "Risk Factors – Certain Conflicts of Interest – Collateral Manager", "The Collateral Manager" and "The Retention Requirements – Description of the Retention Holder" and "The Retention Requirements – Origination of Collateral Debt Obligations", the Sub-Manager (save in respect of the section headed "The Sub-Manager"), the Collateral Administrator (save in respect of the section headed "The Collateral Administrator"), the Liquidity Facility Provider (save in respect of the section headed "The Liquidity Facility Provider", the Retention Holder, any Agent, any Hedge Counterparty or any other party has separately verified the information contained in this Offering Circular and, accordingly, none of the Placement Agent, the Arranger, the Trustee, the Collateral Manager (save as specified above), the Collateral Administrator (save as specified above), the Liquidity Facility Provider, the Sub-Manager, the Retention Holder, any Agent, any Hedge Counterparty or any other party (save for the Issuer as specified above) makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained in this Offering Circular or in any further notice or other document which may at any time be supplied in connection with the Notes or their distribution or accepts any responsibility or liability therefor. None of the Placement Agent, the Arranger, the Trustee, the Collateral Manager, the Sub-Manager, the Collateral Administrator, the Liquidity Facility Provider, the Retention Holder, any Agent, any Hedge Counterparty or any other party undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the aforementioned parties which is not included in this Offering Circular. None of the Placement Agent, the Arranger, the Trustee, the Collateral Manager (save as specified above), the Sub-Manager, the Collateral Administrator (save as specified
THE NOTES ARE NOT INTENDED TO BE SOLD AND SHOULD NOT BE SOLD TO RETAIL INVESTORS. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU.

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

The Issuer is not and will not be regulated by the Central Bank of Ireland (the "Central Bank") by virtue of the issue of the Refinancing Notes. Any investment in the Notes does not have the status of a bank deposit in Ireland and is not within the scope of the deposit protection scheme operated by the Central Bank.

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

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

In connection with the issue of the Refinancing Notes, no stabilisation will take place and Citigroup Global Markets Limited will not be acting as stabilising manager in respect of the Notes.
Jersey Regulatory Considerations

A copy of this Offering Circular has been delivered to the Jersey Financial Services Commission (the “JFSC”), which has given, and not withdrawn, its consent under the Control of Borrowing (Jersey) Order 1958 (as amended) to the Issuer to issue the Refinancing Notes and to the circulation of an offer for subscription, sale or exchange of the Refinancing Notes. The JFSC is protected by the Control of Borrowing (Jersey) Law 1947 (as amended) against any liability arising from the discharge of its functions under that law.

It must be distinctly understood that, in giving these consents, the JFSC takes no responsibility for the financial soundness of the Issuer or for the correctness of any statements made, or opinions expressed, with regard to it.

The investments described in this Offering Circular do not constitute a collective investment fund for the purpose of the Collective Investment Funds (Jersey) Law 1988, as amended, on the basis that they are investment products designed for financially sophisticated investors with specialist knowledge of, and experience of investing in, such investments, who are capable of fully evaluating the risks involved in making such investments and who have an asset base sufficiently substantial as to enable them to sustain any loss that they might suffer as a result of making such investments. These investments are not regarded by the JFSC as suitable investments for any other type of investor.

Any prospective investor in any investment described in this Offering Circular should consult his or her professional adviser and ensure that he or she fully understands all the risks associated with making such an investment and has sufficient financial resources to sustain any loss that may arise from it.

EU RETENTION REQUIREMENTS

In accordance with the EU Retention Requirements, the Collateral Manager, in its capacity as the Retention Holder, will undertake to the Issuer, the Arranger and the Trustee in the Retention Letter, amongst other matters, to subscribe from the Placement Agent and retain a material net economic interest of not less than five per cent. of the Principal Amount Outstanding of each Class of Notes by subscribing for and holding, on an ongoing basis, and for so long as any Notes are Outstanding, no less than five per cent. of the Principal Amount Outstanding of each Class of Notes (such Notes being the "Retention Notes"). See further "The Retention Requirements".

Each prospective investor in the Refinancing Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction is sufficient to comply with the EU Retention Requirements or any similar requirements. None of the Issuer, the Collateral Manager, the Arranger, the Placement Agent, the Agents, the Trustee, their respective Affiliates, corporate officers or professional advisers or any other person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such person shall have any liability to any prospective investor or any other person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy the requirements of the EU Retention Requirements, the implementing provisions in respect of the EU Retention Requirements in their relevant jurisdiction or any other applicable legal, regulatory or other requirements. Each prospective investor in the Refinancing Notes which is subject to the EU Retention Requirements or any other regulatory requirement should consult with its own legal, accounting, regulatory and other advisers and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of the EU Retention Requirements or similar requirements of which it is uncertain. See "Risk Factors – Regulatory Initiatives" below for further information.

Volcker Rule

Under Section 619 of the U.S. Dodd-Frank Act and the corresponding implementing rules (the "Volcker Rule") relevant "banking entities" as defined under the Volcker Rule are prohibited from, among other things, (i) conducting proprietary trading activities in a wide variety of financial instruments unless the transaction is excluded from the scope of the rule (e.g. if conducted solely for hedging purposes) and (ii) acquiring or retaining any ownership interest in, or acting as sponsor in respect of, certain investment entities referred to in the Volcker
Rule as covered funds, except as may be permitted by an applicable exclusion or exception from the Volcker Rule. In addition, in certain circumstances, the Volcker Rule restricts relevant banking entities from entering into certain credit exposure related transactions with covered funds. Subject to certain exceptions and extensions, full conformance with the Volcker Rule was required from 21 July 2015. In general, there is limited interpretive guidance regarding the Volcker Rule.

Key terms are defined under the Volcker Rule, including "banking entity", "ownership interest", "sponsor" and "covered fund". In particular, "banking entity" is defined to include certain non-U.S. affiliates of U.S. banking entities as well as non-U.S. banking entities that conduct operations in the United States either directly or through branches or affiliates, "covered fund" is defined to include an issuer that would be an investment company, as defined in the U.S. Investment Company Act of 1940, but for section 3(c)(1) or 3(c)(7) thereof, subject to certain exemptions and exclusions found in the Volcker Rule's implementing regulations (which would extend to the Issuer given its intention to rely on section 3(c)(7)) and "ownership interest" is defined to include, among other things, interests arising through a holder’s exposure to profits and losses in the covered fund or through any right of the holder to participate in the selection or removal of, among others, an investment manager or advisor, general partner, trustee or the board of directors or similar governing body of such covered fund. It should be noted that the Subordinated Notes will be characterised as ownership interests in the Issuer. It is uncertain whether any of the Rated Notes may be similarly characterised as ownership interests. Providing that the right of holders of the Notes in respect of the removal of the Collateral Manager and selection of a successor collateral manager shall only be exercisable upon a Collateral Manager Event of Default may not be sufficient to ensure that the Rated Notes are not characterised as ownership interests. If the Issuer is deemed to be a covered fund then in the absence of regulatory relief such prohibitions may have adverse effects on the Issuer and the liquidity and value of the Notes including limiting the secondary market of the Notes and affecting the Issuer’s access to liquidity and ability to hedge its exposures.

The Class A Notes, Class B Notes, Class C Notes and Class D Notes are issued in subclasses, some of which have voting rights with respect to the removal and replacement of the Collateral Manager and others of which do not possess those rights. Accordingly, U.S. banking institutions and other banking entities investing in those classes of Notes will have the option to invest in subclasses that do not by their terms have a right to remove or replace the Collateral Manager. There can be no assurance, however, that owning the Notes of a subclass which by their terms do not have a right to remove or replace the Collateral Manager, will be effective in resulting in such investments in the Issuer by U.S. banking institutions and other banking entities subject to the Volcker Rule (whether in the form of CM Exchangeable Non-Voting Notes or otherwise) not being characterised as an "ownership interest" in the Issuer.

Each prospective investor is responsible for analysing its own position under the Volcker Rule and any similar measures and none of the Issuer, the Collateral Manager, the Arranger, the Placement Agent, the Agents, the Trustee, their respective Affiliates or any other person makes any representation regarding such position, including with respect to the ability of any investor to acquire or hold the Notes, now or at any time in the future in compliance with the Volcker Rule or any other applicable laws.

The Volcker Rule and any similar measures introduced in another relevant jurisdiction may restrict the ability of relevant individual prospective purchasers to invest in the Notes and, in addition, may have a negative impact on the price and liquidity of the Notes in the secondary market. Investors should conduct their own analysis to determine whether the Issuer is a “covered fund” for their purposes. See "Risk Factors – Volcker Rule" below.

Information as to placement within the United States

The Refinancing Notes of each Class offered pursuant to an exemption from registration requirements under Rule 144A ("Rule 144A") under the Securities Act (the "Rule 144A Notes") will be sold only within the United States to persons and outside the United States to U.S. Persons (as such term is defined in Regulation S), in each case, who are "qualified institutional buyers" (as defined in Rule 144A) ("QIBs") that are also "qualified purchasers" for purposes of Section 3(c)(7) of the Investment Company Act ("QPs"). The Rule 144A Notes of each Class (including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-
Voting Notes of such Class) (other than, in certain circumstances, the Class E Notes, the Class F Notes and the Subordinated Notes) will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "Rule 144A Global Certificate" and together, the "Rule 144A Global Certificates") or in some cases (including, in certain circumstances, the Class E Notes, the Class F Notes and the Subordinated Notes) definitive certificates (each a "Rule 144A Definitive Certificate" and together the "Rule 144A Definitive Certificates"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear ("Euroclear") and Clearstream, Luxembourg ("Clearstream, Luxembourg") or in the case of Rule 144A Definitive Certificates, the registered holder thereof.

The Refinancing Notes of each Class (including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class) sold outside the United States to non-U.S. Persons in reliance on Regulation S ("Regulation S") under the Securities Act (the "Regulation S Notes") (other than, in certain circumstances, the Class E Notes, the Class F Notes and the Subordinated Notes) will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "Regulation S Global Certificate" and together, the "Regulation S Global Certificates"), or in some cases (including, in certain circumstances, the Class E Notes, the Class F Notes and the Subordinated Notes) by definitive certificates of such Class (each a "Regulation S Definitive Certificate" and together, the "Regulation S Definitive Certificates") in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank S.A./N.V., as operator of the Euroclear system and Clearstream Banking, société anonyme or, in the case of Regulation S Definitive Certificates, the registered holder thereof. Neither U.S. Persons nor U.S. residents (as determined for the purposes of the Investment Company Act) ("U.S. Residents") may hold an interest in a Regulation S Global Certificate or a Regulation S Definitive Certificate. Ownership interests in the Regulation S Global Certificates and the Rule 144A Global Certificates (together, the "Global Certificates") will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their respective participants. Other than with respect to the Rule 144A Notes that are Subordinated Notes and in certain circumstances, Class E Notes, Class F Notes and Regulation S Notes that are Subordinated Notes, Notes in definitive certificated form will be issued only in limited circumstances. Rule 144A Notes that are Subordinated Notes and, in certain circumstances, Class E Notes, Class F Notes and Regulation S Notes that are Subordinated Notes, described herein be issued in definitive, certificated, fully registered form, pursuant to the Trust Deed and will be offered outside the United States to non-U.S. Persons in reliance on Regulation S and within the United States to persons who are both QIBs and QPs and, in each case, will be registered in the name of the holder (or a nominee thereof).

As at the Issue Date, the Issuer has not been registered under the Investment Company Act in reliance on Section 3(c)(7) of the Investment Company Act. Exemptions or exclusions from registration as an investment company under the Investment Company Act other than those set out in sections 3(c)(1) and 3(c)(7) of the Investment Company Act may be available to the Issuer, but it is unlikely, and there can be no assurance that, any such exemptions or exclusions will be available or that the Issuer will elect to rely on such exemptions. Each purchaser of an interest in the Refinancing Notes other than a non-U.S. Person outside the U.S. will be deemed to have represented and agreed that it is both a QIB and a QP. Each purchaser of an interest in the Refinancing Notes will also be deemed to have made the representations set out in "Transfer Restrictions" herein. The purchaser of any Refinancing Note, by such purchase, agrees that such Refinancing Note is being acquired for its own account and not with a view to distribution and may be resold, pledged or otherwise transferred only (1) to the Issuer (upon redemption thereof or otherwise), (2) to a person the purchaser reasonably believes is a QIB which is also a QP, in a transaction meeting the requirements of Rule 144A, or (3) outside the United States to a non-U.S. Person in an offshore transaction in reliance on Regulation S, in each case, in compliance with the Trust Deed and all applicable securities laws of any state of the United States or any other jurisdiction. See "Transfer Restrictions".

On the Issue Date, the Refinancing Notes may not be purchased by any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver (as defined herein) from the Collateral Manager. Additionally, during the Restricted Period, the Notes may not be transferred to any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk
Retention Waiver (as defined herein) from the Collateral Manager. Purchasers and transferees of the Notes, including beneficial interests therein, will be deemed and in certain circumstances will be required to have made certain representations and agreements, including that each purchaser or transferee (i) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from the Collateral Manager, and (ii) is not acquiring such Notes or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Refinancing Notes through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __20 of the U.S. Risk Retention Rules described in "Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence – US Risk Retention Requirements"). Each initial investor will be required to provide written confirmation in respect of their status under the U.S. Risk Retention Rules to the Collateral Manager. See "Form of the Securities", "Book Entry Clearance Procedures", "Plan of Distribution" and "Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence – US Risk Retention Requirements" below.

In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Refinancing Notes and the offering thereof described herein, including the merits and risks involved, including the possibility that any purchaser of any Note may not fully recoup its initial investment, including as a result of certain origination expenses and expenses incurred by the Issuer in connection with the offering.

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

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

BY ACCEPTING DELIVERY OF ITS NOTES, EACH PURCHASER OF NOTES WILL BE DEEMED TO HAVE ACKNOWLEDGED THAT (A) IT HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST FROM CITIGROUP GLOBAL MARKETS LIMITED AND TO REVIEW, AND HAS RECEIVED, ALL INFORMATION CONSIDERED BY IT TO BE MATERIAL REGARDING THE INITIAL PORTFOLIO AND ALL ADDITIONAL INFORMATION CONSIDERED BY IT TO BE NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION IN THIS OFFERING CIRCULAR AND (B) IT HAS NOT RELIED ON ANY TRANSACTION PARTY OR ANY PERSON AFFILIATED WITH ANY OF THEM IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR OR ITS INVESTMENT DECISION. NEITHER THE DELIVERY OF THIS OFFERING CIRCULAR, NOR ANY SALE MADE UNDER THIS OFFERING CIRCULAR SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED IN THIS OFFERING CIRCULAR IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE OF SUCH INFORMATION.

NOTWITHSTANDING ANYTHING IN THIS OFFERING CIRCULAR TO THE CONTRARY, EACH PROSPECTIVE INVESTOR (AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF EACH PROSPECTIVE INVESTOR) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF
Available Information

To permit compliance with the Securities Act in connection with the sale of the Refinancing Notes in reliance on Rule 144A, the Issuer will be required under the Trust Deed to furnish upon request to a holder or beneficial owner of a Rule 144A Note who is a QIB or a prospective investor who is a QIB designated by such holder or beneficial owner the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the Issuer is neither a reporting company under Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g 3-2(b) under the Exchange Act. All information made available by the Issuer pursuant to the terms of this paragraph may also be obtained during usual business hours free of charge at the office of the Issuer.

General Notice

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

THE REFINANCING NOTES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

Commodity Pool Regulation

TO UTILISE ANY EXEMPTIONS FROM REGISTRATION AS A CPO AND/OR A CTA WHICH THEN MAY BE AVAILABLE, OR SEEK TO REGISTER AS A CPO/CTA. ANY SUCH EXEMPTION MAY IMPOSE ADDITIONAL COSTS ON THE COLLATERAL MANAGER, AND MAY SIGNIFICANTLY LIMIT ITS ABILITY TO ENGAGE IN HEDGING ACTIVITIES ON BEHALF OF THE ISSUER. See "RISK FACTORS – REGULATORY INITIATIVES – COMMODITY POOL REGULATION".
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The following Overview does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this Offering Circular (this "Offering Circular") and related documents referred to herein, it being understood and agreed by each investor and prospective investor in the Refinancing Notes that the Placement Agent (i) did not participate in the preparation of any Monthly Report, any Payment Date Report or any financial statements of the Issuer, (ii) is relying on representations from the Issuer as to the accuracy and completeness of the information contained in the Monthly Reports and the Payment Date Reports and (iii) shall have no responsibility whatsoever for the contents of any Monthly Report, any Payment Date Report or any financial statements of the Issuer. Capitalised terms not specifically defined in this Overview have the meanings set out in Condition 1 (Definitions) under "Terms and Conditions of the Notes" below or are defined elsewhere in this Offering Circular. An index of defined terms appears at the back of this Offering Circular. References to a "Condition" are to the specified Condition in the "Terms and Conditions of the Notes" below and references to "Conditions of the Notes" are to the "Terms and Conditions of the Notes" below. For a discussion of certain risk factors to be considered in connection with an investment in the Refinancing Notes, see "Risk Factors".

Issuer
CVC Cordatus Loan Fund V Designated Activity Company, a designated activity company limited by shares incorporated in Ireland.

Collateral Manager
CVC Credit Partners Group Limited.

Sub-Manager
CVC Credit Partners Investment Management Limited.

Trustee
Citibank, N.A. London Branch.

Placement Agent
Citigroup Global Markets Limited.

Arranger
Citigroup Global Markets Limited.

Collateral Administrator
Virtus Group LP.

Liquidity Facility Provider
Citibank, N.A. London Branch.

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

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

(b) within the United States to persons and outside the United States to U.S. Persons, in each case, who are QIB/QPs in reliance on Rule 144A.

On the Issue Date, the Refinancing Notes may not be purchased by any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver from the Collateral Manager. During the Restricted Period, without the express written consent of the Collateral Manager in the form of a U.S. Risk Retention Waiver, Notes may not be transferred to "U.S. persons” as defined in the U.S.Risk Retention Rules. See "Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence – US Risk Retention Requirements”.

Original Issue Date
21 May 2015
Redemption Date in respect of Refinanced Notes

21 July 2017

Cash Flows on the Issue Date

The estimated net proceeds of the issue of the Refinancing Notes after payment of fees and expenses payable on or about the Issue Date are expected to be approximately €417,169,100. Such proceeds will be used by the Issuer, together with certain Principal Proceeds and Interest Proceeds in accordance with the Conditions, to (i) redeem the Refinanced Notes at their respective aggregate Redemption Prices, (ii) pay certain Administrative Expenses (including Refinancing Costs) and/or Trustee Fees and Expenses, as applicable, in accordance with the Conditions and (iii) pay certain other amounts, including distributions to Subordinated Noteholders, in accordance with the Post-Acceleration Priority of Payments (in each case, as set out in the Payment Date Report prepared as of 20 July 2017 (the "July Payment Date Report"), which will be filed with the Irish Stock Exchange and published on https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Placement Agent, the Trustee, the Collateral Manager, the Hedge Counterparties, the Rating Agencies and the Noteholders from time to time) on or after the date of this Offering Circular but prior to the Issue Date).

Distributions on the Notes

Payment Dates

21 January, 21 April, 21 July and 21 October prior to the occurrence of a Frequency Switch Event and on 21 January and 21 July (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either January or July) or on 21 April and 21 October (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either April or October) following the occurrence of a Frequency Switch Event, in each year commencing after the Issue Date on 21 October 2017 and ending on the Maturity Date (subject to any earlier redemption of the Notes and in each case to adjustment for non-Business Days in accordance with the Conditions).

Stated Note Interest

Interest in respect of the Notes of each Class will be payable quarterly in arrear prior to the occurrence of a Frequency Switch Event and semi-annually in arrear following the occurrence of a Frequency Switch Event, in each case on each Payment Date (with the first Payment Date after the Issue Date occurring on 21 October 2017) in accordance with the Interest Priority of Payments.

Deferral of Interest

Failure on the part of the Issuer to pay the Interest Amounts due and payable on:

(a) any of the Class X Notes, the Class A Notes or the Class B Notes pursuant to Condition 6 (Interest) and the Priorities of Payments shall not be a Note Event of Default unless and until such failure continues for a period of at least five Business Days save:

(i) in the case of administrative error or omission only, where such failure continues for a period of at least seven Business Days; or
as the result of any deduction therefrom or the imposition of any withholding tax thereon as set out in Condition 9 (Taxation).

To the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes are not made on the relevant Payment Date in such circumstances, an amount equal to such unpaid interest will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, and thereafter will accrue interest on such unpaid amount at the rate of interest applicable to such Notes. See Conditions 6(c) (Deferral of Interest),

(b) any of the Class C Notes, Class D Notes, Class E Notes or Class F Notes pursuant to Condition 6 (Interest) and the Priorities of Payments will not constitute a Note Event of Default.

Non payment of amounts due and payable on the Subordinated Notes as a result of the insufficiency of available Interest Proceeds will not constitute a Note Event of Default.

Redemption of the Notes

Principal payments on the Notes may be made in the following circumstances:

(a) on the Maturity Date;

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

(c) after the Reinvestment Period, on each Payment Date out of Principal Proceeds transferred to the Payment Account immediately prior to the related Payment Date (save to the extent such amounts are designated for reinvestment in accordance with the Collateral Management Agreement) (see Condition 7(e) (Redemption following Expiry of the Reinvestment Period));

(d) on any Payment Date during the Reinvestment Period at the discretion of the Collateral Manager (acting on behalf of the Issuer) following certification by the Collateral Manager to the Trustee (upon which certificate the Trustee shall be entitled to rely without further enquiry and without liability) that, using reasonable endeavours, it has been unable, for a period of 20 consecutive Business Days, to identify a sufficient quantity of additional or Substitute Collateral Debt Obligations in which to invest or reinvest Principal Proceeds or Interest Proceeds (see Condition 7(d) (Special Redemption));

(e) in whole (with respect to all Classes of Rated Notes) but not in part on any Business Day following the expiry of the Non-Call Period from Sale Proceeds or Refinancing Proceeds (or any combination thereof) if directed in writing by the Subordinated Noteholders (acting by way of an Ordinary Resolution), subject to,
in the case of a Refinancing, the consent of the Collateral Manager (see Condition 7(b)(i) (Optional Redemption in Whole - Subordinated Noteholders));

(f) in part by the redemption in whole of one or more Classes of Rated Notes from Refinancing Proceeds on any Business Day following the expiry of the Non-Call Period if directed in writing by the Subordinated Noteholders (acting by way of an Ordinary Resolution), subject to the consent of the Collateral Manager, as long as the Class of Rated Notes to be redeemed represents not less than the entire Class of such Rated Notes (see Condition 7(b)(ii) (Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders));

(g) in whole (with respect to all Classes of Rated Notes) but not in part from Sale Proceeds on any Business Day following the expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period the Aggregate Collateral Balance is less than 20 per cent. of the Target Par Amount and if directed in writing by the Collateral Manager (acting on behalf of the Issuer) (see Condition 7(b)(iii) (Optional Redemption in Whole - Collateral Manager Clean-up Call));

(h) on any Business Day the Subordinated Notes may be redeemed in whole at the direction of the Subordinated Noteholders acting by way of Ordinary Resolution or at the direction of the Collateral Manager (acting on behalf of the Issuer) following the redemption in full of all Classes of Rated Notes (see Condition 7(b)(viii) (Optional Redemption of Subordinated Notes));

(i) on any Business Day following the occurrence of a Collateral Tax Event in whole (with respect to all Classes of Rated Notes) at the option of the Subordinated Noteholders acting by way of Ordinary Resolution (see Condition 7(b)(i) (Optional Redemption in Whole - Subordinated Noteholders));

(j) on any Business Day in whole (with respect to all Classes of Rated Notes) at the option of the Controlling Class (acting by way of Extraordinary Resolution) or the Subordinated Noteholders (acting by way of Ordinary Resolution), following the occurrence of a Note Tax Event, subject to (i) the Issuer having failed to change the territory in which it is resident for tax purposes and (ii) certain minimum time periods (see Condition 7(f) (Redemption following Note Tax Event));

(k) at any time following an acceleration of the Notes following the occurrence of a Note Event of Default which occurs and is continuing and has not been cured (see Condition 10(a) (Note Events of Default)); and
the Class X Notes shall be subject to mandatory redemption in part on each of the first four Payment Dates immediately following the Issue Date, in each case in an amount equal to the Class X Principal Amortisation Amount (see Condition 7(k) (Mandatory Redemption of Class X Notes)).

Non-Call Period

During the period from the Issue Date up to, but excluding, 21 July 2019 (the “Non-Call Period”), the Notes are not subject to Optional Redemption (save for upon a Collateral Tax Event or a Note Tax Event). See Condition 7(b) (Optional Redemption) and Condition 7(f) (Redemption following Note Tax Event).

Redemption Prices

The Redemption Price of each Class of Rated Notes will be (a) 100 per cent. of the Principal Amount Outstanding of the Notes to be redeemed (including, in the case of the Class C Notes, the Class D Notes, the Class E Notes and Class F Notes, any accrued and unpaid Deferred Interest on such Notes) plus (b) accrued and unpaid interest thereon to the day of redemption.

The Redemption Price for each Subordinated Note will be its pro rata share (calculated in accordance with paragraph (DD) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments and/or paragraph (AA) of the Post-Acceleration Priority of Payments as applicable) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application thereof in accordance with the Priorities of Payments.

The holders of any Class may agree to decrease the Redemption Price for such Class by way of Unanimous Resolution.

Priorities of Payments

Prior to an acceleration of the Notes in accordance with Condition 10(b) (Acceleration) or, following an acceleration of the Notes pursuant to Condition 10(b) (Acceleration) by way of the delivery of an Acceleration Notice (actual or deemed), which Acceleration Notice has been rescinded and annulled in accordance with Condition 10(c) (Curing of Default), and other than in connection with an Optional Redemption in whole pursuant to Condition 7(b) (Optional Redemption) or Condition 7(f) (Redemption following Note Tax Event), Interest Proceeds will be applied in accordance with the Interest Proceeds Priority of Payments, and Principal Proceeds will be applied in accordance with the Principal Proceeds Priority of Payments.

Upon any redemption in whole of the Notes in accordance with Condition 7(b) (Optional Redemption) or in accordance with Condition 7(f) (Redemption following Note Tax Event) or, following the delivery of an Acceleration Notice (actual or deemed) in accordance with Condition 10(b) (Acceleration) which has not been rescinded and annulled in accordance with Condition 10(c) (Curing of Default), Interest Proceeds and Principal Proceeds will be applied in accordance with the Post-Acceleration Priority of Payments, in each case as described in the Conditions.
Collateral Management Fees

**Senior Collateral Management Fee**
0.20 per cent. per annum of the Fee Basis Amount (being exclusive of any applicable VAT). See "Description of the Collateral Management Agreement".

**Subordinated Collateral Management Fee**
0.30 per cent. per annum of the Fee Basis Amount (being exclusive of any applicable VAT). See "Description of the Collateral Management Agreement".

**Incentive Collateral Management Fee**
After having met or surpassed the Incentive Collateral Management Fee IRR Threshold of 12.0 per cent., 20.0 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payments (being exclusive of any applicable VAT). See "Description of the Collateral Management Agreement".

**Collateral Manager Advances**
The Collateral Manager may, at its discretion and from time to time but not more than once per calendar year nor more than three times in aggregate, advance an amount (each such amount, a "Collateral Manager Advance") to the Issuer for the purpose of:

(a) funding the purchase or exercise of rights under Collateral Enhancement Debt Obligations which the Collateral Manager determines on behalf of the Issuer should be purchased or exercised; or

(b) as a contribution to Interest Proceeds or Principal Proceeds, to be applied in accordance with the applicable Priorities of Payments.

Each Collateral Manager Advance may bear interest as agreed between the Issuer and the Collateral Manager from time to time and notified by the Collateral Manager to the Collateral Administrator as soon as reasonably practicable provided that such rate of interest shall not exceed a rate of EURIBOR plus 2.0 per cent. per annum. All such Collateral Manager Advances shall be repaid out of Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payments.

**Sub-Management**

**Sub-Management Agreement**
Pursuant to a collateral sub-management agreement (the "Collateral Sub-Management Agreement") dated 21 May 2015, as amended and restated on the Issue Date between the Issuer, the Collateral Manager and the Sub-Manager, the Collateral Manager has delegated the rights, powers, duties and obligations of the Collateral Manager under the Collateral Management Agreement, such delegated rights, powers, duties and obligations to be provided by the Sub-Manager to the Collateral Manager and not to the Issuer. Any delegation of duties by the Collateral Manager in accordance with the Collateral Management Agreement shall not relieve the Collateral Manager from any liability thereunder.
**Sub-Manager Services Fee**

The Sub-Manager is entitled to a sub-manager services fee (the "Sub-Manager Services Fee"), such Sub-Manager Services Fee being exclusive of any applicable VAT, payable to the Sub-Manager by the Collateral Manager and shall not be entitled to a fee from the Issuer in respect of managing the Portfolio.

**Security for the Notes**

**General**

The Notes will be secured in favour of the Trustee for the benefit of the Secured Parties by security over a portfolio of Collateral Debt Obligations predominantly consisting of Senior Secured Loans, Senior Secured Bonds, Second Lien Loans, Mezzanine Obligations and High Yield Bonds. The Notes will also be secured by an assignment by way of security of various of the Issuer’s other rights, including its rights under certain of the agreements described herein. See Condition 4 (Security).

**Hedge Arrangements**

The Issuer will not be permitted to enter into a Hedge Agreement to hedge interest rate risk and/or currency risk unless either (i) such Hedge Agreement complies with the Hedge Agreement Eligibility Criteria, or (ii) the Issuer obtains legal advice from reputable legal counsel to the effect that the entry into such arrangements shall not require any of the Issuer, its directors or officers or the Collateral Manager to register with the United States Commodities Futures Trading Commission (the "CFTC") as a commodity pool operator or a commodity trading advisor pursuant to the United States Commodity Exchange Act of 1936, as amended (a "Commodity Pool"). Notwithstanding the above, if, in the reasonable opinion of the Collateral Manager, entry into a Hedge Agreement would require registration of the Collateral Manager as a Commodity Pool with respect to, and at the expense of, the Issuer, the Issuer will not be permitted to enter into such Hedge Agreement unless such registration is made by the Collateral Manager. The Issuer will also be obliged to obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless it is in a form in respect of which the Issuer (or the Collateral Manager acting on behalf of the Issuer) has previously received written approval from each Rating Agency. See "Hedge Arrangements".

On or around the Issue Date, the Issuer may enter into Interest Rate Hedge Transactions which are interest rate caps ("Issue Date Interest Rate Hedge Transactions") with one or more Interest Rate Hedge Counterparties in order to mitigate its exposure to increases in EURIBOR-based payments of interest payable by the Issuer on the Rated Notes. Should the Issuer enter into such transactions on the Issue Date, the Issuer will pay a premium to such Interest Rate Hedge Counterparty or Interest Rate Hedge Counterparties. The Issuer (or the Collateral Manager on its behalf) would be required to exercise such Issue Date Interest Rate Hedge Transactions if at any time EURIBOR was greater than the strike price set out in the applicable Issue Date Interest Rate Hedge Transaction. The Issuer (or the Collateral Manager on its behalf) will be permitted to novate for value any Issue Date Interest Rate Hedge Transaction on any date (a) upon which the Rated Notes have been redeemed in whole or (b) upon receipt of Rating Agency Confirmation.

See "Hedge Arrangements".
Purchase of Collateral Debt Obligations

Reports

The Monthly Report, prepared as of 31 May 2017 (the "May Monthly Report"), which includes information regarding the Collateral Debt Obligations held by the Issuer and compliance with the Portfolio Profile Tests, Coverage Tests, Collateral Quality Tests and other tests and requirements set forth in the original collateral management agreement, has been filed with the Irish Stock Exchange.

The July Payment Date Report, which includes the payments to be made on the Issue Date, will be filed with the Irish Stock Exchange and published on https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Placement Agent, the Trustee, the Collateral Manager, the Hedge Counterparties, the Rating Agencies and the Noteholders from time to time) on or after the date of this Offering Circular but prior to the Issue Date.

The information contained in each of the May Monthly Report and the July Payment Date Report is limited and has not been verified or audited. See "Risk Factors—Operating history; investment performance".

Existing Collateral Debt Obligations

The Issuer has been acquiring and selling Collateral Debt Obligations since the Original Issue Date and prior to that pursuant to certain warehouse arrangements. The July Payment Date Report should be read in conjunction with this Offering Circular as it is integral to understanding and evaluating the information contained in this Offering Circular.

Reinvestment in Collateral Debt Obligations

Subject to and in accordance with the Collateral Management Agreement, the Collateral Manager shall, on behalf of the Issuer, use reasonable endeavours to use Principal Proceeds available from time to time to purchase Substitute Collateral Debt Obligations meeting the Eligibility Criteria and Reinvestment Criteria during the Reinvestment Period.

Following expiry of the Reinvestment Period, only Sale Proceeds from the sale of Credit Impaired Obligations, Credit Improved Obligations and Unscheduled Principal Proceeds received after the Reinvestment Period may be reinvested by the Issuer or the Collateral Manager, on behalf of the Issuer, in Substitute Collateral Debt Obligations meeting the Eligibility Criteria and Reinvestment Criteria. See "The Portfolio - Sale of Collateral Debt Obligations" and "The Portfolio - Reinvestment in Collateral Debt Obligations".

Eligibility Criteria

In order to qualify as a Collateral Debt Obligation, an obligation must satisfy the Eligibility Criteria or, in the case of an obligation which is the subject of a restructuring, the Restructured Obligation Criteria. Each obligation shall only be required to satisfy the Eligibility Criteria at the time the Issuer (or the Collateral Manager, acting on behalf of the Issuer) enters into a binding commitment to purchase such obligation save for an Original Issue Date Collateral Debt Obligation, which was also required to satisfy the Eligibility Criteria on the Original Issue Date, and Restructured Obligations, which must satisfy the Restructured Obligation Criteria as at the applicable Restructuring Date. See "The Portfolio - Sale of Collateral Debt Obligations".
Debt Obligations” and "The Portfolio - Reinvestment in Collateral Debt Obligations”.

**Restructured Obligations**

In order for a Collateral Debt Obligation which is the subject of a restructuring to qualify as a Collateral Debt Obligation such Collateral Debt Obligation must satisfy the Restructured Obligation Criteria as at the applicable Restructuring Date. See "The Portfolio - Restructured Obligations”.

**Collateral Quality Tests**

The Collateral Quality Tests will comprise the following:

For so long as any of the Rated Notes are rated by Moody’s and are Outstanding:

(a) the Moody’s Minimum Diversity Test;

(b) the Moody’s Minimum Weighted Average Recovery Rate Test; and

(c) the Moody’s Maximum Weighted Average Rating Factor Test.

For so long as any Notes rated by S&P are Outstanding and until the expiry of the Reinvestment Period only, the S&P CDO Monitor Test.

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

(a) the Weighted Average Life Test; and

(b) the Minimum Weighted Average Spread Test.

Each of the Collateral Quality Tests is defined in the Collateral Management Agreement and described in "The Portfolio” below.

**Portfolio Profile Tests**

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

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Secured Loans and Senior Secured Bonds</td>
<td>90.00%</td>
<td>N/A</td>
</tr>
<tr>
<td>Senior Secured Loans</td>
<td>70.00%</td>
<td></td>
</tr>
<tr>
<td>Second Lien Loans, Senior Unsecured Obligations, High Yield Bonds, Mezzanine Obligations</td>
<td>N/A</td>
<td>10.00%</td>
</tr>
<tr>
<td>Fixed Rate Collateral Debt Obligations</td>
<td>N/A</td>
<td>10.00%</td>
</tr>
<tr>
<td>Description</td>
<td>Rating</td>
<td>Example</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>--------------</td>
<td>---------</td>
</tr>
<tr>
<td>Asset Swap Obligations</td>
<td>N/A</td>
<td>20.00%</td>
</tr>
<tr>
<td>Unhedged Collateral Debt Obligations</td>
<td>N/A</td>
<td>2.50%</td>
</tr>
<tr>
<td>S&amp;P Industry Classification Group</td>
<td>N/A</td>
<td>10.00%, provided that the largest S&amp;P Industry Classification Group may comprise no more than 15.00% and the second and third largest S&amp;P Industry Classification Groups may comprise no more than 12.00%.</td>
</tr>
<tr>
<td>Domicile of Obligors</td>
<td>N/A</td>
<td>10.00% Domiciled in countries or jurisdictions with a Moody’s local currency country risk ceiling of &quot;A1&quot; or below.</td>
</tr>
<tr>
<td>Current Pay Obligations</td>
<td>N/A</td>
<td>5.00%</td>
</tr>
<tr>
<td>Unfunded Amounts/Funded Amounts under Revolving Obligations/Delayed Drawdown Collateral Debt Obligations</td>
<td>N/A</td>
<td>5.00%</td>
</tr>
<tr>
<td>Corporate Rescue Loans</td>
<td>N/A</td>
<td>5.00%, provided that not more than 2.00% shall consist of Corporate Rescue Loans from a single Obligor.</td>
</tr>
<tr>
<td>PIK Obligations</td>
<td>N/A</td>
<td>5.00%</td>
</tr>
<tr>
<td>Annual Obligations</td>
<td>N/A</td>
<td>5.00% unless Rating Agency Confirmation obtained.</td>
</tr>
<tr>
<td>Moody’s Caa Obligations</td>
<td>N/A</td>
<td>7.50%</td>
</tr>
<tr>
<td>S&amp;P CCC Obligations</td>
<td>N/A</td>
<td>7.50%</td>
</tr>
<tr>
<td>Moody’s Rating derived from S&amp;P Rating</td>
<td>N/A</td>
<td>10.00%</td>
</tr>
<tr>
<td>S&amp;P Rating derived from Moody’s Rating</td>
<td>N/A</td>
<td>10.00%</td>
</tr>
<tr>
<td>Senior Secured Loans and Senior Secured Bonds to a single Obligor</td>
<td>N/A</td>
<td>2.50%, provided that up to 3 Obligors may represent up to 3.00%</td>
</tr>
<tr>
<td>Description</td>
<td>Limit</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>-------</td>
<td></td>
</tr>
<tr>
<td>Senior Unsecured Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds to a single Obligor</td>
<td>1.50%, provided that up to 3 Obligors may represent up to 2.00% each</td>
<td></td>
</tr>
<tr>
<td>Collateral Debt Obligations to a single Obligor</td>
<td>3.00%</td>
<td></td>
</tr>
<tr>
<td>Participations</td>
<td>5.00%</td>
<td></td>
</tr>
<tr>
<td>Bridge Loans</td>
<td>2.50%</td>
<td></td>
</tr>
<tr>
<td>Bivariate Risk Table</td>
<td>See limits set out in &quot;The Portfolio - Bivariate Risk Table&quot;</td>
<td></td>
</tr>
<tr>
<td>Cov-Lite Loans</td>
<td>30.00%</td>
<td></td>
</tr>
<tr>
<td>Non-Broadly Syndicated Loans to Portfolio Companies</td>
<td>20.00%</td>
<td></td>
</tr>
<tr>
<td>Collateral Debt Obligations to CVC Capital Portfolio Companies</td>
<td>25.00%</td>
<td></td>
</tr>
<tr>
<td>Indebtedness of Obligor</td>
<td>5.00% Collateral Debt Obligations issued by Obligors each of which has total current indebtedness (comprised of all financial debt owing by the Obligor including the maximum available amount or total commitment under any revolving or delayed draw loans) under their respective loan agreements and other Underlying Instruments of not less than €100,000,000.00 but not more than €200,000,000.00.</td>
<td></td>
</tr>
<tr>
<td>Collateral Debt Obligations that were acquired from a majority-owned affiliate or branch of the Collateral Manager or the Issuer</td>
<td>25.0%</td>
<td></td>
</tr>
</tbody>
</table>
organised or located in the United States

Coverage Tests

The Coverage Tests will be used primarily to determine whether principal and interest may be paid on the Rated Notes and distributions may be made on the Subordinated Notes or whether funds which would otherwise be used to pay interest on the Rated Notes and to make distributions on the Subordinated Notes must instead be used to pay principal on one or more Classes of Rated Notes in accordance with the Priorities of Payments.

Each of the Par Value Tests and Interest Coverage Tests shall be satisfied on a Determination Date on or after the Issue Date if the corresponding Par Value Ratio or Interest Coverage Ratio (as the case may be) is at least equal to the percentage specified in the table below in relation to that Coverage Test:

<table>
<thead>
<tr>
<th>Class</th>
<th>Required Par Value Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/B</td>
<td>130.08%</td>
</tr>
<tr>
<td>C</td>
<td>119.82%</td>
</tr>
<tr>
<td>D</td>
<td>113.58%</td>
</tr>
<tr>
<td>E</td>
<td>106.83%</td>
</tr>
<tr>
<td>F</td>
<td>103.88%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class</th>
<th>Required Interest Coverage Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/B</td>
<td>120.00%</td>
</tr>
<tr>
<td>C</td>
<td>110.00%</td>
</tr>
<tr>
<td>D</td>
<td>105.00%</td>
</tr>
</tbody>
</table>

Interest Diversion Test

On and after the Issue Date and during the Reinvestment Period only, if the Class F Par Value Ratio is less than 104.38 per cent. on the relevant Determination Date, Interest Proceeds shall be paid to the Principal Account to be applied in the acquisition of additional Collateral Debt Obligations in an amount (such amount, the "Required Diversion Amount") equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (W) of the Interest Proceeds Priority of Payments and (2) the amount which, after giving effect to the payment of all amounts payable in respect of (A) through (V) inclusive of the Interest Proceeds Priority of Payments, would be sufficient to cause the Interest Diversion Test to be met as of the relevant Determination Date, such amounts to be applied during the Reinvestment Period to purchase additional Collateral Debt Obligations.

Liquidity Facility

For the period from (and including) the Issue Date to (but excluding) the earliest of (a) the Business Day that is immediately preceding the date that is four years from the Issue Date, subject to renewal for one or two additional one year periods in accordance with the Liquidity Facility Agreement; (b) the date on which the Liquidity Facility is cancelled in its
entirety in accordance with its provisions; and (c) the date on which the Rated Notes are redeemed in full, or in each case, if such day is not a Business Day, the Business Day immediately prior to such day (the "Liquidity Facility Commitment Period"), the Issuer will, subject to satisfaction of certain conditions, be entitled on any proposed date of advance to make drawings under a liquidity facility (the "Liquidity Facility") provided pursuant to a liquidity facility agreement (the "Liquidity Facility Agreement") entered into on 21 May 2015, as amended and restated on the Issue Date, between, inter alios, the Issuer (as borrower) and Citibank, N.A. London Branch (as liquidity facility provider) (the "Liquidity Facility Provider").

The Issuer will be entitled to draw under the Liquidity Facility Agreement (each, a "Liquidity Drawing") funds for the payment of any shortfall in any amounts due and payable by the Issuer under, and in accordance with, the Interest Proceeds Priority of Payments on any Payment Date (provided each applicable Coverage Test senior to the relevant payment is satisfied on the relevant Determination Date, for such purposes assuming that such Liquidity Drawing has already been made) but in any event in an amount not exceeding the lesser of (i) the amount of the Available Commitment then available (taking into account any Liquidity Drawing scheduled to be repaid on the proposed date of drawdown) on the day such Liquidity Drawing is to be made and subject to receipt of confirmation from the Collateral Administrator that there will be sufficient amounts available in the Interest Account to make repayments of such Liquidity Drawing in full on or before the Payment Date following the date of the Liquidity Drawing; and (ii) the relevant Liquidity Shortfall, each subject to certain limitations as set out in "Description of the Liquidity Facility Agreement".

Save as otherwise provided in the Liquidity Facility Agreement, the Issuer shall repay each Liquidity Drawing in full on or before the Payment Date following the applicable date of drawdown in accordance with the applicable Priorities of Payments. Each Subsequent Drawdown (as defined in the Liquidity Facility Agreement) shall be applied in repayment (in whole or in part) of the related Initial Drawdown (as defined in the Liquidity Facility Agreement) or, if applicable, any Subsequent Drawdown refinancing the same or refinancing any earlier Subsequent Drawdown.

The maximum amount of the Liquidity Facility shall be €2,000,000 until the end of the Liquidity Facility Commitment Period (subject to reduction, amortisation or cancellation in accordance with the terms of the Liquidity Facility Agreement).

**Authorised Denominations**

The Regulation S Notes of each Class will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The Rule 144A Notes of each Class will be issued in minimum denominations of €250,000 and integral multiples of €1,000 in excess thereof.

**Form, Registration and Transfer of the Notes**

The Regulation S Notes of each Class (other than, in certain circumstances, the Class E Notes, Class F Notes and Subordinated Notes) including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes
and the CM Non-Voting Note of such Class, sold outside the United States to non-US Persons in reliance on Regulation S will be represented on issue (or, in respect of the Subordinated Notes, are currently represented) by beneficial interests in one or more Regulation S Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank S.A./N.V., as operator of the Euroclear System and Clearstream Banking, société anonyme. Beneficial interests in a Regulation S Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. See "Form of the Notes" and "Book Entry Clearance Procedures". Interests in any Regulation S Note may not at any time be held by any U.S. Person or U.S. Resident.

The Rule 144A Notes of each Class (other than, in certain circumstances, the Class E Notes and Class F Notes and the Subordinated Notes) including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class, sold in reliance on Rule 144A within the United States to persons and outside the United States to U.S. Persons, in each case, who are QIB/QPs will be represented on issue (or, in respect of the Subordinated Notes, are currently represented) by one or more Rule 144A Global Certificates in fully registered form, without interest coupons or principal receipts deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Rule 144A Global Certificate may at any time only be held through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg.

The Regulation S Global Certificates and the Rule 144A Global Certificates will bear (or, in respect of the Subordinated Notes, currently bear) a legend and such Regulation S Global Certificates and Rule 144A Global Certificates, or any interest therein, may not be transferred except in compliance with the transfer restrictions set out in such legend. See "Transfer Restrictions".

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

Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. See "Form of the Notes", "Book Entry Clearance Procedures" and
"Transfer Restrictions". During the Restricted Period, the Notes may not be transferred to any person except for (i) persons that are not Risk Retention U.S. Persons or (ii) persons that have obtained a U.S. Risk Retention Waiver from the Collateral Manager. Any transfer in breach of this requirement will result in the affected Notes becoming subject to Condition 2(k) (Forced transfer pursuant to U.S. Risk Retention Rules). See "Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence – US Risk Retention Requirements".

Each purchaser or transferee of Notes in making its purchase will be required to make, or will be deemed to have made, certain acknowledgements, representations and agreements. See "Transfer Restrictions". The transfer of Notes in breach of certain of such representations and agreements will result in affected Notes becoming subject to certain forced transfer provisions. See Condition 2(h) (Forced Transfer of Rule 144A Notes), Condition 2(i) (Forced sale pursuant to FATCA), Condition 2(j) (Forced Transfer pursuant to ERISA) and Condition 2(k) (Forced transfer pursuant to U.S. Risk Retention Rules).

**CM Voting Notes, CM Non-Voting Exchangeable Notes and CM Non-Voting Notes**

The Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes may be in the form of a CM Voting Note, a CM Non-Voting Exchangeable Note or a CM Non-Voting Note.

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

CM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into CM Non-Voting Exchangeable Notes or CM Non-Voting Notes. CM Non-Voting Exchangeable Notes shall be exchangeable (a) upon request by the relevant Noteholder at any time into CM Non-Voting Notes or (b) into CM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance. CM Non-Voting Notes shall not be exchangeable at any time into CM Voting Notes or CM Non-Voting Exchangeable Notes.

Any Notes (including any Class of Rated Notes and Subordinated Notes) held by or on behalf of the Collateral Manager, the Sub-Manager or any of their respective Affiliates shall have no voting rights with respect to, and shall not be counted for the purpose of determining a quorum and the results of, voting on any CM Removal Resolution or CM Replacement Resolution.

**Governing Law**

The Notes, the Trust Deed, the Collateral Management Agreement, the Agency Agreement, the Liquidity Facility Agreement and all other Transaction Documents will be governed by English law (other than the Corporate Services Agreement, which will be governed by Irish law).
Listing

This Offering Circular has been approved by the Central Bank of Ireland (the "Central Bank"), as competent authority under Directive 2003/71/EC (as amended, 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 (the "Official List") and trading on the regulated market of the Irish Stock Exchange (the "Main Securities Market"). Such approval relates only to the Refinancing Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC (as amended) and/or which are to be offered to the public in any Member State of the European Economic Area. There can be no assurance that any such listing approval will be granted or, if granted, that such listing and admission to trading will be maintained. This Offering Circular constitutes a "prospectus" for the purposes of the Prospectus Directive and will be made available from the website of the Central Bank and will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Directive 2003/71/EC Regulations 2005 (as amended) of Ireland.

Tax Status

See "Tax Considerations".

Certain ERISA Considerations

See "Certain ERISA Considerations".

Withholding Tax

No gross up of any payments to the Noteholders is required of the Issuer. See Condition 9 (Taxation).

Forced sale and withholding pursuant to FATCA

Under FATCA, the Issuer may require each Noteholder (which may include a nominee or beneficial owner of a Note for these purposes) to provide certifications and identifying information about itself and certain of its owners. The Issuer may sell a Noteholder’s Notes (other than the Retention Notes) in order to achieve FATCA Compliance, including Notes held by a Noteholder that fails to provide the required information (and such sale could be for less than its then fair market value). In addition, the failure to provide such information, or the failure of certain non-U.S. financial institutions to achieve FATCA Compliance, may compel the Issuer to withhold on payments to such holders (and the Issuer will not pay any additional amounts with respect to such withholding).

Additional Issuances

Subject to certain conditions being met, additional Notes of:

(a) one or more existing Classes (other than the Class X Notes); and

(b) one or more new Classes, provided that such new Classes will be subordinated in right to the repayment of interest and principal of the Rated Notes in accordance with applicable Priorities of Payments,

may be issued and sold.

See Condition 17 (Additional Issuance).
Retention Holder and EU Retention Requirements

The Collateral Manager (in its capacity as the Retention Holder) will agree that for so long as any Class of Notes remains Outstanding, it will subscribe for on the Issue Date (or, in respect of the Subordinated Notes, it subscribed for on the Original Issue Date), and hold on an ongoing basis, not less than 5 per cent. of the Principal Amount Outstanding of each Class of Notes with the intention of complying with the EU Retention Requirements as such requirements apply as of the Issue Date provided, however, that the Collateral Manager may transfer the Retention Notes to the extent such transfer would not cause the transaction to be non-compliant with the EU Retention Requirements. See "The Retention Requirements".

The Collateral Manager intends to obtain financing for the acquisition of the Retention Notes. See "Risk Factors – Regulatory Initiatives - Retention Financing".
RISK FACTORS

An investment in the Notes of any Class involves certain risks, including risks relating to the Collateral securing such Notes and risks relating to the structure and rights of such Notes and the related arrangements. Prospective investors should carefully consider the following factors, in addition to the matters set forth elsewhere in this Offering Circular, prior to investing in any Notes. Terms not defined in this section and not otherwise defined above have the meanings set out in Condition 1 (Definitions) of the "Terms and Conditions of the Notes".

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

1. GENERAL

1.1 General

The Issuer has invested in and will continue to invest in Collateral Debt Obligations and other financial assets with certain risk characteristics as described below and subject to the investment policies, restrictions and guidelines described in "The Portfolio". There can be no assurance that the Issuer’s investments will be successful, that its investment objectives will be achieved, that the Noteholders will receive the full amounts payable by the Issuer under the Notes or that they will receive any return on their investment in the Notes. Prospective investors are therefore advised to review this entire Offering Circular carefully and should consider, among other things, the risk factors set out in this section before deciding whether to invest in the Notes. Except as is otherwise stated below, such risk factors are generally applicable to all Classes of Notes, although the degree of risk associated with each Class of Notes will vary in accordance with the position of such Class of Notes in the Priorities of Payments. See Condition 3 (Priorities of Payments). In particular, payments in respect of the Class X Notes and the Class A Notes are generally higher in the Priorities of Payments than those of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes. Neither the Placement Agent nor the Trustee undertakes to review the financial condition or affairs of the Issuer or the Collateral Manager during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Placement Agent or the Trustee which is not included in this Offering Circular or the Reports, as the case may be.

Significant risks may exist for the Issuer and investors in Notes as a result of the uncertain general economic conditions. These risks include, among others, (i) the possibility that, on or after the Issue Date, the price at which assets can be sold by the Issuer will have deteriorated from their effective purchase price and (ii) the illiquidity of the Notes, as there may be no secondary trading in the Notes. These risks may affect the returns on the Notes to investors and the ability of investors to realise their investment in the Notes prior to their stated maturity, if at all. In addition, the primary market for a number of financial products including leveraged loans may be volatile, and the level of new issuances may be uncertain and may vary based on a number of factors, including general economic conditions. As well as reducing opportunities for the Issuer to purchase assets in the primary market, this may increase reinvestment or refinancing risk in respect of maturing Collateral Debt Obligations. These additional risks may affect the returns on the Notes to investors and could further slow, delay or reverse an economic recovery and cause a further deterioration in loan performance generally. Limitations on the amount of available credit in the market may have an adverse impact on general economic conditions that affect the performance of the Collateral. The slowdown in growth or commencement of a recession would be expected to have an adverse effect on the ability of businesses to repay or refinance their existing debt. Adverse macroeconomic conditions may adversely affect
the rating, performance and the realisation value of the Collateral. It is possible that the Collateral will experience higher default rates than anticipated and that performance will suffer.

1.2 Prior activities of the Issuer

The only operations that an issuer of structured rated notes similar to the Refinancing Notes is ordinarily permitted to perform prior to the issue date thereof is the entry into the warehouse arrangements in respect of the acquisition of certain assets on which such notes are to be secured on or prior to such issue date. This is to mitigate the risk that creditors of the issuer may exist as a result of the activities of such issuer who may be able to take action against the issuer should it not perform its obligations to the extent that such creditors have not entered into limited recourse and nonpetition provisions similar to those to which the Secured Parties are subject pursuant to the Trust Deed. This risk is potentially increased in the case of the Issuer, as a result of it having issued the Original Notes on the Original Issue Date and having entered into the related collateralised loan obligation transactions on and since such date.

1.3 Operating history; investment performance

In preparing and furnishing the Monthly Reports and the Payment Date Reports, the Issuer will rely conclusively on the accuracy and completeness of the information or data regarding the Collateral Debt Obligations that has been provided to it by the Collateral Administrator (which will rely conclusively, in turn, on the accuracy and completeness of certain information provided to it by the Collateral Manager and third parties) (and reviewed by the Collateral Manager), and the Issuer will not verify, recompute, reconcile or recalculate any such information or data.

In addition, the information contained in the Monthly Reports and the Payment Date Reports is dependent in part on interpretations, calculations and/or determinations made by the Issuer, the Collateral Administrator and the Collateral Manager. The accuracy of the Monthly Reports and the Payment Date Reports, and the information included therein, is therefore subject to the accuracy of the interpretations, calculations and/or determinations of the Issuer, the Collateral Administrator and the Collateral Manager.

The May Monthly Report has been filed with the Irish Stock Exchange and is available for viewing at http://www.ise.ie/app/announcementDetails.aspx?ID=13290801. The July Payment Date Report will be filed with the Irish Stock Exchange and published on https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Placement Agent, the Trustee, the Collateral Manager, the Hedge Counterparties, the Rating Agencies and the Noteholders from time to time) on or after the date of this Offering Circular but prior to the Issue Date. In the case of the May Monthly Report and the July Payment Date Report, such information contained within has not been prepared, audited or otherwise reviewed by any accounting firm, independent accountants or any other third party, either in connection with the offering of the Refinancing Notes or otherwise. None of the Placement Agent, the Collateral Manager or the Collateral Administrator is responsible to investors for, and makes no representation or warranty, express or implied, as to the accuracy or completeness of the May Monthly Report or the July Payment Date Report. 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 Tests 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 Issue Date. As a result, the information contained in the reports may no longer reflect the characteristics of the Collateral Debt Obligations as of the date of this Offering Circular or on or after the Issue Date.

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

No information is provided in this Offering Circular regarding the Issuer's investment performance and portfolio except as set forth in those reports incorporated herein and no information is provided in this Offering Circular regarding any other aspect of the Issuer's operations. While the Issuer believes that it has complied with the requirements of the Trust Deed and Collateral Management Agreement, no assurance can be given that the Issuer or the Collateral Manager has unintentionally failed to comply with such obligations, nor that any such failure will not have a material adverse effect on Noteholders in the future.

1.4 Suitability

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

1.5 No representation

The information contained in this Offering Circular was obtained from the Issuer and other sources, but no assurance is or can be given by the Placement Agent, the Arranger, the Trustee, the Collateral Manager, any Agent, any Hedge Counterparty or anyone other than the Issuer as to the adequacy, accuracy or completeness of such information and this Offering Circular does not constitute and shall not be construed as any representation or warranty by the Placement Agent, the Arranger, the Trustee, the Collateral Manager, any Agent, any Hedge Counterparty or anyone other than the Issuer as to the adequacy, accuracy or completeness of such information contained herein. None of the Placement Agent, the Arranger, the Trustee, the Collateral Manager, any Agent, any Hedge Counterparty or anyone other than the Issuer have independently verified any of the information contained herein (accounting, capital, tax, financial, legal, regulatory or otherwise) and in making an investment decision, investors must rely on their own examination of the terms of this Offering Circular, including the merits and risks involved. Delivery of this Offering Circular to any person other than the prospective investor and those persons, if any, retained to advise such prospective investor with respect to the possible offer and sale of the Notes is unauthorised, and any disclosure of any of its contents for any purpose other than considering an investment in the Notes is strictly prohibited. A prospective investor shall not be entitled to, and must not rely on, this Offering Circular unless it was furnished to such prospective investor directly by the Issuer, Placement Agent, or the Arranger.

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

Each person who acquires the Notes will be deemed, by such acquisition, to have represented that he or it is one of the foregoing persons and deemed to have acknowledged the preceding statement.
1.6 Limited Resources of Funds to Pay Expenses of the Issuer

The funds available to the Issuer to pay its expenses on any Payment Date are limited as provided in the Priorities of 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 it may not be able to defend or prosecute legal proceedings brought against it or which it might otherwise bring to protect its interests or be able to pay the expenses of legal proceedings against persons it has indemnified.

1.7 Business and Regulatory Risks for Vehicles with Investment Strategies such as the Issuer’s

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

1.8 Events in the CLO and Leveraged Finance Markets

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

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

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

Significant risks for the Issuer and investors exist as a result of the current economic conditions. These risks include, among others, (i) the likelihood that the Issuer will find it more difficult to sell any of its assets or to purchase new assets in the secondary market, (ii) the possibility that, on or after the Issue Date, the price at which assets can be sold by the Issuer will have deteriorated from their effective purchase price and (iii) the illiquidity of the Notes. These additional risks may affect the returns on the Notes to investors and/or the ability of investors to realise their investment in the Notes prior to their Maturity Date. In addition, the primary market for a number of financial products including leveraged loans has not fully recovered from the effects of the global credit crisis. As well as reducing opportunities for the Issuer to purchase assets in the primary market, this is likely to increase the refinancing risk in respect of maturing assets. Although there have recently been signs that the primary market for certain financial products is recovering, particularly in the United States of America, the impact of the economic crisis on the primary market may adversely affect the flexibility of the Collateral Manager to invest and, ultimately, reduce the returns on the Notes to investors.
Difficult macro-economic conditions may adversely affect the rating, performance and the realisation value of the Collateral. Default rates on loans and other investments may continue to fluctuate and accordingly the performance of many collateralised loan obligation (“CLO”) transactions and other types of investment vehicles may suffer as a result. It is also possible that the Collateral will experience higher default rates than anticipated and that performance will suffer.

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

The result of the above is a significantly more restrictive regulatory environment including the implementation of new accounting and capital adequacy rules in addition to further regulation of derivative or securitised instruments. Such additional rules and regulations could, among other things, adversely affect Noteholders as well as the flexibility of the Collateral Manager in managing and administering the Collateral.

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

1.9 Euro and Euro zone Risk

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

As a result of the credit crisis in Europe, in particular in Cyprus, Greece, Italy, Ireland, Portugal and Spain, the European Commission created the European Financial Stability Facility (the “EFSF”) and the European Financial Stability Mechanism (the “EFSM”) to provide funding to Euro zone countries in financial difficulties that seek such support. In March 2011, the European Council agreed on the need for Euro zone countries to establish a permanent stability mechanism, the European Stability Mechanism (the “ESM”) to assume the role of the EFSF and the EFSM in providing external financial assistance to Euro zone countries from 1 July 2013.

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

Furthermore, concerns that the Euro zone sovereign debt crisis could worsen may lead to the reintroduction of national currencies in one or more Euro zone countries or, in more extreme circumstances, the possible dissolution of the Euro entirely. The departure or risk of departure from the Euro by one or more Euro zone countries and/or the abandonment of the Euro as a currency could have major negative effects on the Collateral (including the risks of currency losses arising out of redenomination and related haircuts on any
affected assets), the Issuer and the Notes. Should the Euro dissolve entirely, the legal and contractual consequences for holders of Euro-denominated obligations (including the Notes) would be determined by laws in effect at such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Notes. It is difficult to predict the final outcome of the Euro zone crisis. Investors should carefully consider how changes to the Euro zone may affect their investment in the Notes.

1.10 United Kingdom Referendum on Membership of the European Union

On 23 June 2016 the United Kingdom (the "UK") held a referendum to decide on the UK's membership of the European Union. The UK vote was to leave the European Union and the UK Government invoked article 50 of the Lisbon Treaty relating to withdrawal on 29 March 2017. Under article 50, the Treaty on the European Union and the Treaty on the Functioning of the European Union cease to apply in the relevant state from the date of entry into force of a withdrawal agreement, or, failing that, two years after the notification of intention to withdraw, although this period may be extended in certain circumstances. There are a number of uncertainties in connection with the future of the UK and its relationship with the European Union. The negotiation of the UK’s exit terms is likely to take a number of years. Until the terms and timing of the UK’s exit from the European Union are clearer, it is not possible to determine the impact that the referendum, the UK’s departure from the European Union and/or any related matters may have on the business of the Issuer, one or more of the other parties to the Transaction Documents or any Obligor. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

1.11 Reliance on Rating Agency Ratings

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

1.12 Flip Clauses

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

The English Supreme Court has, in Belmont Park Investments Pty Limited v BNY Corporate Trustee Services Limited and Lehman Brothers Special Financing Inc. 2011 UKSC 38, upheld the validity of a flip clause contained in an English-law governed security document, stating that the anti-deprivation principle was not breached by such provisions.
In the U.S. courts, the U.S. Bankruptcy Court for the Southern District of New York in *Lehman Brothers Special Financing Inc. v. BNY Corporate Trustee Services Limited. (In re Lehman Brothers Holdings Inc.)*, Adv. Pro. No. 09-1242-JMP (Bankr. S.D.N.Y. May 20, 2009) examined a flip clause and held that such a provision, which seeks to modify one creditor’s position in a priority of payments when that creditor files for bankruptcy, is unenforceable under the U.S. Bankruptcy Code. Judge Peck acknowledged that this has resulted in the U.S. courts coming to a decision "directly at odds with the judgement of the English Courts". While BNY Corporate Trustee Services Ltd filed a motion for and was granted leave to appeal with the U.S. Bankruptcy Court, the case was settled before the appeal was heard. On 26 June 2016, Judge Shelley Chapman in the same court disagreed with Judge Peck and ruled in a different group of proceedings commenced by the Lehman Brothers Chapter 11 debtors that a series of flip clauses were enforceable for several reasons, including the protection of those clauses by provisions in the U.S. Bankruptcy Code known as "safe harbors". Lehman has filed a notice of appeal with regards to the decision. Given the current state of U.S. and English law, this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies.

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

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

1.13 LIBOR and EURIBOR Reform

*Proposals to reform LIBOR*

The London Inter-Bank Offered Rate ("LIBOR") is currently being reformed, including (i) the replacement of the BBA with ICE Benchmark Administration Limited as LIBOR administrator, (ii) a reduction in the number of currencies and tenors for which LIBOR is calculated, and (iii) changes in the way that LIBOR is calculated, by compelling more banks to provide LIBOR submissions and basing these submissions on actual transaction data. Investors should be aware that:

(a) any of these changes or any other changes to LIBOR could affect the level of the 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 Debt Obligation is calculated with reference to a currency or tenor which is discontinued:

(i) such rate of interest will then be determined by the provisions of the affected Collateral Debt Obligation, which may include determination by the relevant calculation agent in its discretion; and
(ii) there may be a mismatch between the replacement rate of interest applicable to the affected Collateral Debt Obligation and the replacement rate of interest the Issuer must pay to the Hedge Counterparty under any applicable Hedge Agreement. This could lead to the Issuer receiving amounts from affected Collateral Debt Obligations which are insufficient to make the due payment under the applicable Hedge Agreement, and potential termination of the applicable Hedge Agreement; and

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

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

**Proposals to Reform EURIBOR and other Benchmark Indices**

The Euro Interbank Offered Rate ("EURIBOR") and other so-called "benchmarks" are the subject of proposals for reform by a number of international authorities and other bodies. The European Commission has published a proposed regulation (the "Proposed Benchmark Regulation") on indices used as benchmarks in financial instruments and financial contracts. The Proposed Benchmark Regulation is expected to apply from the end of 2017.

The Proposed Benchmark Regulation will, if enacted, make significant changes to the way in which EURIBOR is calculated, including detailed codes of conduct for contributors and transparency requirements applying to contributions of data. Benchmarks such as EURIBOR may be discontinued if they do not comply with these requirements, or if the administrator of the benchmark either fails to apply for authorisation or is refused authorisation by its home regulator.

Investors should be aware that:

(a) any of these changes or any other changes to EURIBOR could affect the level of the 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 Debt Obligation is calculated with reference to a EURIBOR currency or tenor which is discontinued, such rate of interest will then be determined by the provisions of the affected Collateral Debt Obligation, which may include determination by the relevant calculation agent in its discretion;

(c) if the EURIBOR benchmark referenced in Condition 6 (Interest) is discontinued, interest on the Notes will be calculated under Condition 6(e) (Interest on the Notes); and

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

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

If any proposed changes when implemented change the way in which LIBOR or EURIBOR is calculated with respect to floating rate Collateral Debt Obligations, this could result in the rate of interest being lower
than anticipated, which would adversely affect the value of the Notes. As the substantial majority of the interest payments due on the Issuer's assets are expected to be calculated based upon EURIBOR and the Notes pay interest based upon EURIBOR, an inaccurate EURIBOR setting could have adverse effects on the Issuer and/or the holders of the Notes. For example, holders of the Notes would receive lower Euro amounts as interest payments if EURIBOR was artificially lower than a properly functioning market would otherwise set EURIBOR. Other negative consequences of the perceived inaccuracy of EURIBOR could include fewer loans utilising EURIBOR as an index for interest payments and/or erratic swings in EURIBOR, both of which could result in interest rate mismatches between the Issuer's assets and its liabilities and expose the Issuer to cash shortfalls. Furthermore, questions surrounding the integrity in the process for determining EURIBOR may have other unforeseen consequences, including potential litigation against banks and/or obligors on loans, which could result in a material and adverse effect on the Issuer or the holders of the Notes. Similar issues could arise with respect to LIBOR.

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

Many jurisdictions have adopted wide-ranging anti-money laundering, economic and trade sanctions, and anti-corruption and anti-bribery laws, and regulations (collectively, the "Requirements"). Any of the Issuer, the Placement Agent, the Collateral Manager, the Sub-Manager or the Trustee could be requested or required to obtain certain assurances from prospective investors intending to purchase Notes and to retain such information or to disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is expected that the Issuer, the Placement Agent, the Collateral Manager, the Sub-Manager and the Trustee will comply with Requirements to which they are or may become subject and to interpret such Requirements broadly in favour of disclosure. Failure to honour any request by the Issuer, the Placement Agent, the Collateral Manager, the Sub-Manager or the Trustee to provide requested information or take such other actions as may be necessary or advisable for the Issuer, the Placement Agent, the Collateral Manager, the Sub-Manager or the Trustee to comply with any Requirements, related legal process or appropriate requests (whether formal or informal) may result in, among other things, a forced sale to another investor of such investor’s Notes. In addition, it is expected that each of the Issuer, the Placement Agent, the Collateral Manager, the Sub-Manager and the Trustee intends to comply with applicable anti-money laundering and anti-terrorism, economic and trade sanctions, and anti-corruption or anti-bribery laws, and regulations of the United States and other countries, and will disclose any information required or requested by authorities in connection therewith.

1.15 Third Party Litigation; Limited Funds Available

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

1.16 Preferred creditors under Irish law

Under Irish law, upon an insolvency of an Irish company such as the Issuer, when applying the proceeds of assets subject to fixed security that may have been realised in the course of a liquidation or receivership, the
claims of a limited category of preferential creditors will take priority over the claims of creditors holding the relevant fixed security. These preferred claims include the remuneration, costs and expenses properly incurred by any examiner of the company (that may include any borrowings made by an examiner to fund the company’s requirements for the duration of his appointment) that have been approved by the Irish courts. See “Examinership” below.

The holder of a fixed security over the book debts of an Irish incorporated company (that would include the Issuer) may be required by the Irish Revenue Commissioners, by notice in writing from the Irish Revenue Commissioners, to pay to them sums equivalent to those that the holder received in payment of debts due to it by the company.

Where notice has been given to the Irish Revenue Commissioners of the creation of the security within 21 calendar days of its creation by the holder of the security, the holder’s liability is limited to the amount of certain outstanding Irish tax liabilities of the company (including liabilities in respect of VAT) arising after the issuance of the Irish Revenue Commissioners’ notice to the holder of fixed security.

The Irish Revenue Commissioners may also attach any debt due to an Irish tax resident company by another person in order to discharge any liabilities of the company in respect of outstanding tax, whether the liabilities are due on its own account or as an agent or trustee. The scope of this right of the Irish Revenue Commissioners has not yet been considered by the Irish courts and it may override the rights of holders of security (whether fixed or floating) over the debt in question.

In relation to the disposal of assets of any Irish tax resident company that are subject to security, a person entitled to the benefit of the security may be liable for tax in relation to any capital gains made by the company on a disposal of those assets on exercise of the security.

The essence of a fixed charge is that the chargor does not have liberty to deal with the assets that are the subject matter of the security in the sense of disposing of such assets or expending or appropriating the moneys or claims constituting such assets and accordingly, if and to the extent that such liberty is given to the Issuer, any charge constituted by the Trust Deed may operate as a floating, rather than a fixed charge.

In particular, the Irish courts have held that in order to create a fixed charge on receivables, it is necessary to oblige the chargor to pay the proceeds of collection of the receivables into a designated bank account and to prohibit the chargor from withdrawing or otherwise dealing with the moneys standing to the credit of such account without the consent of the chargee.

Depending upon the level of control actually exercised by the chargor, there is therefore a possibility that the fixed security purported to be created by the Trust Deed would be regarded by the Irish courts as a floating charge.

Floating charges have certain weaknesses, including the following:

(a) they have weak priority against purchasers (who are not on notice of any negative pledge contained in the floating charge) and the chargees of the assets concerned and against lien holders, execution creditors and creditors with rights of set-off;

(b) as discussed above, they rank after certain preferential creditors, such as claims of employees and certain taxes on winding-up;

(c) they rank after certain insolvency remuneration expenses and liabilities;
(d) the examiner of a company has certain rights to deal with the property covered by the floating charge; and

(e) they rank after fixed charges.

1.17 Examinership

Examinership is a court procedure available under the Irish Companies Act 2014, as amended to facilitate the survival of Irish companies in financial difficulties.

The Issuer, the directors, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer, are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements entered into by the company after his appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to his appointment.

Furthermore, he may sell assets which are the subject of a fixed charge. However, if such power is exercised he must account to the holders of the fixed charge for the amount realised and discharge the amount due to them out of the proceeds of sale.

During the period of protection, the examiner will formulate proposals for a compromise or scheme of arrangement to assist the survival of the company or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the Irish High Court or Circuit Court (as applicable) when at least one class of creditors has voted in favour of the proposals and the relevant Irish court is satisfied that such proposals are fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by the implementation of the scheme of arrangement.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of the Issuer, if the Trustee represented the majority in number and value of claims within the secured creditor class, the Trustee would be in a position to reject any proposal not in favour of the Noteholders. The Trustee would also be entitled to argue at the relevant Irish court hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to the Noteholders, especially if such proposals include a writing down of the value of amounts due by the Issuer to the Noteholders. The primary risks to the holders of Notes if an examiner were to be appointed in respect of the Issuer are as follows:

(a) the potential for a scheme of arrangement to be approved involving the writing down of the debt owed by the Issuer to the Noteholders as secured by the Trust Deed;

(b) the potential for the examiner to seek to set aside any negative pledge in the Notes prohibiting the creation of security or the incurring of borrowings by the Issuer to enable the examiner to borrow to fund the Issuer during the protection period; and

(c) in the event that a scheme of arrangement is not approved and the Issuer subsequently goes into liquidation, the examiner’s remuneration and expenses (including certain borrowings incurred by the examiner on behalf of the Issuer and approved by the relevant Irish court) will take priority over the moneys and liabilities which from time to time are or may become due, owing or payable by the Issuer to each of the secured creditors under the Notes or under any other secured obligations.
1.18 Centre of Main Interests

The Issuer has its registered office in Ireland. Article 3(1) of Regulation (EU) 2015/848 on Insolvency Proceedings (the “Insolvency Regulation”) states that in the case of a company, the place of its registered office shall be presumed to be its centre of main interests (“COMI”) in the absence of proof to the contrary and assuming the registered office has not been moved to another EU member state within the three month period prior to the request for the opening of insolvency proceedings. In the decision by the European Court of Justice (“ECJ”) in relation to Eurofood IFSC Limited, the ECJ stated, in relation to the registered office presumption contained in Council Regulation (EC) No. 1346/2000 of 29 May 2000 on Insolvency Proceedings (which the Insolvency Regulation repealed and replaced), that the place of a company's registered office is presumed to be the company's COMI and stated that the presumption can only be rebutted if "factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to reflect". As the Issuer has its registered office in Ireland, has Irish directors, is registered for tax in Ireland and has an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut this presumption, although this would ultimately be a matter for the relevant court to decide, based on the circumstances existing at the time when it was asked to make that decision. If the Issuer's COMI is not located in Ireland, and is held to be in a different jurisdiction within the European Union, main insolvency proceedings may not be opened in Ireland.

2. RELATING TO TAXATION

2.1 EU Financial Transaction Tax

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

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

The FTT may give rise to tax liabilities for the Issuer with respect to certain transactions if it is adopted based on the Commission’s proposal. Examples of such transactions are the conclusion of a derivative contract in the context of the Issuer’s hedging arrangements or the purchase or sale of securities (such as charged assets) or the exercise/settlement of a warrant. Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in holders of the Notes receiving less than expected in respect of the Notes. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions) if conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission’s proposal. Primary market transactions referred to in Article 5(c) of Regulation EC No 1287/2006 are expected to be exempt. There is however uncertainty in relation to the intended scope of this exemption for certain money market instruments and structured issues.
However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU member states may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT and its potential impact on their dealings in the Notes before investing.

2.2 FATCA

FATCA imposes a reporting regime and, potentially, a 30 per cent. withholding tax with respect to (i) certain payments from sources within the United States, (ii) "foreign passthru payments" made to certain non-U.S. financial institutions that do not comply with this reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. The Issuer may be classified as a financial institution for these purposes.

Each Noteholder may be required to provide certifications and identifying information about itself and its owners (or beneficial owners) in order to enable the Issuer (or an intermediary) to identify and report on the Noteholder and certain of the Noteholder’s direct and indirect U.S. beneficial owners to the U.S. Internal Revenue Service ("IRS") or an Irish tax authority. The Issuer may also be required to withhold amounts from Noteholders (including intermediaries through which such Notes are held) that do not provide the required information, or that are "foreign financial institutions" that are not compliant with, or exempt from, FATCA. Although certain exceptions to these disclosure requirements could apply, each Noteholder should assume that the failure to provide the required information generally will give the Issuer (or an intermediary) the right to sell the Noteholder’s Notes (and such sale could be for less than its then fair market value) – see Condition 2(i) ( Forced sale pursuant to FATCA ). Moreover, the Conditions of the Notes permit the Issuer and oblige the Trustee, without the consent of any of the Noteholders, to concur in the making of amendments to the Trust Deed to enable the Issuer to comply with FATCA.

If an amount in respect of such withholding tax were to be deducted or withheld either from amounts due to the Issuer or from interest, principal or other payments made in respect of the Notes, neither the Issuer, the Principal Paying Agent nor any other person would, pursuant to the Conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected. Prospective investors should refer to the section “Tax Considerations – Foreign Account Tax Compliance Act”.

2.3 Taxation on Collateral Debt Obligations; Changes in Tax Law

At the time when the Collateral Debt Obligations are acquired by the Issuer (or, in the case of the Original Issue Date Collateral Debt Obligations, on the Original Issue Date), the Eligibility Criteria require that payments on the Collateral Debt Obligations to the Issuer either will not be subject to any withholding tax imposed by any jurisdiction (unless such withholding tax can be sheltered, upon completion of any necessary procedural conditions, by application being made under an applicable double tax treaty or otherwise) or, if and to the extent that any such withholding tax does apply, the relevant Obligor will be obliged to make gross up payments to the Issuer that cover the full amount of such withholding tax. However, there can be no assurance that, as a result of any change in any applicable law, rule or regulation or interpretation thereof or otherwise, the payments on the Collateral Debt Obligations might not in the future become subject to withholding tax or increased withholding tax rates or tax by direct assessment in respect of which the relevant Obligor will not be obliged to gross up the Issuer. In such circumstances, the Issuer may be able, but will not be obliged, to take advantage of (a) a double taxation treaty between Ireland and the jurisdiction from which the relevant payment is made or (b) any domestic exemption or procedural formality under the current applicable law in the jurisdiction of the relevant Obligor. In the event that the Issuer receives any interest payments on any Collateral Debt Obligation net of any applicable withholding tax, the Coverage Tests and Collateral Quality Tests will be determined by reference to such net receipts. Such tax would also reduce the
amounts available to make payments on the Notes. There can be no assurance that remaining payments on the Collateral Debt Obligations would be sufficient to make timely payments of interest and principal on the Maturity Date and other amounts payable in respect of the Notes of each Class or that the Issuer will not be subject to tax by way of direct assessment by reference to the source of the payments or the situs of its assets. The occurrence of any withholding tax imposed by any jurisdiction owing to a change in law may also result in the occurrence of a Collateral Tax Event pursuant to which the Notes may be subject to early redemption at the option of the Subordinated Noteholders in the manner described in Condition 7(b) (Optional Redemption).

2.4 UK taxation treatment of the Issuer

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

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

The Issuer will be regarded as having a permanent establishment in the UK if it has a place of business in the UK or it has an agent in the UK who has and habitually exercises authority in the UK to do business on the Issuer's behalf. The Issuer does not intend to have a fixed place of business in the UK. The Sub-Manager to whom the Collateral Manager will have delegated its day-to-day duties, including certain of its duties to act on behalf of the Issuer, will, however, have a fixed place of business in the UK and is expected to habitually exercise authority to do business on behalf of the Collateral Manager and, by virtue of the delegation of the Collateral Manager’s duties to the Sub-Manager, the Issuer, in the UK.

The Issuer should not be subject to UK corporation tax in consequence of the activities which the Sub Manager carries out, indirectly, on its behalf provided that the Issuer's activities are regarded as investment activities rather than trading activities. Even if the Issuer is regarded as carrying on a trade in the UK through the sub-agency of the Sub-Manager for the purposes of UK taxation, it should not be subject to UK tax on the basis that the specific domestic UK tax exemption for profits generated in the UK by a collateral manager acting on behalf of its non-resident clients (section 1146 of the Corporation Tax Act 2010) should be available in the context of this transaction.

Even if the foregoing exemption were not available, the Issuer will not be subject to UK corporation tax in respect of the agency or sub-agency of the Sub-Manager if the agency or sub-agency is deemed not to be a permanent establishment in the UK under Article 5(6) of the UK-Ireland double-tax treaty ("UK-Ireland Treaty") (however see the section “OECD Action Plan on Base Erosion and Profit Shifting” below). This exemption will apply if the Collateral Manager and the Sub-Manager, in the performance of its delegated duties pursuant to the Collateral Sub-Management Agreement, is regarded as an independent agent acting in the ordinary course of its business for the purpose of the UK-Ireland Treaty.

Should the Collateral Manager or Sub-Manager be assessed to UK tax on behalf of the Issuer, it may have the benefit of an indemnity from the Issuer. Any payment to be made by the Issuer under this indemnity will be paid as Administrative Expenses of the Issuer. Administrative Expenses are payable by the Issuer on any Payment Date under paragraphs (C) and (Z) of the Interest Priority of Payments, paragraphs (A) and (R) of the Principal Priority of Payments or paragraphs (C) and (Y) of the Post-Acceleration Priority of Payments, as applicable. It should be noted that UK tax legislation makes it possible for H.M. Revenue & Customs to seek to assess the Issuer to UK tax directly rather than through the Collateral Manager or Sub-Manager as its UK representative. Should the Issuer be assessed on this basis, the Issuer will be liable to pay UK tax on its UK taxable profit attributable to its UK activities. The Issuer would also be liable to pay UK tax on its UK taxable profits if it were treated as being tax resident in the UK. Imposition of such tax by the UK tax
authorities may also give rise to a Note Tax Event and an Optional Redemption subject to and in accordance with the Conditions.

With effect from 1 April 2015, a new tax has been introduced in the UK called the "diverted profits tax" which is charged at a rate of 25 per cent. on any "taxable diverted profits". The tax may apply in circumstances including where arrangements are designed to ensure that a non-UK resident company does not carry on a trade in the UK for corporation tax purposes through a permanent establishment or where arrangements involve entities or transactions lacking economic substance. The diverted profits tax is a new tax and its scope and the basis upon which it will be applied by HM Revenue & Customs remains uncertain. Imposition of such tax by the UK tax authorities may also give rise to a Note Tax Event and an Optional Redemption subject to and in accordance with the Conditions.

2.5 Adverse Effect of Determination of U.S. Trade or Business: The Issuer could be subject to Material Net Income or Withholding Taxes in Certain Circumstances

Although the Issuer intends to operate so as not to be subject to U.S. federal income tax on its net income, if the Issuer were to breach certain of its covenants and acquire certain assets (for example, a "United States real property interest" or an equity interest in an entity that is treated as a partnership for U.S. federal income tax purposes and that is itself engaged in a trade or business in the United States), including upon a foreclosure, or breach certain of its other covenants, the Issuer could be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes. Moreover, a breach of certain of these covenants may not give rise to an Event of Default and may not give rise to a claim against the Issuer or the Collateral Manager. A change in law or its interpretation also could result in the Issuer being treated as engaged in a trade or business in the United States for federal income tax purposes, or otherwise subject to U.S. federal income tax on a net income basis. If it is determined that the Issuer is engaged in a trade or business in the United States for federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer will be subject under the Code to the regular U.S. corporate income tax on its effectively connected taxable income, which may be imposed on a gross basis, and possibly to a 30 per cent. branch profits tax and state and local taxes as well. The imposition of such a tax liability could materially adversely affect the Issuer’s ability to make payments on the Notes.

2.6 Withholding Tax on the Notes

So long as the Notes remain listed on the Main Securities Market of the Irish Stock Exchange or another recognised stock exchange for the purposes of Section 64 of the Taxes Consolidation Act 1997 ("TCA") and the Notes which are held in a "recognised clearing system" for the purposes of Section 64 or interest on the Notes is paid by a paying agent that is not in Ireland, no withholding tax under current law is expected to be imposed in Ireland on payments of interest or principal on the Notes. However, there can be no assurance that the law will not change or that payments will not otherwise be subject to withholding taxes and the Issuer is entitled to withhold or deduct from any payments in respect of the Notes any amounts on account of tax required by law (see Condition 9 (Taxation)). In particular, the Issuer has the right to withhold on all payments made to any beneficial owner of an interest in any of the Notes that fails to comply with its requests for identifying information to enable the Issuer to achieve FATCA Compliance. See further "FATCA" above.

In the event that any deduction of or withholding on account of tax is imposed on payments of principal or interest on the Notes, the holders of the Notes will not be entitled to receive grossed-up amounts to compensate for such withholding tax and no Note Event of Default shall occur as a result of any such withholding or deduction.

In the event of the occurrence of a Note Tax Event pursuant to which any payment on the Notes of any Class becomes subject to any withholding tax or deduction for or on account of tax (other than in the circumstances set out in the definition thereof, including, without limitation, withholding tax in respect of FATCA), the
Notes may be redeemed in whole but not in part at the direction of the holders of either the Controlling Class (acting by way of an Extraordinary Resolution) or the Subordinated Notes (acting by way of an Ordinary Resolution) subject to certain conditions including a threshold test pursuant to which determination is made as to whether the anticipated proceeds of liquidation of the security over the Collateral would be sufficient to pay all amounts due and payable on the Rated Notes in such circumstances in accordance with the Priorities of Payments.

2.7 U.S. Tax Characterisation of the Notes

The Issuer has agreed and, by its acceptance of a Rated Note, each holder (and any beneficial owners of any interest therein) will be deemed to have agreed, to treat the Rated Notes as debt of the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law. Upon the issuance of the Refinancing Notes, Allen & Overy LLP will deliver an opinion generally to the effect that under current law, assuming compliance with the Transaction Documents, and based on certain assumptions and factual representations made by the Issuer and/or the Collateral Manager, the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, and the Class D Notes will, and the Class E Notes should, be characterised as debt of the Issuer for U.S. federal income tax purposes. No opinion will be given in respect of the Class F Notes. The determination of whether a Note will or should be treated as debt for U.S. federal income tax purposes is based on the facts and circumstances existing at the time the Note is issued. Prospective investors should be aware that the classification of an instrument as debt or equity is highly factual, and there can be no assurance that the IRS will not seek to characterise as something other than indebtedness any particular Class or Classes of the Rated Notes. If any of the Notes were treated as equity for U.S. federal income tax purposes, adverse U.S. federal income tax consequences might apply. See "Tax Considerations – United States Federal Income Taxation – Alternative Characterisation of the Rated Notes".

The Issuer has agreed and, by its acceptance of a Subordinated Note, each holder (and any beneficial owners of any interest therein) will be deemed to have agreed, to treat such Subordinated Note as equity in the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law.

2.8 The Issuer is Expected to be Treated as a Passive Foreign Investment Company and May be Treated as a Controlled Foreign Corporation for U.S. Federal Income Tax Purposes

The Issuer is expected to be a passive foreign investment company for U.S. federal income tax purposes, which means that a U.S. Noteholder of Subordinated Notes (and any other Class of Notes treated as equity for U.S. federal income tax purposes) may be subject to adverse tax consequences unless such Noteholder elects to treat the Issuer as a qualified electing fund and to recognise currently its proportionate share of the Issuer's ordinary income and long-term capital gain whether or not distributed to such U.S. Noteholder. In addition, depending on the overall ownership of interests in the Issuer, a U.S. Noteholder of more than 10 per cent. of the Subordinated Notes may be treated as a U.S. shareholder in a controlled foreign corporation and required to recognise currently its proportionate share of the "subpart F income" of the Issuer, whether or not distributed to such U.S. Noteholder. A U.S. Noteholder that makes a qualified electing fund election, or that is required to include subpart F income in the event that the Issuer is treated as a controlled foreign corporation, may recognise income in amounts significantly greater than the payments received from the Issuer. Taxable income may exceed cash payments when, for example, the Issuer (i) uses earnings to repay principal on the Notes or accues income on the Collateral Debt Obligations prior to the receipt of cash or (ii) discharges its debt at a discount. A U.S. Noteholder that makes a qualified electing fund election or that is required to recognise currently its proportionate share of the subpart F income of the Issuer will be required to include in the current income its pro rata share of such earnings, income or amounts whether or not the Issuer actually makes any payments to such Noteholder. Potential investors should consult with their tax advisors regarding the applications of the passive foreign investment company rules and the controlled foreign corporation rules and the applicability of such rules to each such potential investor.
2.9 OECD Action Plan on Base Erosion and Profit Shifting

Fiscal and taxation policy and practice is constantly evolving and recently the pace of change has increased due to a number of developments. In particular a number of changes of law and practice are occurring as a result of the Organisation for Economic Co-operation and Development ("OECD") Base Erosion and Profit Shifting project ("BEPS").

In July 2013 the OECD published its Action Plan on BEPS, which proposed fifteen actions intended to counter international tax base erosion and profit shifting. The focus of one of the action points ("Action 6") is the prevention of treaty abuse by developing model treaty provisions to prevent the granting of treaty benefits in inappropriate circumstances. The definition of "permanent establishment" and the scope of the exemption for an "agent of independent status" have also been considered under action point 7 ("Action 7").

On 5 October 2015 the OECD released its final recommendations, including in respect of Action 6 and Action 7. On 24 November 2016, more than 100 jurisdictions (including the United Kingdom and Ireland) concluded negotiations on a multilateral convention that is intended to implement a number of BEPS related measures swiftly, including Action 6 and Action 7. The multilateral convention opened for signing as of 31 December 2016 and was signed by over 60 jurisdictions (including the United Kingdom and Ireland) on 7 June 2017. It enters into force on the first day of the month following the expiration of a period of three calendar months beginning on the date of deposit of the fifth instrument of ratification, acceptance or approval. For signatories who deposit their ratification, acceptance or approval later, the Convention comes into force at the start of the month which is three entire calendar months after such deposit takes place. The date from which provisions of the multilateral convention have effect in relation to a treaty depends on several factors including the type of tax which the article relates to.

Action 6

Action 6 is intended to prevent the granting of treaty benefits in inappropriate circumstances. As noted below, whether the Issuer will be subject to United Kingdom corporation tax may depend on whether it can benefit from Articles 5 and 8 of the UK-Ireland double tax treaty. Further, it is expected that the Issuer will rely on the interest and other articles of treaties entered into by Ireland to be able to receive payments from some Obligors free from withholding taxes that might otherwise apply.

The multilateral convention provides for double tax treaties to include a "principal purpose test" ("PPT") which would deny a treaty benefit where it is reasonable to conclude, having regard to all relevant facts and circumstances for this purpose, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in those circumstances would be in accordance with the object and purpose of the relevant provisions of the treaty. It is unclear how a PPT, if adopted, would be applied by either the tax authorities of those jurisdictions from which payments are made to the Issuer or the United Kingdom in relation to the application of Article 5 and 8 of the UK-Ireland double tax treaty.

The multilateral convention also permits jurisdictions to choose to apply, in addition to the PPT, a "simplified limitation of benefits" rule. This rule would generally deny a treaty benefit to a resident which is not a "qualified person". It is not expected that the Issuer would be a "qualified person" as defined in the multilateral convention. However, the Issuer may nevertheless be able to claim treaty benefits: (i) if persons who would be entitled to equivalent or more favourable treaty benefits were they to own the income or earn the profits of the Issuer directly own at least 75% of the beneficial interests of the Issuer for at least half of the days of any 12 month period that includes the time when the Issuer is claiming the treaty benefit; or (ii) if the Issuer is able to demonstrate to the satisfaction of the relevant tax authority that neither its establishment, acquisition or maintenance, nor the conduct of its operation, had as one of its principal purposes the obtaining of the treaty benefit; or (iii) with respect to an item of income derived from a relevant jurisdiction if the Issuer
is engaged in the "active conduct of a business" in Ireland and the income derived from that other jurisdiction emanates from, or is incidental to, that business.

The multilateral convention permits a further degree of flexibility, by allowing jurisdictions to choose to have no PPT at all, but instead to include a "detailed limitation of benefits" rule together with rules to address "conduit financing structures". The multilateral convention does not include language for either, on the basis that jurisdictions that agree to adopt this approach would be required to negotiate bespoke amendments to their double tax treaty bilaterally.

Upon signing the multilateral convention the United Kingdom and Ireland provided a provisional list of expected reservations and notifications to be made pursuant to it. In the United Kingdom list (the "UK Notification") the United Kingdom has not elected to apply the simplified limitation of benefits rule or to allow other jurisdictions to apply it to its treaties. In the equivalent document provided by Ireland it also did not elect to apply the simplified limitation of benefits rule or permit it to be applied by other jurisdictions to its treaties. As a result, the double tax treaties Ireland has entered into with the United Kingdom and other jurisdictions are expected to only apply a principal purpose test. It is not clear, however, how this test would be interpreted by the relevant tax authorities. On 24 March 2016, the OECD published a public discussion draft consulting on the treaty entitlement of non-CIV funds (that is, of funds that are not collective investment vehicles). The OECD published a further public discussion draft on 6 January 2017. This work may be relevant to the treaty entitlement of the Issuer. However, the OECD has not yet finalised its position in relation to non-CIV funds, and in any event it is not clear how any such position might be implemented through the multilateral convention otherwise than by the bilateral negotiation of a "detailed limitation of benefits" rule.

**Action 7**

Action 7 is intended to prevent the artificial avoidance of permanent establishment status. As noted below, whether the Issuer will be subject to United Kingdom corporation tax may depend on whether the Collateral Manager is regarded as an agent of independent status for the purpose of Article 5(6) of the UK-Ireland double tax treaty.

Amendments to be made by the multilateral convention would exclude the Collateral Manager from the definition of an independent agent if it acts exclusively, or almost exclusively, on behalf of enterprises to which it is closely related. A person is closely related to an enterprise if, based on all the relevant facts and circumstances, one has control of the other or both are under the control of the same persons or enterprises. In any case, a person is considered to be closely related to an enterprise if one possesses directly or indirectly more than 50 per cent of the beneficial interest in the other (or, in the case of a company, more than 50 per cent of the aggregate vote and value of the company’s shares or of the beneficial equity interest in the company) or if another person possesses directly or indirectly more than 50 per cent of the beneficial interest (or, in the case of a company, more than 50 per cent of the aggregate vote and value of the company’s shares or of the beneficial equity interest in the company) in the person and the enterprise. It is not clear in what other circumstances "control" might exist.

In the UK Notification the United Kingdom reserved against the adoption of this Action 7 recommendation in all of its double tax treaties.

**Consequences of a denial of treaty benefits**

Provided that the Issuer carries on investment activities as opposed to a trade, the incorporation of the final recommendations for Action 6 and Action 7 in the United Kingdom-Ireland double tax treaty is not expected to affect the Issuer’s exposure to United Kingdom corporation tax.
However, if the Issuer were to be trading, and if the United Kingdom-Ireland double tax treaty were amended to incorporate the final recommendations for Action 6 (and/or contrary to the indication given in the UK Notification, Action 7) then there may be a risk that the Issuer could be treated as having a taxable permanent establishment in the United Kingdom.

If as a consequence of the application of Action 6 and/or Action 7 United Kingdom tax were imposed on the net income or profits of the Issuer, the amount of United Kingdom tax due would likely be significant on the basis that some or all of the interest which it pays on the Notes may not be deductible for United Kingdom tax purposes. If the United Kingdom imposed tax on the net income or profits of the Issuer, this could in certain circumstances constitute a Note Tax Event.

In the event that as a result of the application of Action 6 the Issuer were to be denied the benefit of a treaty entered into by Ireland and as a consequence payments of interest were made by an Obligor to the Issuer subject to a withholding or deduction for or on account of tax in respect of any payments of interest on the Collateral Debt Obligations, this may constitute a Collateral Tax Event.

If a Collateral Tax Event or Note Tax Event were to occur the Notes may be redeemed in accordance with Condition 7(b) (Optional Redemption) or Condition 7(f) (Redemption following Note Tax Event), respectively, subject to certain conditions.

2.10 The Common Reporting Standard (CRS)

CRS is an OECD initiative which is aimed at encouraging a globally coordinated approach to disclosure of income earned by individuals and organisations.

The stated goal of the CRS is to provide for the annual automatic exchange between governments of financial account information reported to them by local reporting Financial Institutions (as defined) in respect of Account Holders (as defined) who are tax resident in participating CRS jurisdictions.

A significant number of jurisdictions have committed to exchanging information under the CRS and a group of countries, including Ireland, committed to the adoption of the CRS from 1 January 2016, with the first data exchanges expected to take place in 2017.

Further information in relation to the Issuer’s obligations under the CRS is set out at the "Irish Taxation" section.

2.11 Irish Value Added Tax Treatment of the Collateral Management Fees

The Issuer has been advised that under current Irish law, the Collateral Management Fees should be exempt from VAT in Ireland. This is on the basis that they should be treated as consideration paid for collective portfolio management services provided to a "qualifying company" for the purposes of section 110 of the TCA.

This exemption is based upon Article 135(1)(g) of Council Directive 2006/112/EC on the Common System of Value Added Tax (the "VAT Directive"), which provides that Member States shall exempt the management of "special investment funds" as defined by Member States.

On 9 December 2015 the European Court of Justice handed down its judgment in the case of Staatssecretaris van Financiën v Fiscale Eenheid X NV vs Case C-595/13 which concerned Dutch law on VAT, in particular the Dutch interpretation of the term "special investment fund" under the VAT Directive. The Court decided that the power accorded to Member States to define the meaning of "special investment funds" must be exercised consistently with the objectives pursued by the Directive and with the principle of "fiscal
neutrality”, and accordingly that the following are "special investment funds": (i) funds which constitute
undertakings for collective investment in transferable securities within the meaning of the UCITS Directive
and (ii) funds which, without being collective investment undertakings within the meaning of that Directive,
display features that are sufficiently comparable for them to be in competition with such undertakings - in
particular that they are subject to specific State supervision under national law (as opposed to under the
UCITS Directive). The Court did not answer the question of whether the fund the subject of its dec-
It is not clear whether the Issuer would be regarded as being subject to “specific State supervision” under
Irish law, as the Court did not elaborate on the meaning of that phrase in its judgment. There is, as a result,
some doubt as to whether the Issuer would qualify as a "special investment fund" under Article 135(1)(g) of
the Directive, if a court were to be called upon to consider such a question.

The Value-Added Tax Consolidation Act 2010 of Ireland, in the provisions implementing Article 135(1)(g)
of the VAT Directive, specifically lists, in the categories of undertakings to whom supplies of management
services are exempt from VAT, undertakings which are "qualifying companies" for the purposes of section
110 of the TCA. The Issuer has been advised that it will be such a "qualifying company", therefore
management services supplied to it are exempt from VAT in Ireland under current law.

The VAT treatment of the Issuer should only be different if there were a change in Irish domestic law
whether made either unilaterally by Ireland, or following action taken at EU level. The Issuer is not aware of
any proposal for either of those to occur.

If Irish VAT were imposed on the Collateral Management Fees, the amount of tax due would likely be
significant, but this will not constitute a Note Tax Event in accordance with the Conditions.

2.12 Changes to Section 110 of the Taxes Consolidation Act, 1997

There may be restrictions on the deductibility of interest or other financing expenses paid by a qualifying
company within the meaning of Section 110 of the Irish Taxes Consolidation Act, 1997, as amended
("TCA") (such as the Issuer) where that company holds or manages certain loans, securities or other interests
which derive their value from Irish land. These rules apply to qualifying companies from 6 September 2016.

Further detail on these provisions is set out in the Irish Taxation Section. If the Issuer holds or manages any
of the relevant assets and is not able to benefit from any of the exceptions contained in the legislation,
additional Irish tax may be payable by the Issuer.

3. REGULATORY INITIATIVES

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of banks, the financial
industry and the asset-backed securities industry. This has resulted in a raft of measures for increased
regulation which are currently at various stages of implementation and which may have an adverse impact on
the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain
investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in
the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Collateral
Manager, the Arranger, the Collateral Administrator, the Placement Agent, the Agents, the Trustee nor any of
their Affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the
regulatory capital treatment of their investment in the Notes on the Issue Date or at any time in the future.

Without limitation to the above, other regulatory initiatives which are relevant include the following:
3.1 Basel III

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

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

3.2 Risk Retention and Due Diligence

EU Risk Retention Requirements

Investors should be aware of the EU risk retention and due diligence requirements which currently apply, or are expected to apply in the future, in respect of various types of EU regulated investors including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings and funds under the Undertakings for Collective Investment in Transferable Securities (Directive 2001/107/EU and 2001/108/EC). Such requirements as they apply to credit institutions and investment firms (pursuant to the CRR Retention Requirements) and authorised alternative investment fund managers (pursuant to the AIFMD Retention Requirements) and insurance and re-insurance undertakings (pursuant to the Solvency II Retention Requirements) are currently in force. Amongst other things, such requirements restrict a relevant investor from investing in asset-backed securities unless (i) that investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including its investment position, the underlying assets and (in the case of certain types of investors) the relevant sponsor, original lender or originator and (ii) the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the investor that it will retain, on an on-going basis, a net economic interest of not less than five per cent. in respect of certain specified credit risk tranches or asset exposures. Failure to comply with one or more of the requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a penal capital charge on the notes acquired by the relevant investor. Aspects of the requirements and what is or will be required demonstrate compliance to national regulators remains unclear.

The EU Retention Requirements described above apply, or are expected to apply, in respect of the Notes. Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes.
Relevant investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with any relevant requirements and none of the Issuer, the Placement Agent, the Arranger, the Collateral Manager, the Retention Holder, the Trustee nor any of their respective Affiliates makes any representation that the information described above is sufficient in all circumstances for such purposes.

In addition, it should be noted that the European authorities have reached political agreement on two new regulations related to securitisation (the “Securitisation Regulation”). The regulations are in the process of being formally adopted and are intended to apply in general from 1 January 2019. Amongst other things, the regulations include provisions intended to implement the revised securitisation framework developed by BCBS and provisions intended to harmonise and replace the risk retention and due diligence requirements (including the corresponding guidance provided through technical standards) applicable to certain EU regulated investors. While the final texts are not yet available, there will be material differences between the coming new requirements and the current requirements, including but not limited to additional requirements with respect to the application approach under the EU Retention Requirements and the originator entities eligible to retain the required interest. It is expected that securitisations established prior to the application date of 1 January 2019 and that do not involve the issuance of securities (or otherwise involve the creation of a new securitisation position) from that date will remain subject to the current risk retention and due diligence requirements and will not be subject to the revised requirements in general, although this will depend on the specific drafting of the relevant provisions included in the final text.

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

To the extent the Securitisation Regulation imposes disclosure or reporting requirements on the Issuer, the Issuer has agreed to assume the costs of compliance with such requirements, which will be paid as Administrative Expenses.

The EU risk retention and due diligence requirements described above and any other changes to the regulation or the regulatory capital treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

With respect to the fulfilment by the Collateral Manager of the requirements of the EU Retention Requirements, please refer to “The Retention Requirements”, “Risk Factors - Conflicts of Interest – The Issuer will be subject to various conflicts of interest involving the Placement Agent” and entitled “Description of the Collateral Management Agreement” and “Risk Factors - Regulatory Initiatives - Retention Financing” below.

US Risk Retention Requirements

Section 941 of Dodd-Frank amended the Exchange Act to generally require the "securitizer" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of "securitized assets", as such terms are defined for purposes of that statute, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. Final rules implementing the statute (the "U.S. Risk Retention Rules") came into effect on 24 December 2016 with respect to CLOs. The U.S. Risk Retention Rules provide that the securitizer of an asset backed securitization (including a CLO) is its sponsor, and that the sponsor of a CLO is
its collateral manager. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The Collateral Manager has informed the Issuer that it does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules (but pursuant to the Retention Letter the Collateral Manager will undertake to retain a material net economic interest of not less than five per cent. of the nominal value of each Class of Notes with the intention of complying with the EU Retention Requirements), but rather intends to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (i) the transaction is not required to be and is not registered under the Securities Act; (ii) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued), as determined by fair value under U.S. GAAP, of all classes of securities issued in the securitization transaction are sold or transferred to, or held by, U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Offering Circular as Risk Retention U.S. Persons); (iii) neither the sponsor nor the issuer is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (iv) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

The Collateral Manager has advised the Issuer that it has not acquired, and it does not intend to acquire more than 25 per cent. of the assets from an affiliate or branch of the Collateral Manager or Issuer that is organised or located in the United States.

The Refinancing Notes provide that they may not be purchased by (or during the Restricted Period, transferred to) Risk Retention U.S. Persons unless such limitation is waived by the Collateral Manager. Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S. The definition of U.S. person in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (b) and (h)(i), which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, "U.S. person" means any of the following:

(a) any natural person resident in the United States;

(b) any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States;

(c) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);

(d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);

(e) any agency or branch of a foreign entity located in the United States;

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1 The comparable provision from Regulation S is "(ii) any partnership or corporation organised or incorporated under the laws of the United States."
any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);

any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and

any partnership, corporation, limited liability company, or other organisation or entity if:

(i) organised or incorporated under the laws of any foreign jurisdiction; and

(ii) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act.²

The Collateral Manager has advised the Issuer that it will not provide a waiver ("U.S. Risk Retention Waiver") to any investor if such investor's purchase would result in more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) as determined by fair value under US GAAP of all Classes of Notes to be sold or transferred to, or held by, Risk Retention U.S. Persons on the Issue Date or during the Restricted Period. Consequently, (a) on the Issue Date the Refinancing Notes may not be purchased by any person except for (i) persons that are not Risk Retention U.S. Persons or (ii) persons that have obtained a U.S. Risk Retention Waiver from the Collateral Manager, and (b) during the Restricted Period, the Refinancing Notes may not be transferred to any person except for (i) persons that are not Risk Retention U.S. Persons, or (ii) persons that have obtained a U.S. Risk Retention Waiver from the Collateral Manager. Each holder of a Note or a beneficial interest therein acquired on the Issue Date or during the Restricted Period, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer, the Trustee, the Collateral Manager and the Placement Agent that it (1) either (a) is not a Risk Retention U.S. Person or (b) it has received a U.S. Risk Retention Waiver from the Collateral Manager, and (2) is not acquiring such Note or beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __.20 of the U.S. Risk Retention Rules described herein). See "Plan of Distribution" and "Transfer Restrictions". Any transfer of Refinancing Notes in breach of such representations and agreements will result in the affected Refinancing Notes becoming subject to certain forced transfer provisions. See "Risk Factors – Relating to the Notes – Forced Transfer" and Condition 2(k) (Forced transfer pursuant to U.S. Risk Retention Rules).

The Collateral Manager, the Issuer and the Placement Agent have agreed that none of the Placement Agent or any person who controls it or any director, officer, employee, agent or Affiliate of the Placement Agent shall have any responsibility for determining the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in Section __.20 of the U.S. Risk Retention Rules, and none of the Placement Agent or any person who controls it or any director, officer, employee, agent or Affiliate of the Placement Agent accepts any liability or responsibility whatsoever for any such determination.

² The comparable provision from Regulation S is "(vii)(B) formed by a U.S. person principally for the purpose of investing in securities not registered under the [Securities Act], unless it is organised or incorporated, and owned, by accredited investors (as defined in [17 CFR 230.501(a)]) who are not natural persons, estates or trusts."
There can be no assurance that the exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available to the Collateral Manager. In particular, the Collateral Manager may not be successful in limiting investment by Risk Retention U.S. Persons to no more than 10 per cent. This may result from misidentification of Risk Retention U.S. Person investors as non-Risk Retention U.S. Person investors, or may result from market movements or other matters that affect the calculation of the 10 per cent. value on the Issue Date.

Failure on the part of the Collateral Manager to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action against the Collateral Manager which may adversely affect the Refinancing Notes and the ability of the Collateral Manager to perform its obligations under the Collateral Management Agreement. Furthermore, the impact of the U.S. Risk Retention Rules on the loan securitisation market and the leveraged loan market generally is uncertain, and a failure by the Collateral Manager to comply with the U.S. Risk Retention Rules could negatively affect the value and secondary market liquidity of the Refinancing Notes.

In addition, after the Issue Date, the U.S. Risk Retention Rules may have adverse effects on the Issuer and/or the holders of the Refinancing Notes. Unless the exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions or another exemption is available to the Collateral Manager, the U.S. Risk Retention Rules would apply to any additional notes offered and sold by the Issuer after the Issue Date or any Refinancing. In addition, the U.S. Securities and Exchange Commission (the “SEC”) has indicated in contexts separate from the U.S. Risk Retention Rules that an “offer” and “sale” of securities may arise when amendments to securities are so material as to require holders to make a new “investment decision” with respect to such securities. Thus, if the SEC were to take a similar position with respect to the U.S. Risk Retention Rules, they could apply to future material amendments to the Refinancing Notes, to the extent such amendments require investors to make a new investment decision with respect to the Refinancing Notes. As noted above, the Collateral Manager does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules (but pursuant to the Retention Letter the Collateral Manager will undertake to retain a material net economic interest of not less than five per cent. of the nominal value of each Class of Notes with the intention of complying with the EU Retention Requirements), and there can be no assurance that the exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions or any other exemption will be available in connection with any such additional issuance, Refinancing or amendment occurring after the Issue Date. As a result, the U.S. Risk Retention Rules may adversely affect the Issuer (and the performance, market value or liquidity of the Refinancing Notes) if the Issuer is unable to undertake any such additional issuance, Refinancing or amendment. Furthermore, no assurance can be given as to whether the U.S. Risk Retention Rules would have any future material adverse effect on the business, financial condition or prospects of the Collateral Manager or the Issuer or on the market value or liquidity of the Refinancing Notes.

3.3 Retention Financing

On the Original Issue Date, the Collateral Manager entered into financing arrangements (the “Retention Financing”) in respect of the Original Notes that were Retention Notes. The Collateral Manager intends to amend and extend the terms of the Retention Financing on or about the Issue Date to finance the acquisition of the Retention Notes it is required to acquire in order to comply with the EU Retention Requirements or the U.S. Risk Retention Rules. Title to the Retention Notes will be transferred (or, in respect of Retention Notes that are Subordinated Notes, was transferred on or about the Original Issue Date) to a funding vehicle which is a special purpose vehicle whose shares are held in charitable trust (the “Retention Lender”) under the terms of the Retention Financing. The Retention Financing will be on full-recourse terms. Although legal and beneficial title to the Retention Notes will be held by the Retention Lender as part of the Retention Financing instead of the Collateral Manager, the Collateral Manager would retain the economic risk in the Retention Notes notwithstanding that it does not have legal ownership of them. None of the Placement Agent, the Collateral Manager, any Agent, the Issuer, the Trustee or any of their respective Affiliates makes any
representation, warranty or guarantee that the Retention Financing has complied or will comply with the EU Retention Requirements or the U.S. Risk Retention Rules at any time. In particular, should the Collateral Manager or Retention Lender default in the performance of its obligations under the Retention Financing, or the Retention Financing is otherwise terminated before its stated maturity (being the Maturity Date), the Collateral Manager would not be entitled to have the Retention Notes (or equivalent securities) retransferred to it and instead the Retention Financing will terminate on a cash settlement basis. In exercising its rights pursuant to the Retention Financing, the Retention Lender would not be required to have regard to the EU Retention Requirements or the U.S. Risk Retention Rules and any such termination of the Retention Financing may therefore cause the transaction described in this Offering Circular to be non-compliant with the EU Retention Requirements or the U.S. Risk Retention Rules. See "Certain Conflicts of Interest – Conflicts of Interest Involving or Relating to the Placement Agent and its Affiliates".

3.4 European Market Infrastructure Regulation EU 648/2012

EMIR and the regulations made under it impose certain obligations on parties to OTC derivative contracts according to whether they are "financial counterparties", such as European investment firms, alternative investment funds (in respect of which, see "Alternative Investment Fund Managers Directive" below), credit institutions and insurance companies, or other entities which are "non-financial counterparties" or third country entities equivalent to "financial counterparties" or "non-financial counterparties".

Financial counterparties (as defined in EMIR) will, depending on the identity of their counterparty, be subject to a general obligation (the "clearing obligation") to clear all "eligible" OTC derivative contracts through a duly authorised or recognised central counterparty. They must also report the details of all derivative contracts to a trade repository (the "reporting obligation") and in general undertake certain risk-mitigation techniques in respect of OTC derivative contracts which are not cleared by a central counterparty, including complying with requirements related to timely confirmation of terms, portfolio reconciliation, dispute resolution, daily valuation and margin posting (together, the "risk mitigation obligations").

Non-financial counterparties (as defined in EMIR) are not subject to the clearing obligation unless the gross notional value of all derivative contracts entered into by the non-financial counterparty and other non-financial entities in its "group" (as defined in EMIR), excluding eligible hedging transactions, exceed certain thresholds and its counterparty is also subject to the clearing obligation. If the Issuer is considered to be a member of such a "group" (as defined in EMIR) (which may, for example, potentially be the case if the Issuer is consolidated by a Noteholder as a result of such Noteholder’s holding of a significant proportion of the Subordinated Notes) and if the aggregate notional value of OTC derivative contracts entered into by the Issuer and any non-financial entities within such group exceeds the applicable threshold, the Issuer would be subject to the clearing obligation or if the relevant contract is not a type required to be cleared, to the risk mitigation obligations, including the margin posting requirement.

The clearing obligation, the reporting obligation, the risk mitigation obligations and the margin requirement have been implemented. Whilst the Hedge Transactions are expected to be treated as hedging transactions and deducted from the total in assessing the notional value of OTC derivative contracts entered into by the Issuer and/or non-financial entities within its "group" (as defined in EMIR), there is currently no certainty as to whether the relevant regulators will share this view.

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

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

The Conditions of the Notes permit the Issuer and oblige the Trustee, without the consent of any of the Noteholders, to concur in the making of certain modifications to the Transaction Documents and/or the Conditions of the Notes which the Issuer certifies are required to comply with the requirements of EMIR which may become applicable in the future.

It should also be noted that certain amendments to EMIR are contemplated. In particular, whilst the Securitisation Regulation contemplates that OTC derivative contracts entered into by securitisation special purpose vehicles similar to the Issuer should not be subject to the clearing obligation provided that certain conditions are met, a proposal published by the European Commission on 4 May 2017 to amend EMIR, suggests that SSPEs similar to the Issuer should be reclassified as financial counterparties for the purposes of EMIR. At this time, the extent to which such proposals will be reflected in the final Securitisation Regulation or an amended version of EMIR and the timeline of any applicable changes remain unclear. In addition, any grandfathering provisions regulating the compliance position of swap transactions entered into prior to adoption of any proposed amendments to EMIR is uncertain. No assurances can be given as to the status of the Issuer following any proposed amendments to EMIR which could lead to some or all of the potentially adverse consequences outlined above. Investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR in making any investment decision in respect of the Notes.

3.5 Alternative Investment Fund Managers Directive

The AIFMD regulates alternative investment fund managers ("AIFMs") and provides in effect that each alternative investment fund (an "AIF") within the scope of the AIFMD must have a designated AIFM responsible for ensuring compliance with the AIFMD. Although there is an exemption in the AIFMD for "securitisation special purpose entities" (the "SSPE Exemption"), the European Securities and Markets Authority has not yet given any formal guidance on the application of the SSPE Exemption or whether a vehicle such as the Issuer would fall within it, so there can be no certainty as to whether the Issuer would benefit from the SSPE Exemption.

If the Issuer is an AIF (which at this stage is unclear), then it would be necessary to identify its AIFM, which would be the entity which manages it in general and is therefore most likely to be the Collateral Manager. In such a scenario, the Collateral Manager would be subject to the AIFMD and would need to be appropriately regulated and certain duties and responsibilities would be imposed on the Collateral Manager in respect of its management of the Portfolio. Such duties and responsibilities, were they to apply to the Collateral Manager’s management of the assets of the Issuer, may result in significant additional costs and expenses incurred by the Collateral Manager which, in respect of some such fees and expenses, may be reimbursable by the Issuer to the Collateral Manager pursuant to the Collateral Management Agreement as an Administrative Expense, which may in turn negatively affect the amounts payable to Noteholders. If the Collateral Manager was to fail to, or be unable to, be appropriately regulated, the Collateral Manager may not be able to continue to manage the Issuer’s assets, or its ability to do so may be impaired. Any regulatory changes arising from implementation of the AIFMD (or otherwise) that impair the ability of the Collateral Manager to manage the Issuer's assets may adversely affect the Collateral Manager’s ability to carry out the Issuer’s investment strategy and achieve its investment objective.
If considered to be an AIF, the Issuer would also be classified as a "financial counterparty" under EMIR and may be required to comply with clearing obligations and/or other risk mitigation techniques (including margin posting requirements) with respect to Hedge Transactions entered into after the relevant future effective dates. See also "European Market Infrastructure Regulation EU 648/2012" above.

3.6 U.S. Dodd-Frank Act

The Dodd-Frank Act was signed into law on 21 July 2010. The Dodd-Frank Act represents a comprehensive change to financial regulation in the United States, and affects virtually every area of the capital markets. Implementation of the Dodd-Frank Act requires many lengthy rulemaking processes that have resulted in, and will continue to result in the adoption of a multitude of new regulations potentially applicable to entities which transact business in the U.S. or with U.S. persons outside the U.S. Once fully implemented, the Dodd-Frank Act will affect many aspects, in the U.S. and internationally, of the business of the Collateral Manager, including securitisation, proprietary trading, investing, creation and management of investment funds, OTC derivatives and other activities. While certain regulations implementing various provisions of the Dodd-Frank Act have been finalised and adopted, many implementing regulations currently exist only in draft form and are subject to comment and revision, and still other implementing regulations have not yet been proposed. It is therefore difficult to predict the full extent to which the businesses of the Collateral Manager and its subsidiaries and Affiliates and the Issuer, will be affected by the Dodd-Frank Act as implementing regulations are finalised over time and come into effect.

This uncertainty is further compounded by the numerous regulatory efforts underway outside the U.S. Certain of these efforts overlap with the substantive provisions of the Dodd-Frank Act, while others, such as proposals for financial transaction and/or bank taxes in particular countries or regions, do not. In addition, even where these U.S. and international regulatory efforts overlap, these efforts generally have not been undertaken on a coordinated basis. Areas where divergence between U.S. regulators and their international counterparts exist or have begun to develop (whether with respect to scope, interpretation, timing, approach or otherwise) include trading, clearing and reporting requirements for derivatives transactions, higher U.S. capital and margin requirements relating to uncleared derivatives transactions, and capital and liquidity requirements that may result in mandatory "ring-fencing" of capital or liquidity in certain jurisdictions, among others.

Investors should be aware that those risks are material and that the Issuer and, consequently, an investment in the Notes could be materially and adversely affected thereby. As such, investors should consult their own independent advisers and make their own assessment about the potential risks posed by the Dodd-Frank Act and the rules to be promulgated thereunder in making any investment decision in respect of the Notes.

3.7 CFTC Regulations

Pursuant to the Dodd-Frank Act, the Commodity Futures Trading Commission ("CFTC") has promulgated a range of new regulatory requirements (the "CFTC Regulations") that may affect the pricing, terms and compliance costs associated with the entry into of any Hedge Transaction by the Issuer and the availability of such Hedge Transactions. Some or all of the Hedge Transactions that the Issuer may enter into may be affected by (i) the requirement that certain swaps be centrally cleared and in some cases traded on a designated contract market or swap execution facility, (ii) initial and variation margin requirements of any central clearing organisation (with respect to cleared swaps) or initial or variation requirements as may otherwise be required with respect to uncleared swaps, (iii) recordkeeping obligations, and other matters. These new requirements may significantly increase the cost to the Issuer and/or the Collateral Manager of entering into Hedge Transactions such that the Issuer may be unable to purchase certain types of Collateral Debt Obligations, have unforeseen legal consequences on the Issuer or the Collateral Manager or have other material adverse effects on the Issuer or the Noteholders.
3.8 Commodity Pool Regulation

In 2012, the U.S. Commodity Futures Trading Commission (the "CFTC") rescinded one of the primary rules which formerly provided an exemption from registration as a "Commodity Pool Operator" (a "CPO") and a "commodity trading advisor" (a "CTA") under the U.S. Commodity Exchange Act, as amended (the "CEA"), in respect of certain transactions. In addition, the Dodd-Frank Act expanded the definition of a "commodity pool" to include any form of enterprise operated for the purpose of trading in commodity interests, including swaps. Similarly, the term "commodity pool operator" was expanded to include any person engaged in a business that is of the nature of a commodity pool or similar enterprise and in connection therewith, solicits, accepts, or receives from others, funds, securities or property for the purpose of trading in commodity interests, including any swaps. The CFTC has taken an extremely expansive interpretation of these definitions, and has expressed the view that entering into a single swap (apparently without distinguishing between trading and holding a swap position) could make an entity a "commodity pool" subject to regulation under the CEA. It should also be noted that the definition of "swaps" under the Dodd-Frank Act is itself extremely broad, and expressly includes interest rate swaps, currency swaps and total return swaps. Although the CFTC has provided guidance that certain securitisation 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 CLO may be required to register as a CPO with the CFTC or apply for an exemption from registration. In addition, no assurance can be made that the United States federal government or any U.S. regulatory body (or other authority or regulatory body) will not continue to take further legislative or regulatory action, and the effect of such actions, if any, cannot be known or predicted.

If the Issuer were deemed to be a "commodity pool", then both the CPO and the CTA of the Issuer would be required to register as such with the CFTC and the National Futures Association (the "NFA") by the initial offering date of the Notes. Because there has previously been an exemption from such registration for most securitisation and investment fund transactions, there is little, if any, guidance as to which entity or entities would be regarded as the Issuer's CPO and CTA and thus be required to register. While there remain certain limited exemptions from registration, because the wording of these regulations applies to traditional commodity pools and was not drafted with transactions such as the Issuer and its investment activities in mind, it is unclear whether and to what extent any of these exemptions would be available to avoid registration with respect to the Issuer. In addition, if the Issuer were deemed to be a "commodity pool", it would have to comply with a number of reporting and other requirements that are geared to traded commodity pools, which may result in significant additional costs and expenses, which may in turn affect the amounts payable to Noteholders. It is presently unclear how an investment vehicle such as the Issuer could comply with certain of these reporting requirements on an on-going basis.

Furthermore, even if an exemption were available, the limits imposed by such exemption may prevent the Issuer from entering into Hedge Transactions, having the effect of limiting the Issuer’s ability to invest in Non-Euro Obligations and put it in breach of its obligation to enter into Asset Swap Transactions with respect to any Non-Euro Obligations it has purchased. The inability to enter into Interest Rate Hedge Transactions will also limit the Issuer's ability to hedge any interest rate mismatch between the Collateral Debt Obligations and the Notes, thereby in some cases limiting its ability to invest in Fixed Rate Collateral Debt Obligations. Any termination of a Hedge Agreement would expose the Issuer to costs and increased interest rate or currency exchange rate risk until the hedged assets can be sold (in respect of which, see Interest Rate Risk and Unhedged Collateral Debt Obligations below).

In light of the foregoing, the Collateral Manager will not permit the Issuer to enter into a Hedge Agreement or any other similar agreement that could fall within the definition of a swap as set out in the CEA until such time as it shall have received legal advice from reputable counsel to the effect that none of the Issuer, its directors or officers, the Collateral Manager or any of its Affiliates or any other person should be required to
register as a CPO or CTA with the CFTC with respect to the Issuer or that if required to register that the Issuer and/or Collateral Manager (as applicable) did so register.

3.9 Volcker Rule

Under Section 619 of the U.S. Dodd-Frank Act and the corresponding implementing rules (the "Volcker Rule") relevant "banking entities" as defined under the Volcker Rule are generally prohibited from, among other things, (i) conducting proprietary trading activities in a wide variety of financial instruments unless the transaction is excluded from the scope of the rule and (ii) acquiring or retaining any ownership interest in, or acting as sponsor in respect of, certain investment entities referred to as covered funds, except as may be permitted by an applicable exclusion or exception from the Volcker Rule. In addition, in certain circumstances, the Volcker Rule restricts relevant banking entities from entering into certain credit exposure related transactions with covered funds. Subject to certain exceptions and extensions, full conformance with the Volcker Rule was required from 21 July 2015, and relevant banking entities are required to engage in good faith efforts in this regard during the current conformance period. In general, there is limited interpretive guidance regarding the Volcker Rule.

Key terms are widely defined under the Volcker Rule, including "banking entity", "ownership interest", "sponsor" and "covered fund". In particular, "banking entity" is defined to include certain non-U.S. affiliates of U.S. banking entities, as well as non-U.S. banking entities that conduct operations in the United States either directly or through branches or affiliates, and "covered fund" is defined to include an issuer that would be an investment company, as defined in the U.S. Investment Company Act of 1940 but for section 3(c)(1) or 3(c)(7) thereof, subject to certain exemptions found in the Volcker Rule’s implementing regulations (which would extend to the Issuer given its intention to rely on section 3(c)(7)). It should also be noted that an "ownership interest" is broadly defined and may arise through a holder’s exposure to the profit and losses of a covered fund as well as through any right of the holders to participate in the selection of an investment adviser, manager, general partner, trustee, board of directors or similar governing body of the covered fund. The Subordinated Notes will be characterised as ownership interests in the Issuer, and it is uncertain whether any of the Rated Notes may be similarly characterised as ownership interests. Providing that the right of holders of the Notes in respect of the removal of the Collateral Manager and selection of a successor collateral manager shall only be exercisable upon a Collateral Manager Event of Default may not be sufficient to ensure that the Rated Notes are not characterised as ownership interests. If the Issuer is deemed to be a covered fund then in the absence of regulatory relief such prohibitions may have adverse effects on the Issuer and the liquidity and value of the Notes including limiting the secondary market of the Notes and affecting the Issuer’s access to liquidity and ability to hedge its exposures.

The Transaction Documents have been drafted in a manner so as to disenfranchise the holders of any Class A Notes, Class B Notes, Class C Notes and Class D Notes in the form of CM Non-Voting Notes or CM Exchangeable Non-Voting Notes in respect of any CM Removal Resolution or CM Replacement Resolution. There can be no assurance that these steps will be effective in resulting in such investments in the Issuer by U.S. banking institutions and other banking entities subject to the Volcker Rule (whether in the form of CM Exchangeable Non-Voting Notes or otherwise) not being characterised as an "ownership interest" in the Issuer.

The Volcker Rule and any similar measures introduced in another relevant jurisdiction may restrict the ability of relevant individual prospective purchasers to invest in the Notes and, in addition, may have a negative impact on the price and liquidity of the Notes in the secondary market. Each prospective investor is responsible for analysing its own position under the Volcker Rule and any similar measures and none of the Issuer, the Collateral Manager, the Placement Agent or the Arranger makes any representation regarding such position, including with respect to the ability of any investor to acquire or hold the Notes of any Class (including the Rated Notes), now or at any time in the future.
3.10 Irish Credit Servicing Act

On 8 July 2015, the Consumer Protection (Regulation of Credit Servicing Firms) Act 2015 was implemented into Irish law (such law amending the Irish Central Bank Act, 1997, and this law so amended the "Credit Servicing Act"). The Credit Servicing Act provides for the authorisation and regulation of firms (credit servicers) which undertake credit servicing for holders of the legal title to certain Irish obligor loans (described below). If no credit servicer is appointed to service such loans, the owner of the legal title to the relevant loan itself (or part thereof) will be obliged to seek such authorisation ("the Irish Authorisation").

The Credit Servicing Act applies to all loans to Irish consumers and micro, small or medium-sized enterprises (within the meaning of Article 2 of the Annex to the European Commission Recommendation 2003/361/EC of 6 May 2003) ("Irish SMEs"). However, the Credit Servicing Act only applies to a loan to an Irish SME where the loan (or part thereof) was originally made by a lender authorised to provide credit in Ireland by the Central Bank of Ireland or an equivalent authority in an EEA country (such lenders, "regulated lenders") and such regulated loans, "the relevant Irish SME Loans ").

Pursuant to paragraph (dd) of the Eligibility Criteria, the Collateral Manager may not acquire relevant Irish SME Loans on behalf of the Issuer where the Issuer's ownership of any such loan would require it to obtain the Irish Authorisation.

However, the Issuer may acquire relevant Irish SME Loans that do not require the Issuer to obtain the Irish Authorisation (where a credit servicer is appointed to the loan at the time of acquisition, or the loan (or part thereof) was not originally made by a regulated lender). In such cases, there is a risk that the Issuer may at some future date be required to obtain the Irish Authorisation in respect of any such loans due to changes in the relevant loan arrangements (for example, if the Issuer holds its interest in the relevant Irish SME Loan indirectly through a sub-participation but is required to elevate, or if the credit servicer's appointment is terminated without a replacement credit servicer being appointed or the successor servicer does not hold the Irish Authorisation).

Further, the Issuer may acquire loans with Irish obligors that are not Irish SMEs, but then obtain such status during the Issuer's ownership of the loan (for example, due to a reduction in the obligor's turnover or staff headcount). Therefore, while the impact of a change in obligor status in this way is not clear under Irish law, there is a risk that loans may become relevant Irish SME Loans, depending on the commercial performance of the obligor and the identity of the original lender(s) in the loans.

If the Issuer holds the legal title to relevant Irish SME Loans and no credit servicer is appointed to such loans, it will need to either to appoint a credit servicer, seek the Irish Authorisation itself or sell the loan.

It is unlikely the Central Bank of Ireland would grant the Issuer the Irish Authorisation. Failure to comply with various provisions of the Credit Servicing Act is an offence under Irish law. Further, the Issuer's return on capital in respect of the relevant Irish SME Loans where it holds such loans in breach of the Credit Servicing Act may be reduced by the consequent difficulties in enforcing or selling such assets.

Given the anticipated cost of compliance and the legal implications of non-compliance with the Credit Servicing Act, the attractiveness of acquiring relevant Irish SME Loans has been reduced (and to a lesser extent, loans to non-Irish SME obligors). However, the reduced attractiveness of such eligible investment opportunities is not expected to have a material impact on the Issuer's ability to deploy capital.
4. RELATING TO THE NOTES

4.1 Limited Liquidity and Restrictions on Transfer

Although there is currently a limited market for notes representing collateralised debt obligations similar to the Notes (other than the Subordinated Notes), there can be no assurance as to the presence or extent of a market for the Notes themselves. The Placement Agent or its Affiliates, as part of their activities as broker and dealer in fixed income securities, intends to make a secondary market in relation to the Notes (other than the Subordinated Notes), but is not obliged to do so and any such market making may be discontinued at any time without notice. Any indicative prices provided by the Placement Agent or its Affiliates shall be determined in the Placement Agent's sole discretion taking into account prevailing market conditions and shall not be a representation by the Placement Agent or its Affiliates that any instrument can be purchased or sold at such prices (or at all). Notwithstanding the above, the Placement Agent or its Affiliates may suspend or terminate making a market and providing indicative prices without notice, at any time and for any reason. There can be no assurance that any secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the Noteholders with liquidity of investment or that it will continue for the life of such Notes. Consequently, a purchaser must be prepared to hold such Notes for an indefinite period of time or until the Maturity Date. Where a market does exist, to the extent that an investor wants to sell these securities, the price may, or may not, be at a discount from the outstanding principal amount. In addition, no sale, assignment, participation, pledge or transfer of the Notes may be effected if, among other things, it would require any of the Issuer or any of their officers or directors to register under, or otherwise be subject to the provisions of, the Investment Company Act or any other similar legislation or regulatory action. Furthermore, the Notes will not be registered under the Securities Act or any U.S. state securities laws, and the Issuer has no plans, and is under no obligation, to register the Notes under the Securities Act. The Notes are subject to certain transfer restrictions and can be transferred only to certain transferees. See the "Plan of Distribution" and "Transfer Restrictions" sections of this Offering Circular. Such restrictions on the transfer of the Notes may further limit their liquidity.

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

4.2 Optional Redemption and Market Volatility

The market value of the Collateral Debt Obligations may fluctuate, with, among other things, changes in prevailing interest rates, foreign exchange rates, general economic conditions, the conditions of financial markets (particularly the markets for senior and mezzanine loans and high yield bonds), European and international political events, events in the home countries of the issuers of the Collateral Debt Obligations or the countries in which their assets and operations are based, developments or trends in any particular industry and the financial condition of such issuers. The secondary market for senior and mezzanine loans and high yield bonds is still limited. A decrease in the market value of the Portfolio would adversely affect the amount of proceeds which could be realised upon liquidation of the Portfolio and ultimately the ability of the Issuer to redeem the Notes.

A form of liquidity for the Subordinated Notes is the optional redemption provision set out in Condition 7(b)(i) (Optional Redemption in Whole - Subordinated Noteholders). There can be no assurance, however, that such optional redemption provision will be capable of being exercised in accordance with the conditions set out in Condition 7(b) (Optional Redemption) which may require the consent of the Collateral Manager and in some cases require a determination that the amount realisable from the Portfolio in such circumstances is greater than the aggregate of all amounts which would be due and payable on redemption of
the Rated Notes and to the other creditors of the Issuer pursuant to Condition 11(b) \( (\text{Enforcement}) \) which rank in priority to payments in respect of the Subordinated Notes in accordance with the Priorities of Payments.

4.3 The Notes are subject to Optional Redemption in Whole or in Part by Class

The Rated Notes may be redeemed in whole from Sale Proceeds and/or Refinancing Proceeds (A) after the Non-Call Period, on any Business Day at the direction of the Subordinated Noteholders acting by way of Ordinary Resolution, subject to, in the case of a Refinancing, the consent of the Collateral Manager or (B) following the occurrence of a Collateral Tax Event, on any Business Day falling after such occurrence at the direction of the Subordinated Noteholders acting by way of Ordinary Resolution.

In addition, the Rated Notes may be redeemed in part by entire Class from Refinancing Proceeds at the applicable Redemption Prices, from any Refinancing Proceeds on any Business Day falling on or after expiry of the Non-Call Period at the written direction of the Subordinated Noteholders acting by way of Ordinary Resolution, subject to the consent of the Collateral Manager. Any such redemption shall be of an entire Class or Classes of Notes subject to a number of conditions. See Condition 7(b) \( (\text{Optional Redemption}) \).

Following the expiry of the Non-Call Period, the Collateral Manager may also cause the Issuer to redeem the Rated Notes in whole from Sale Proceeds, if the Aggregate Collateral Balance is less than 20 per cent. of the Target Par Amount.

As described in Condition 7(b)(v) \( (\text{Optional Redemption effected in whole or in part through Refinancing}) \), Refinancing Proceeds may be used in connection with either a redemption in whole of the Rated Notes or a redemption in part of the Rated Notes by Class, subject to the consent of the Collateral Manager. In the case of a Refinancing upon a redemption of the Rated Notes in whole but not in part, such Refinancing will only be effective if among other things, Refinancing Proceeds, all Sale Proceeds from the sale of Collateral Debt Obligations and Eligible Investments received in accordance with the procedures set forth in the Trust Deed, and all other available funds will be at least sufficient to pay any Refinancing Costs and all amounts due and payable in respect of all Classes of Notes (including without limitation Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) save for the Subordinated Notes and all amounts payable in priority thereto pursuant to the Priorities of Payments (subject to any election to receive less than 100 per cent. of Redemption Price) on such Redemption Date when applied in accordance with the Post-Acceleration Priority of Payments.

In the case of a Refinancing upon a redemption of the Rated Notes in part by Class, such Refinancing will only be effective if certain conditions are satisfied, including but not limited to: (i) any redemption of a Class of Notes is a redemption of the entire Class which is subject to the redemption and (ii) the sum of (A) the Refinancing Proceeds and (B) the amount of Interest Proceeds standing to the credit of the Interest Account in excess of the aggregate amount of Interest Proceeds which would be applied in accordance with the Interest Proceeds Priority of Payments prior to paying any amount in respect of the Subordinated Notes on the next Payment Date will be at least sufficient to pay the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption in full and all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses in connection with the Refinancing in full. See Condition 7(b)(v) \( (\text{Optional Redemption effected in whole or in part through Refinancing}) \).

The Trust Deed provides that the holders of the Subordinated Notes will not have any cause of action against any of the Issuer, the Collateral Manager, the Collateral Administrator, the Placement Agent, the Arranger or the Trustee for any failure to obtain a Refinancing. The Conditions of the Notes permit the Issuer and oblige the Trustee, without the consent of any of the Noteholders, to concur in the making of such changes to the Transaction Documents as shall be necessary to facilitate the Issuer to effect a Refinancing in part. No assurance can be given that any such amendments to the Transaction Documents or the terms of any Refinancing will not adversely affect the holders of any Class or Classes of Notes not subject to redemption.
(or, in the case of the Subordinated Notes, the holders of the Subordinated Notes who do not direct such redemption).

The Notes shall also be redeemed on any Business Day in whole but not in part at the written direction of (x) the Controlling Class (acting by way of an Extraordinary Resolution) or (y) the Subordinated Noteholders (acting by way of an Ordinary Resolution) following the occurrence of a Note Tax Event. The Subordinated Notes may be redeemed at their Redemption Price, in whole but not in part, on any Business Day on or after the redemption or repayment in full of the Rated Notes, at the written direction of either of (x) the Subordinated Noteholders (acting by way of Ordinary Resolution) or (y) the Collateral Manager.

Remedies pursued by the Controlling Class could be adverse to the interests of holders of Notes that are subordinated to the Controlling Class and the Controlling Class will have no obligation to consider any possible effects on such interests.

The Collateral Manager may also cause the Issuer to redeem the Rated Notes in whole from Sale Proceeds on any Payment Date falling on or after the expiry of the Non-Call Period, if the Aggregate Collateral Balance is less than 20 per cent. of the Target Par Amount.

In the event of an early redemption, the holders of the Notes will be repaid prior to the Maturity Date. Where the Notes are to be redeemed by liquidation, there can be no assurance that the Sale Proceeds realised and other available funds would permit any distribution on the Subordinated Notes after all required payments are made to the holders of the Rated Notes. In addition, an Optional Redemption could require the Collateral Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realised value of the Collateral Debt Obligations sold.

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

The Notes will be subject to redemption in part by the Issuer on any Payment Date during the Reinvestment Period if the Collateral Manager in its sole discretion certifies to the Trustee that it has been unable, for a period of at least 20 consecutive Business Days, to identify additional Collateral Debt Obligations that are deemed appropriate by the Collateral Manager in its sole discretion and which would meet the Eligibility Criteria and whose acquisition by the Issuer would be in compliance with, to the extent applicable, the Reinvestment Criteria in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account to be invested in additional Collateral Debt Obligations. On the Special Redemption Date, the Special Redemption Amount will be applied in accordance with the Priorities of Payments. Additionally, a Special Redemption may apply in respect of Interest Proceeds if the Collateral Manager determines that it is unable to identify additional suitable Collateral Debt Obligations for reinvestment. The application of funds in that manner could result in an elimination, deferral or reduction of amounts available to make payments with respect to the Subordinated Notes.

4.5 Mandatory Redemption of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes

Certain mandatory redemption arrangements may result in an elimination, deferral or reduction in the interest payments or principal repayments made to the Class C Noteholders, to the Class D Noteholders, to the Class E Noteholders, to the Class F Noteholders or the level of the returns to the Subordinated Noteholders, as provided in more detail below.

4.6 Mandatory Redemption following breach of the Coverage Tests

If either of the Class A/B Coverage Tests is not satisfied on any Determination Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes and the
Class B Notes in accordance with the Note Payment Sequence on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Tests are satisfied if recalculated following such redemption, provided that the Class A/B Coverage Tests shall be deemed to be satisfied if the Class X Notes, the Class A Notes and the Class B Notes have been redeemed in full.

If either of the Class C Coverage Tests is not satisfied on any Determination Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption, provided that the Class C Coverage Tests shall be deemed to be satisfied if the Class X Notes, the Class A Notes, the Class B Notes and the Class C Notes have been redeemed in full.

If either of the Class D Coverage Tests is not satisfied on any Determination Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption, provided that the Class D Coverage Tests shall be deemed to be satisfied if the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes have been redeemed in full.

If the Class E Par Value Test is not satisfied on any Determination Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until the Class E Par Value Test is satisfied if recalculated following such redemption, provided that the Class E Par Value Test shall be deemed to be satisfied if the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes have been redeemed in full.

If the Class F Par Value Test is not satisfied on any Determination Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Rated Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until the Class F Par Value Test is satisfied if recalculated following such redemption, provided that the Class F Par Value Test shall be deemed to be satisfied if the Rated Notes have been redeemed in full.

4.7 The Reinvestment Period may Terminate Early

The Reinvestment Period may terminate early if, among other things, any of the following occur: (a) acceleration of the Notes following a Note Event of Default or (b) the Collateral Manager certifies to the Issuer that it is unable to invest in additional Collateral Debt Obligations in accordance with the Collateral Management Agreement. Early termination of the Reinvestment Period could adversely affect returns to the Subordinated Noteholders and may also cause the holders of Rated Notes to receive principal payments earlier than anticipated.

4.8 The Collateral Manager May Reinvest After the End of the Reinvestment Period

After the end of the Reinvestment Period, the Collateral Manager may still reinvest Unscheduled Principal Proceeds received with respect to the Collateral Debt Obligations and the Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations, subject to certain conditions set forth in the
4.9 Certain Actions May Prevent the Failure of Coverage Tests and a Note Event of Default

Investors should note that, pursuant to the Transaction Documents and subject to certain conditions specified therein:

(a) the Issuer may issue additional Notes and apply the net proceeds to acquire Collateral Debt Obligations or (in the case of a further issuance of Subordinated Notes) apply such net proceeds as Interest Proceeds or to another Permitted Use (see Condition 17 (Additional Issuance));

(b) the Collateral Manager may, pursuant to the Priorities of Payments, apply funds by either deferring, designating for reinvestment in Collateral Debt Obligations or the purchase of Notes pursuant to Condition 7(j) (Purchase) or irrevocably waiving all or a portion of the Collateral Management Fees that would otherwise have been payable to it (see the Priorities of Payments); and/or

(c) the Collateral Manager may accept a Contribution from a Subordinated Noteholder, either by way of a cash contribution by such Noteholder or a designated portion of Interest Proceeds or Principal Proceeds that would otherwise be distributed on the Subordinated Notes of a Subordinated Noteholder, in each case to be applied to a Permitted Use (see Condition 2(l) (Contributions)).

Any such action could result in satisfaction of a Coverage Test that would otherwise be failing and therefore potentially decrease the occurrence of principal prepayments of the highest ranking Class of Notes. Likewise, any such action could prevent a Note Events of Default which would otherwise have occurred and therefore potentially result in the Notes continuing to be outstanding in circumstances where the Controlling Class may otherwise have had the right to direct the Trustee to accelerate the Notes. Consequentially, the average life of the Notes may be longer than it would otherwise be (see "Average Life and Prepayment Considerations" below).

4.10 Additional Issuances of Notes

At any time, subject to certain conditions, the Issuer may issue additional Notes, either proportionately across all Classes (other than the Class X Notes) or just of Subordinated Notes. The Issuer may not issue additional Class X Notes. If the conditions for such additional issuance pursuant to Condition 17 (Additional Issuance) are met and the consent of the Collateral Manager has been obtained, such additional Notes may be issued without the consent of the Noteholders (save for the Subordinated Noteholders acting by way of Ordinary Resolution, the Retention Holder and, in the case of the issuance of additional Class A Notes, the Class A Noteholders acting by way of Ordinary Resolution). There can be no assurance as to whether such additional issuance of Notes will affect the secondary market price or liquidity of the Notes. The Collateral Manager may have reasons to withhold its consent to an additional issuance of Notes even if such additional issuance would be in the best interest of the Issuer or the Noteholders generally.

In respect of an issuance of additional Notes, the holders of the relevant Class of Notes in respect of which additional Notes are issued shall be afforded the opportunity to purchase additional Notes of the relevant Class in an amount not to exceed the percentage of the relevant Class of Notes each holder held immediately prior to the issuance of such additional Notes. To the extent that an existing Noteholder determines not to purchase such additional Notes, or purchases only a portion of its entitlement thereof, the proportion of the Notes held by such holder may be diluted following such additional issuance.
Limited Recourse Obligations

The Notes are limited recourse obligations of the Issuer and are payable solely from amounts received in respect of the Collateral securing the Notes. Payments on the Notes both prior to and following enforcement of the security over the Collateral are subordinated to the prior payment of certain fees and expenses of, or payable by, the Issuer and to payment of principal and interest on prior ranking Classes of Notes. See Condition 4(c) (Limited Recourse and Non-Petition). None of the Collateral Manager, the Sub-Manager, the Noteholders of any Class, the Placement Agent, the Arranger, the Trustee, the Liquidity Facility Provider, any Agent, any Hedge Counterparty or any Affiliates of any of the foregoing or the Issuer’s Affiliates or any other person or entity (other than the Issuer) will be obliged to make payments on the Notes of any Class. Consequently, Noteholders must rely solely on distributions on the Collateral Debt Obligations and other Collateral securing the Notes for the payment of principal, discount, interest and premium, if any, thereon. There can be no assurance that the distributions on the Collateral Debt Obligations and other Collateral securing the Notes will be sufficient to make payments on any Class of Notes after making payments on more senior Classes of Notes and certain other required amounts to other creditors ranking senior to or pari passu with such Class pursuant to the Priorities of Payments. If distributions on the Collateral are insufficient to make payments on the Notes, no other assets (and, in particular, no assets of the Collateral Manager, the Noteholders, the Placement Agent, the Trustee, the Liquidity Facility Provider, any Agent, any Hedge Counterparty, or any Affiliates of any of the foregoing) will be available for payment of the deficiency and following realisation of the Collateral and the application of the proceeds thereof in accordance with the Priorities of Payments, the obligations of the Issuer to pay such deficiency shall be extinguished. Such shortfall will be borne (as amongst the Noteholders) by (a) firstly, the Subordinated Noteholders; (b) secondly, the Class F Noteholders; (c) thirdly, the Class E Noteholders; (d) fourthly, the Class D Noteholders; (e) fifthly, the Class C Noteholders; (f) sixthly, the Class B Noteholders and (f) lastly, the Class X Noteholders and the Class A Noteholders (on a pro rata and pari passu basis), in each case in accordance with the Priorities of Payments.

In addition none of the Noteholders nor the Trustee nor any other Secured Party (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency, examinership, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer relating to the Notes, the Trust Deed or otherwise owed to the Noteholders, save for lodging a claim in the liquidation of the Issuer which is initiated by another party (which is not an Affiliate of such party) or taking proceedings to obtain a declaration as to the obligations of the Issuer nor shall any of them have a claim arising in respect of the share capital of the Issuer.

Subordination of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes

Except as described below, the Class B Notes are fully subordinated to the Class X Notes and the Class A Notes; the Class C Notes are fully subordinated to the Class X Notes, the Class A Notes and the Class B Notes; the Class D Notes are fully subordinated to the Class X Notes, the Class A Notes, the Class B Notes and the Class C Notes; the Class E Notes are fully subordinated to the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes; the Class F Notes are fully subordinated to the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes; and the Subordinated Notes are fully subordinated to the Rated Notes.

The payment of principal and interest on any other Classes of Notes may not be made until all payments of principal and interest due and payable on any Classes of Notes ranking in priority thereto pursuant to the Priorities of Payments have been made in full. Payments on the Subordinated Notes will be made by the Issuer to the extent of available funds and no payments thereon will be made until the payment of certain fees and expenses have been made and until interest on the Class X Notes, the Class A Notes, the Class B Notes,
the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes has been paid and, subject always to the right of the Collateral Manager on behalf of the Issuer to transfer amounts which would have been payable on the Subordinated Notes to the Collateral Enhancement Account to be applied in the acquisition or exercise of rights under Collateral Enhancement Debt Obligations and the requirement to transfer amounts to the Principal Account to be applied in the acquisition of Collateral Debt Obligations to the extent necessary to cause such threshold to be met, following such acquisition or to redeem the Rated Notes, in the event that the Interest Diversion Test is not satisfied during the Reinvestment Period. Investors should note that, pursuant to the Liquidity Facility Agreement, the Issuer may obtain Liquidity Drawings for the purpose of payment of any shortfall in the amount available to pay amounts due and payable pursuant to the Priorities of Payment, subject to the conditions set out therein (see "Description of the Liquidity Facility Agreement"). As such, Liquidity Drawings may be obtained to pay amounts payable pursuant to the Priorities of Payment which rank lower than one or more Classes of Notes, including in payment of Collateral Management Fees or distributions to the Subordinated Noteholders. Any such Liquidity Drawing will be repayable by the Issuer senior to payments on the Notes and, as a result, any such Liquidity Drawing would have the effect of increasing the leverage inherent in the holding of any Class of Notes payment on which would rank senior to the relevant payment funded by such Liquidity Drawing.

Non-payment of any Interest Amount due and payable in respect of the Class X Notes, the Class A Notes or the Class B Notes on any Payment Date will constitute a Note Event of Default (where such non-payment continues for a period of at least five Business Days or seven Business Days in the case of an administrative error or omission). In such circumstances, the Controlling Class, acting by way of an Ordinary Resolution, may request the Trustee to accelerate the Notes pursuant to Condition 10 (Events of Default). However, non-payment of any Interest Amount due and payable in respect of the Class C Notes, Class D Notes, Class E Notes, Class F Notes or Subordinated Notes on any Payment Date will not constitute a Note Event of Default, even if such Class of Notes is the Controlling Class.

In the event of any redemption in full or acceleration of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes will also be subject to automatic redemption and/or acceleration and the Collateral will, in each case, be liquidated. Liquidation of the Collateral at such time or remedies pursued by the Trustee upon enforcement of the security over the Collateral could be adverse to the interests of the Class X Noteholders, the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders or the Subordinated Noteholders, as the case may be. To the extent that any losses are incurred by the Issuer in respect of any Collateral, such losses will be borne first by the Subordinated Noteholders, then by the Class F Noteholders, then by the Class E Noteholders, then by the Class D Noteholders, then by the Class C Noteholders, then by the Class B Noteholders and finally, by the Class A Noteholders and the Class X Noteholders (on a pro rata and pari passu basis). Remedies pursued on behalf of the Class X Noteholders and/or the Class A Noteholders could be adverse to the interests of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class B Noteholders could be adverse to the interests of the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class C Noteholders could be adverse to the interests of the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class D Noteholders could be adverse to the interests of the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class E Noteholders could be adverse to the interests of the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class F Noteholders could be adverse to the interests of the Subordinated Noteholders.

The Trust Deed provides that in the event of any conflict of interest among or between the Class X Noteholders, the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D
Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, the interests of the Controlling Class will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of: (i) the Class B Noteholders over the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders; (ii) the Class C Noteholders over the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders; (iii) the Class D Noteholders over the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders; (iv) the Class E Noteholders over the Class F Noteholders and the Subordinated Noteholders and (v) the Class F Noteholders over the Subordinated Noteholders. In the event that the Trustee shall receive conflicting or inconsistent requests from two or more groups of holders of the Controlling Class (or another Class is given priority as described in this paragraph), the Trustee shall give priority to the group which holds the greater aggregate Principal Amount Outstanding of the Notes Outstanding of such Class. The Trust Deed provides further that the Trustee will act upon the directions of the holders of the Controlling Class (or other Class given priority as described in this paragraph) in such circumstances, and shall not be obliged to consider the interests of the holders of any other Class of Notes. See Condition 14(e) (Entitlement of the Trustee and conflicts of interest).

4.13 Amount and Timing of Payments

To the extent that interest payments on the Class C Notes, the Class D Notes or the Class E Notes are not made on a relevant Payment Date, such unpaid interest amounts will be deferred and the amount thereof added to the principal amount Outstanding of the Class C Notes, the Class D Notes or the Class E Notes as the case may be, and earn interest at the interest rate applicable to such Notes. Any failure to pay scheduled interest on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes or to pay scheduled or to pay interest and principal on the Subordinated Notes at any time, due to there being insufficient funds available to pay such interest in accordance with the applicable Priority of Payments, will not be a Note Event of Default.

Payments of interest and principal on the Subordinated Notes will only be made to the extent that there are Interest Proceeds and Principal Proceeds available for such purpose in accordance with the Priorities of Payments. No interest or principal may therefore be payable on the Subordinated Notes for an unlimited period of time, to maturity or at all.

Investment in the Notes of any Class involves a degree of risk arising from fluctuations in the amount and timing of receipt of the principal and interest on the Collateral Debt Obligations by or on behalf of the Issuer and the amounts of the claims of creditors of the Issuer ranking in priority to the holders of each Class of the Notes. In particular, prospective purchasers of such Notes should be aware that the amount and timing of payment of the principal and interest on the Collateral Debt Obligations will depend upon the detailed terms of the documentation relating to each of the Collateral Debt Obligations and on whether or not any Obligor thereunder defaults in its obligations.

4.14 Reports Provided by the Collateral Administrator Will Not Be Audited

The monthly reports made available to Noteholders will be compiled by the Collateral Administrator, on behalf of the Issuer, in consultation with and based on certain information provided to it by the Collateral Manager. Information in the reports will not be audited nor will reports include a review or opinion by a public accounting firm.

4.15 Future Ratings of the Rated Notes Not Assured and Limited in Scope

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

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

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

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

4.16 Rating Agencies may refuse to give rating agency confirmations

Historically, many actions by issuers of collateralised loan obligation vehicles (including but not limited to issuing additional securities and amending relevant agreements) have been conditioned on receipt of confirmation from the applicable rating agencies that such action would not cause the ratings on the applicable securities to be reduced or withdrawn. Recently, certain rating agencies have changed the manner and the circumstances under which they are willing to provide such confirmation and have indicated reluctance to provide confirmation in the future, regardless of the requirements of the Trust Deed and the other Transaction Documents. If the Transaction Documents require that written confirmation from a Rating Agency be obtained before certain actions may be taken and an applicable Rating Agency is unwilling to provide the required confirmation, it may be impossible to effect such action, which could result in losses being realised by the Issuer and, indirectly, by holders of the Notes.

If a Rating Agency announces or informs the Trustee, the Collateral Manager or the Issuer that confirmation from such Rating Agency is not required for a certain action or that its practice is to not give such confirmations for certain types of actions, the requirement for confirmation from such Rating Agency will not apply. There can be no assurance that a Rating Agency will provide such rating confirmations upon request, regardless of the terms agreed to among transaction participants, or not subsequently withdraw or downgrade
its ratings on one or more Classes of Rated Notes, which could materially adversely affect the value of liquidity of the Notes.

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

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

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

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

The SEC may determine that one or both of the Rating Agencies no longer qualify as a nationally recognised statistical rating organisation (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 Rated Notes.

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

The SEC adopted Rule 17g-10 to the Exchange Act on 27 August 2014. Rule 17g-10 applies in connection with the performance of "due diligence services" for rated asset-backed securities on or after 15 June 2015. Under Rule 17g-10, a provider of third-party due diligence services must provide to each nationally recognised statistical rating organisation that is rating the applicable transaction, a written certification in a prescribed form (which obligation may be satisfied if the Issuer posts such certification in the required form to the Rule 17g-5 website referred to above, maintained in connection with the transaction). If the Issuer or any third party that provides due diligence services to the Issuer does not comply with its obligations under Rule 17g-10, the Rating Agencies may withdraw (or fail to confirm) their ratings of the Notes. In such case, the price or transferability of the Notes (and any beneficial owner of Notes that relies on ratings of securities for regulatory or other compliance purposes) may be adversely affected. No assurance can be given as to whether any certification will be given by the Issuer or any applicable third party service provider to the Rating Agencies in circumstances where such certification is deemed to be required under Rule 17g-10.
4.19 **Average Life and Prepayment Considerations**

The Maturity Date of the Notes is 21 July 2030 (subject to adjustment for non Business Days); however, the principal of the Notes of each Class is expected to be repaid in full prior to the Maturity Date. Average life refers to the average amount of time that will elapse from the date of delivery of a Note until each Euro of the principal of such Note will be paid to the investor. The average lives of the Notes will be determined by the amount and frequency of principal payments, which are dependent upon, among other things, the amount of payments received at or in advance of the scheduled maturity of the Collateral Debt Obligations (whether through sale, maturity, redemption, default or other liquidation or disposition). The actual average lives and actual maturities of the Notes will be affected by the financial condition of the issuers of the underlying Collateral Debt Obligations and the characteristics of such loans, including the existence and frequency of exercise of any optional or mandatory redemption features, the prevailing level of interest rates, the redemption price, the actual default rate, the actual level of recoveries on any Defaulted Obligations and the timing of defaults and recoveries, and the frequency of tender or exchange offers for such Collateral Debt Obligations. Collateral Debt Obligations may be subject to optional prepayment by the Obligor of such loans. Any disposition of a Collateral Debt Obligation may change the composition and characteristics of the Collateral Debt Obligations and the rate of payment thereon and, accordingly, may affect the actual average lives of the Notes. The rate of and timing of future defaults and the amount and timing of any cash realisation from Defaulted Obligations also will affect the maturity and average lives of the Notes.

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

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

4.21 **Volatility of the Subordinated Notes**

The Subordinated Notes represent a leveraged investment in the underlying Collateral Debt Obligations. Accordingly, it is expected that changes in the market value of the Subordinated Notes will be greater than changes in the market value of the underlying Collateral Debt Obligations, which themselves are subject to credit, liquidity, interest rate and other risks. Utilisation of leverage is a speculative investment technique and involves certain risks to investors and will generally magnify the Subordinated Noteholders’ opportunities for gain and risk of loss. In certain scenarios, the Notes may not be paid in full, and the Subordinated Notes and one or more Classes of Rated Notes may be subject to a partial or a 100 per cent. loss of invested capital. The Subordinated Notes represent the most junior securities in a leveraged capital structure. As a result, any deterioration in performance of the asset portfolio, including defaults and losses, a reduction of realised yield or other factors, will be borne first by holders of the Subordinated Notes, and then by the holders of the Rated Notes in reverse order of seniority.
In addition, the failure to meet certain Coverage Tests and the Interest Diversion Test will result in cash flow that may have been otherwise available for distribution to the Subordinated Notes, to pay interest on one or more subordinated Classes of Rated Notes or for reinvestment in Collateral Debt Obligations being applied on the next Payment Date to make principal payments on the more senior classes of Rated Notes until such Coverage Tests and the Interest Diversion Test have been satisfied. This feature will likely reduce the return on the Subordinated Notes and/or one or more subordinate Classes of Rated Notes and cause temporary or permanent suspension of distributions to the Subordinated Notes and/or one or more subordinate Classes of Rated Notes.

Issuer expenses (including management fees) are generally based on a percentage of the total asset portfolio of the Issuer, including the assets obtained through the use of leverage. Given the leveraged capital structure of the Issuer, expenses attributable to any particular Class of Notes will be higher because such expenses will be based on total assets of the Issuer.

4.22 Net Proceeds less than Aggregate Amount of the Notes

It is anticipated that the proceeds received by the Issuer on the Issue Date from the issuance of the Refinancing Notes net of certain fees and expenses will be less than the aggregate Principal Amount Outstanding of the Notes. Consequently, it is anticipated that on the Issue Date the Collateral would be insufficient to redeem the Notes upon the occurrence of a Note Event of Default on or about that date.

4.23 Security

**Clearing Systems:** Collateral Debt Obligations or other assets forming part of the Collateral which are in the form of securities (if any) will be held by the Custodian on behalf of the Issuer pursuant to the Agency Agreement. Those assets held in clearing systems will not be held in special purpose accounts and will be fungible with other securities from the same issue held in the same accounts on behalf of the other customers of the Custodian. A first fixed charge over the Portfolio will be created under English law pursuant to the Trust Deed on the Issue Date which will, in relation to the Collateral Debt Obligations that are held through the Custodian, take effect as a security interest over (i) the beneficial interest of the Issuer in its share of the pool of securities fungible with the relevant Collateral Debt Obligations held in the accounts of the Custodian on account for the Issuer and (ii) the Issuer’s ancillary contractual rights against the Custodian in accordance with the terms of the Agency Agreement (as defined in the Conditions) which may expose the Secured Parties to the risk of loss in the case of a shortfall of such securities in the event of insolvency of the Custodian.

In addition, custody and clearance risks may be associated with Collateral Debt Obligations or other assets comprising the Portfolio which are securities that do not clear through The Depository Trust Company (“DTC”), Euroclear or Clearstream, Luxembourg. There is a risk, for example, that such securities could be counterfeit, or subject to a defect in title or claims to ownership by other parties, including custody liens imposed by standard custody terms at various stages in the chain of intermediary ownership of such Collateral Debt Obligations.

Any risk of loss arising from any insufficiency or ineffectiveness of the security for the Notes or the custody and clearance risks which may be associated with assets comprising the Portfolio will be borne by the Noteholders without recourse to the Issuer, the Placement Agent, the Trustee, the Collateral Manager, the Collateral Administrator, the Custodian, the Hedge Counterparties or any other party.

**Fixed Security:** Although the security constituted by the Trust Deed over the Collateral held from time to time, including the security over the Accounts, is expressed to take effect as a fixed charge, it may (as a result of, among other things, the substitutions of Collateral Debt Obligations or Eligible Investments contemplated by the Collateral Management Agreement and the payments to be made from the Accounts in accordance
with the Conditions and the Trust Deed) take effect as a floating charge which, in particular, would rank after a subsequently created fixed charge. However, the Issuer has covenanted in the Trust Deed not to create any such subsequent security interests (other than those permitted under the Trust Deed) without the consent of the Trustee.

4.24 Resolutions, Amendments and Waivers

The Conditions and the Trust Deed contain detailed provisions governing modification of the Conditions and the Transaction Documents and the convening of meetings and passing of Resolutions by the Noteholders. Certain key risks relating to these provisions are summarised below.

Decisions may be taken by Noteholders by way of Ordinary Resolution, Extraordinary Resolution or Unanimous Resolution, in each case, either acting together or, to the extent specified in any applicable Transaction Document, as a Class of Noteholders acting independently. Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing. Meetings of the Noteholders may be convened by the Issuer, the Trustee or by one or more Noteholders holding not less than 10 per cent of the aggregate Principal Amount Outstanding of the Notes of a particular Class, subject to certain conditions including minimum notice periods.

The Trustee may, in its discretion, determine that any proposed Ordinary Resolution, Extraordinary Resolution or Unanimous Resolution affects only the holders of one or more Classes of Notes, in which event the required quorum and minimum percentage voting requirements of such Ordinary Resolution or Extraordinary Resolution may be determined by reference only to the holders of that Class or Classes of Notes.

In the event that a meeting of Noteholders is called to consider a Resolution, determination as to whether the requisite number of Notes has been voted in favour of such Resolution will be determined by reference to the percentage which the Notes voted in favour represent of the total amount of Notes voted in respect of such Resolution and not the aggregate Principal Amount Outstanding of all such Notes held or represented by any person or persons entitled to vote at such meeting. This means that a lower percentage of Noteholders may pass a Resolution (other than a Unanimous Resolution) which is put to a meeting of Noteholders than would be required for a Written Resolution in respect of the same matter.

There are, however, quorum provisions which provide that a minimum number of Noteholders representing a minimum amount of the aggregate Principal Amount Outstanding of the applicable Class or Classes of Notes be present at any meeting to consider an Extraordinary Resolution, an Ordinary Resolution or a Unanimous Resolution. In the case of an Extraordinary Resolution, this is one or more persons holding or representing not less than 66⅔ per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable), in the case of an Ordinary Resolution this is one or more persons holding or representing 50 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable) and in the case of a Unanimous Resolution this is one or more persons holding or representing 100 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable). Such quorum provisions (other than for a Unanimous Resolution) still, however, require considerably lower thresholds than would be required for a Written Resolution.

In addition, in the event that a quorum requirement is not satisfied at any meeting, other than in the case of a Unanimous Resolution meeting, lower quorum thresholds will apply at any meeting previously adjourned for want of quorum as set out in Condition 14 (Meetings of Noteholders, Modification, Waiver and Substitution) and in the Trust Deed.
Certain decisions, including the removal of the Collateral Manager, instructing the Trustee to accelerate the Notes and instructing the Trustee to sell the Collateral following the acceleration of the Notes require authorisation by way of the Noteholders of a Class or Classes (acting by way of Extraordinary Resolution).

Notes that are in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes will have no right to vote in connection with and will not be counted for the purposes of determining a quorum or the result of voting on any CM Removal Resolution or any CM Replacement Resolution.

Any Notes (including Rated Notes and Subordinated Notes) held by or on behalf of the Collateral Manager, the Sub-Manager or any of their respective Affiliates, shall have no voting rights with respect to, and shall not be counted for the purposes of determining a quorum and the results of, voting on any CM Removal Resolution or CM Replacement Resolution.

Notes constituting the Controlling Class that are in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes will have no right to vote in connection with and will not be counted for the purposes of determining a quorum or the result of voting on any CM Removal Resolution or any CM Replacement Resolution. As a result, for so long as the Class A Notes, Class B Notes, Class C Notes or Class D Notes constitute the Controlling Class, only Notes of such Class that are in the form of CM Voting Notes may vote and be counted in respect of a CM Removal Resolution or a CM Replacement Resolution. Notes in the form of CM Voting Notes may form a small percentage of the Controlling Class and/or be held by a concentrated group of Noteholders. Investors should be aware that such CM Voting Notes will be entitled to vote to pass a CM Removal Resolution or a CM Replacement Resolution and the remaining percentage of the Controlling Class (in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes) will be bound by such Resolution. Furthermore, investors should be aware that if the entirety of the Class A Notes which represents the most senior Class outstanding is held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes, as the holders of such Class will not be entitled to vote in respect of a CM Removal Resolution or CM Replacement Resolution, such right shall pass to a more junior Class of Notes. Certain amendments and modifications may be made without the consent of Noteholders. See Condition 14(c) (Modification and Waiver). Such amendment or modification could have an adverse impact on certain Noteholders.

Certain entrenched rights relating to the Terms and Conditions of the Notes including the currency thereof, Payment Dates applicable thereto, the Priorities of Payments, the provisions relating to quorums and the percentages of votes required for the passing of an Extraordinary Resolution and/or Unanimous Resolution, as applicable (provided however that any such modification, adjustment or change that would otherwise require an Extraordinary Resolution or Unanimous Resolution of the Subordinated Noteholders may be passed by an Ordinary Resolution of the Subordinated Noteholders if being effected contemporaneously with a Refinancing), cannot be amended or waived by way of Ordinary Resolution but require an Extraordinary Resolution or Unanimous Resolution (as applicable). It should however be noted that certain amendments (other than amendments requiring a Unanimous Resolution) may still be effected and waivers may still be granted in respect of such provisions in circumstances where not all Noteholders agree with the terms thereof and any amendments or waivers once passed in accordance with the provisions of the Terms and Conditions of the Notes and the provisions of the Trust Deed will be binding on all such dissenting Noteholders.

Each Hedge Counterparty may also need to be notified and its consent required to the extent provided for in the applicable Hedge Agreement in respect of a modification, amendment or supplement to any provision of a Transaction Document. Any such consent, if withheld in accordance with the terms of the applicable Hedge Agreement, may prevent the Transaction Documents from being modified, amended or supplemented in a manner which may be beneficial to Noteholders or alternatively trigger an additional termination event under the applicable Hedge Agreement. Furthermore, the Collateral Manager will also need to be notified and its consent required to the extent that any material amendment is to be made to a provision of a Transaction Document. The Collateral Manager may have reasons to withhold its consent to a material
amendment to a provision of a Transaction Document even if such material amendment would be in the best interest of the Issuer or the Noteholders generally.

In addition to the Trustee’s right to agree to changes to the Transaction Documents to correct a manifest error, or to changes which, in its opinion, are not materially prejudicial to the interests of the Noteholders of any Class without the consent of the Noteholders, modifications may also be made and waivers granted in respect of certain other matters, which the Trustee is obliged to consent to without the consent of the Noteholders as set out in Condition 14(c) (Modification and Waiver).

4.25 Concentrated Ownership of one or more Classes of Notes

If at any time one or more investors that are affiliated owners hold a majority of one or more Classes of Notes, it may be more difficult for other investors to take certain actions that require consent of the one or more Classes of Notes without their consent. For example, a majority of the Subordinated Notes may by way of an Ordinary Resolution direct an optional redemption of all of the Notes.

4.26 Enforcement Rights Following a Note Event of Default

If a Note Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Ordinary Resolution (subject, in either case, to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer and the Collateral Manager that all the Notes are immediately due and repayable, provided that if a Note Event of Default described in paragraphs (vi) or (vii) of Condition 10(a) (Note Events of Default) shall occur, such notice shall be deemed to have been given and all the Notes shall automatically become immediately due and repayable.

At any time after the Notes become due and repayable and the security under the Trust Deed becomes enforceable, the Trustee may, at its discretion, and shall, if so directed by the Controlling Class acting by way of Ordinary Resolution (subject, in either case, to being indemnified and/or secured and/or prefunded to its satisfaction), take Enforcement Action (as defined in the Conditions) in respect of the security over the Collateral provided that no such Enforcement Action may be taken by the Trustee unless: (A) it determines that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes other than the Subordinated Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) and all amounts payable in priority thereto pursuant to the Post-Acceleration Priority of Payments; (B) otherwise, in the case of a Note Event of Default specified in sub-paragraphs (i), (ii), or (iv) of Condition 10(a) (Note Events of Default) the Controlling Class acting by way of Ordinary Resolution (and no other Class of Notes) may direct the Trustee to take Enforcement Action without regard to any other Note Event of Default which has occurred prior, contemporaneously or subsequent to such Note Event of Default; or (C) in the case of any other Note Event of Default, each Class of Rated Notes acting independently by way of Ordinary Resolution may direct the Trustee to take Enforcement Action (subject to being indemnified and/or secured and/or prefunded to its satisfaction).

The requirements described above could result in the Controlling Class being unable to procure enforcement of the security over the Collateral in circumstances in which they desire such enforcement and may also result in enforcement of such security in circumstances where the proceeds of liquidation thereof would be insufficient to ensure payment in full of all amounts due and payable in respect of the Notes in accordance with the Priorities of Payments and/or at a time when enforcement thereof may be adverse to the interests to certain Classes of Notes and, in particular, the Subordinated Notes.
4.27 Certain ERISA Considerations

Under a regulation of the U.S. Department of Labor (29 C.F.R. Section 2510.3-101), as modified, if certain employee benefit plans or other retirement arrangements subject to the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), or entities whose underlying assets are treated as assets of such plans or arrangements (collectively, "Plans") invest in the Class E Notes, the Class F Notes or the Subordinated Notes, the assets of the Issuer could be considered to be assets of such Plans and certain of the transactions contemplated under such Notes could be considered "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code. See the section entitled "Certain ERISA Considerations" below.

4.28 Forced Transfer

The initial purchaser of an interest in a Rule 144A Note and each transferee of an interest in a Rule 144A Note will be deemed to represent at the time of purchase that, amongst other things, the purchaser is both a QIB and a QP. In addition each Noteholder will be deemed or in some cases required to make certain representations in respect of ERISA.

The Trust Deed provides that if, notwithstanding the restrictions on transfer contained therein, the Issuer determines at any time that any holder of an interest in a Rule 144A Note is a U.S. person as defined under Regulation S under the Securities Act (a "U.S. Person" and is not both a QIB and a QP (any such person, a "Non-Permitted Holder") or a Noteholder is a Non-Permitted ERISA Holder, the Issuer shall send notice to such Non-Permitted Holder or Non-Permitted ERISA Holder (as applicable) demanding that such Noteholder transfer its interest to a person that is not a Non-Permitted Holder or Non-Permitted ERISA Holder (as applicable) within 30 days (or 10 days in the case of a Non-Permitted ERISA Holder) of the date of such notice. If such Noteholder fails to effect the transfer required within such 30-day period (or 10-day period in the case of a Non Permitted ERISA Holder), (a) the Issuer may cause such beneficial interest to be transferred in a sale to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB and a QP and is not a Non-Permitted ERISA Holder (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

In addition, under FATCA, the Issuer (or an authorised agent acting on behalf of the Issuer) and/or any agent or broker through which a Noteholder purchases its Notes, or any nominee or other entity through which a Noteholder holds its Notes (any such agent, broker, nominee or other entity, an "Intermediary") may be required to, among other things, provide certain information about the Noteholders to a taxing authority (see "FATCA" above). Each Noteholder may be required to provide certifications and identifying information about itself and certain of its owners. The Issuer may sell a Noteholder’s Notes (other than the Retention Notes) in order to achieve FATCA Compliance, including Notes held by a Noteholder that fails to provide the required information or if the Issuer otherwise reasonably determines that a Noteholder’s acquisition or holding of an interest in such a Note would cause the Issuer to be unable to achieve FATCA Compliance (and such sale could be for less than its then fair market value). For these purposes, the Issuer shall have the right to sell a Noteholder’s interest in its Notes (other than the Retention Notes) in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to achieve FATCA Compliance. If the Issuer elects to sell such Notes, the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly transact in securities and selling such Notes to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion. Each Noteholder and each other person in the chain of title from the Noteholder to the beneficial owner by its acceptance of an interest in the Notes agrees to co-operate with the Issuer to effect such transfers. The terms and conditions of any such transfer shall be determined in the sole discretion of the Issuer subject to the transfer restrictions set out in this Offering Circular and the Trust Deed, and none of the Issuer, the Trustee, or the Transfer Agent 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.
4.29 Investment Company Act

The Issuer has not registered with the SEC as an investment company pursuant to the Investment Company Act, in reliance on an exemption under Section 3(c)(7) of the Investment Company Act for investment companies (a) whose outstanding securities are beneficially owned only by "qualified purchasers" (within the meaning given to such term in the Investment Company Act and the regulations of the SEC thereunder) and certain transferees thereof identified in Rule 3c-6 under the Investment Company Act and (b) which do not make a public offering of their securities in the United States.

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

Each initial purchaser of an interest in a Rule 144A Note and each transferee of an interest in a Rule 144A Note will be deemed to represent at the time of purchase that, amongst other things, the purchaser is a QIB/QP.

The Trust Deed provides that if, notwithstanding the restrictions on transfer contained therein, the Issuer at any time determines that any holder of an interest in a Rule 144A Note (1) is a U.S. Person and (2) is not a QIB/QP (any such person, a "Non-Permitted Holder"), the Issuer shall, promptly after determination that such person is a Non-Permitted Holder by the Issuer, send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its interest outside the United States to a non-U.S. Person or to a person that is not a Non-Permitted Holder within 30 days of the date of such notice. If such Non-Permitted Holder fails to effect the transfer required within such 30 day period, (a) the Issuer shall cause such beneficial interest to be transferred in a sale to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

5. RELATING TO THE COLLATERAL

5.1 The Portfolio

The decision by any prospective holder of Notes to invest in such Notes should be based, among other things (including, without limitation, the identity of the Collateral Manager), on the Eligibility Criteria which each Collateral Debt Obligation is required to satisfy, as disclosed in this Offering Circular, and on the Portfolio Profile Tests, Collateral Quality Tests and Coverage Tests. This Offering Circular does not contain any information regarding the individual Collateral Debt Obligations on which the Notes will be secured from time to time. Purchasers of any of the Notes will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by the Issuer and, accordingly, will be dependent upon the judgment and ability of the Collateral Manager in acquiring investments for purchase on behalf of the Issuer over time. No assurance can be given that the Issuer will be successful in obtaining suitable investments or that, if such investments are made, the objectives of the Issuer will be achieved.

None of the Issuer, the Placement Agent or the Arranger, have made any investigation into the Obligors of the Collateral Debt Obligations. The value of the Portfolio may fluctuate from time to time (as a result of substitution or otherwise) and none of the Issuer, the Trustee, the Placement Agent, the Arranger, the
Custodian, the Collateral Manager, the Sub-Manager, the Collateral Administrator, the Liquidity Facility Provider, any other Agents, any Hedge Counterparty, or any of their Affiliates are under any obligation to maintain the value of the Collateral Debt Obligations at any particular level. None of the Issuer, the Trustee, the Placement Agent, the Arranger, the Custodian, the Collateral Manager, the Collateral Administrator, the Liquidity Facility Provider, the Agents, any Hedge Counterparty, or any of their Affiliates has any liability to the Noteholders as to the amount or value of, or any decrease in the value of, the Collateral Debt Obligations from time to time.

5.2 Nature of Collateral; Defaults

The Issuer will invest in a portfolio of Collateral Debt Obligations consisting at the time of acquisition of predominantly Senior Secured Loans, Senior Secured Bonds, Corporate Rescue Loans, Senior Unsecured Obligations, Second Lien Loans, High Yield Bonds, Second Lien Loans and Mezzanine Obligations, as well as certain other investments, all of which will have greater credit and liquidity risk than investment grade sovereign or corporate bonds or loans. The Collateral is subject to credit, liquidity and interest rate risks.

The lower rating of below investment grade collateral reflects a greater possibility that adverse changes in the financial condition of an issuer or borrower or in general economic conditions or both may impair the ability of the relevant issuer or borrower, as the case may be, to make payments of principal or interest. Such investments may be speculative. See "The Portfolio" section of this Offering Circular.

Due to the fact that the Subordinated Notes represent a leveraged investment in the underlying Collateral Debt Obligations, it is anticipated that changes in the market value of the Subordinated Notes will be greater than changes in the market value of the underlying Collateral Debt Obligations.

The offering of the Notes has been structured so that the Notes are assumed to be able to withstand certain assumed losses relating to defaults on the underlying Collateral Debt Obligations. See the "Ratings of the Notes" section of this Offering Circular. There is no assurance that actual losses will not exceed such assumed losses. If any losses exceed such assumed levels, payments on the Notes could be adversely affected by such defaults. To the extent that a default occurs with respect to any Collateral Debt Obligation securing the Notes and the Issuer sells or otherwise disposes of such Collateral Debt Obligation, it is likely that the proceeds of such sale or disposition will be less than the unpaid principal and interest thereon.

The financial markets periodically experience substantial fluctuations in prices for obligations of the types that may be Collateral Debt Obligations and limited liquidity for such obligations. No assurance can be made that the conditions giving rise to such price fluctuations and limited liquidity will not occur, persist or become more acute following the Issue Date. During periods of limited liquidity and higher price volatility, the ability of the Collateral Manager (on behalf of the Issuer) to acquire or dispose of Collateral Debt Obligations at a price and time that the Collateral Manager deems advantageous may be impaired. As a result, in periods of rising market prices, the Issuer may be unable to participate in price increases fully to the extent that it is either unable to dispose of Collateral Debt Obligations whose prices have risen or to acquire Collateral Debt Obligations whose prices are on the increase; the Collateral Manager’s inability to dispose fully and promptly of positions in declining markets will conversely cause the value of the Portfolio to decline as the value of unsold positions is marked to lower prices. A decrease in the value of the Collateral Debt Obligations would also adversely affect the proceeds of sale that could be obtained upon the sale of the Collateral Debt Obligations and could ultimately affect the ability of the Issuer to pay in full or redeem the Notes. Accordingly, no assurance can be given as to the amount of proceeds of any sale or disposition of such Collateral Debt Obligations at any time, or that the proceeds of any such sale or disposition would be sufficient to repay a corresponding par amount of principal of and interest on the Notes after, in each case, paying all amounts payable prior thereto pursuant to the Priorities of Payments. Moreover, there can be no assurance as to the amount or timing of any recoveries received in respect of Defaulted Obligations.
The composition of the collateral pool may be influenced by discussions that the Collateral Manager and/or, prior to the Issue Date, the Placement Agent may have with investors, and there is no assurance that (i) any investor would have agreed with any views regarding the initial proposed portfolio that are expressed by another investor in such discussions, (ii) the collateral pool was not, and will not be, influenced more heavily by the views of certain investors, particularly if that investor’s participation in the transaction is necessary for the transaction to occur, in which case the Collateral Manager or the Placement Agent would not receive the benefits of its role in the transaction, and in order to preserve the possibility of future business opportunities between the Collateral Manager or the Placement Agent and such investors, (iii) those views, and any modifications made to the portfolio as a result of those discussions, will not adversely affect the performance of a holder’s Notes, or (iv) the views of any particular investors that are expressed in such discussions will influence the composition of the collateral pool. The Collateral Manager will have sole authority to select, and sole responsibility for selecting, the Collateral Debt Obligations.

5.3 Effective Date and Issue Date payments

As of the "Effective Date" (as defined in the original collateral management agreement) following the Original Issue Date, the Issuer had acquired, or entered into binding commitments to acquire, Collateral Debt Obligations the Aggregate Principal Balance of which equalled at least €450,000,000.

More recent information relating to the Collateral Debt Obligations and the Aggregate Principal Balance is contained in the July Payment Date Report, which will be filed with the Irish Stock Exchange and published on https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Placement Agent, the Trustee, the Collateral Manager, the Hedge Counterparties, the Rating Agencies and the Noteholders from time to time) on or after the date of this Offering Circular but prior to the Issue Date.

On the Issue Date, the Collateral Manager, at its discretion, may apply some or all of the Excess Par Amount in accordance with the Post-Acceleration Priority of Payments instead of retaining such amount in the Issuer as Principal Proceeds for future reinvestment. Accordingly, amounts which could otherwise have financed the purchase of additional Collateral Debt Obligations following the Issue Date, may instead, at the Collateral Manager's discretion, be applied in accordance with the Post-Acceleration Priority of Payments, including by way of distribution to Subordinated Noteholders.

Characteristics and Risks Relating to the Portfolio

The Collateral on which the Notes and the claims of the other Secured Parties are secured will be subject to credit, liquidity, interest rate and exchange rate risks. The Portfolio of Collateral Debt Obligations which will secure the Notes will be predominantly comprised of (among others) Senior Secured Loans, Senior Secured Bonds, Corporate Rescue Loans, Senior Unsecured Obligations, High Yield Bonds, Second Lien Loans and Mezzanine Obligations, lent to or issued by a variety of Obligors with a principal place of business in a Non-Emerging Market Country which are primarily rated below investment grade.

An investment in the Notes of any Class involves a degree of risk arising from fluctuations in the amount and timing of receipt of the principal and interest on the Collateral Debt Obligations by or on behalf of the Issuer and the amounts of the claims of creditors of the Issuer ranking in priority to the holders of each Class of the Notes. In particular, prospective purchasers of such Notes should be aware that the amount and timing of payment of the principal and interest on the Collateral Debt Obligations will depend upon the detailed terms of the documentation relating to each of the Collateral Debt Obligations and on whether or not any Obligor thereunder defaults in its obligations.

The subordination levels of each of the Classes of Notes will be established to withstand certain assumed deficiencies in payment caused by defaults on the related Collateral Debt Obligations. If, however, actual
payment deficiencies exceed such assumed levels, payments on the Notes could be adversely affected. Whether and by how much defaults on the Collateral Debt Obligations adversely affect each Class of Notes will be directly related to the level of subordination thereof pursuant to the Priorities of Payments. The risk that payments on the Notes could be adversely affected by defaults on the related Collateral Debt Obligations is likely to be increased to the extent that the Portfolio of Collateral Debt Obligations is concentrated in any one issuer, industry, region or country as a result of the increased potential for correlated defaults in respect of a single issuer or within a single industry, region or country as a result of downturns relating generally to such industry, region or country. Subject to any confidentiality obligations binding on the Issuer, Noteholders will receive information through the Reports from time to time of the identity of Collateral Debt Obligations which are "Defaulted Obligations".

To the extent that a default occurs with respect to any Collateral Debt Obligation and the Issuer or Trustee sells or otherwise disposes of such Collateral Debt Obligation, the proceeds of such sale or disposition are likely to be less than the unpaid principal and interest thereon. Even in the absence of a default with respect to any of the Collateral Debt Obligations, the potential volatility and illiquidity of the sub-investment grade high yield bond, senior secured bond and leveraged loan markets means that the market value of such Collateral Debt Obligations at any time will vary, and may vary substantially, from the price at which such Collateral Debt Obligations were initially purchased and from the principal amount of such Collateral Debt Obligations. Accordingly, no assurance can be given as to the amount of proceeds of any sale or disposition of such Collateral Debt Obligations at any time, or that the proceeds of any such sale or disposition would be sufficient to repay a corresponding par amount of principal of and interest on the Notes after, in each case, paying all amounts payable prior thereto pursuant to the Priorities of Payments.

5.4 Characteristics of Senior Loans, Senior Secured Bonds and Mezzanine Obligations and High Yield Bonds

The Portfolio Profile Tests provide that at least 90.00 per cent. of the Aggregate Collateral Balance must consist of Senior Secured Loans and Senior Secured Bonds in aggregate (which shall comprise for this purpose the aggregate of the Aggregate Collateral Balance of the Senior Secured Loans and Senior Secured Bonds and the balance standing to the credit of the Principal Account, in each case as at the relevant Measurement Date) and not more than 10.00 per cent. of the Aggregate Collateral Balance can consist of Second Lien Loans, Senior Unsecured Obligations, High Yield Bonds and/or Mezzanine Obligations in aggregate. Senior Loans, Senior Secured Bonds and Mezzanine Obligations are of a type generally incurred by the Obligors thereunder in connection with highly leveraged transactions or capital structures in respect of an Obligor, often (although not exclusively) to finance internal growth, pay dividends or other distributions to the equity holders in the Obligor, or finance acquisitions, mergers, and/or stock purchases. As a result of the additional debt incurred by the Obligor in the course of such a transaction, the Obligor’s creditworthiness is typically judged by the rating agencies to be below investment grade. Senior Secured Loans, Senior Secured Bonds, Senior Unsecured Obligations and, in some but not all cases, High Yield Bonds, are typically at the most senior level of the capital structure with Second Lien Loans also having a senior debt claim but with a subordinated security claim to Senior Secured Loans and Senior Secured Bonds and Mezzanine Obligations being subordinated to any Senior Loans or to any other senior debt of the Obligor. High Yield Bonds may represent a senior or subordinated claim, both in respect of security and of ranking of the debt claim represented thereby. Senior Secured Loans, Senior Secured Bonds and (to a lesser extent) High Yield Bonds are often secured by specific collateral, including but not limited to, trademarks, patents, accounts receivable, inventory, equipment, buildings, real estate, franchises and common and preferred stock of the Obligor and its subsidiaries and any applicable associated liens relating thereto. In continental Europe, security is often limited to shares in certain group companies, accounts receivable, bank account balances and intellectual property rights. Senior Secured Loans will be in the form of loans and Senior Secured Bonds will be in the form of securities, which may present different risks and concerns. Mezzanine Obligations may have the benefit of a second priority charge over such assets. Senior Unsecured Obligations do not have the benefit of
such security. Senior Secured Loans usually have shorter terms than more junior obligations and often require mandatory prepayments from excess cash flows, asset dispositions and offerings of debt and/or equity securities.

Senior Secured Bonds typically bear interest at a fixed rate. Risks associated with fixed rate obligations are discussed at paragraph "Interest Rate Risk" below. Additionally, Senior Secured Bonds and High Yield Bonds typically contain bondholder collective action clauses permitting specified majorities of bondholders to approve matters which, in a typical Senior Loan, would require unanimous lender consent. The Obligor under a Senior Secured Bond or High Yield Bond may therefore be able to amend the terms of the bond, including terms as to the amount and timing of payments, with the consent of a specified majority of bondholders, either voting by written resolution or as a majority of those attending and voting at a meeting, and the Issuer is unlikely to have a blocking minority position in respect of any such resolution. The Issuer may further be restricted by the Collateral Management Agreement from voting on certain matters, particularly extensions of maturity, which may be considered at a bondholder meeting. Consequently, material terms of a Senior Secured Bond may be varied without the consent of the Issuer.

Mezzanine Obligations generally take the form of medium term loans repayable shortly (perhaps six months or one year) after the senior loans of the obligor thereunder are repaid. Because Mezzanine Obligations are only repayable after the senior debt (and interest payments may be blocked to protect the position of senior debt interest in certain circumstances), it will carry a higher rate of interest to reflect the greater risk of it not being repaid. Due to the greater risk associated with Mezzanine Obligations as a result of their subordination below senior loans of the Obligor, mezzanine lenders may be granted share options, warrants or higher cash paying instruments or payment in kind in the Obligor which can be exercised in certain circumstances, principally being immediately prior to the Obligor’s shares being sold or floated in an initial public offering.

The majority of Senior Loans, Senior Secured Bonds and Mezzanine Obligations bear interest based on a floating rate index, for example EURIBOR or LIBOR, a certificate of deposit rate, a prime or base rate (each as defined in the applicable Underlying Instrument) or other index, which may reset daily (as most prime or base rate indices do) or offer the Obligor a choice of one, two, three, six, nine or twelve month interest and rate reset periods. The purchaser of an interest in a Senior Loan, Senior Secured Bond or Mezzanine Obligation may receive certain syndication or participation fees in connection with its purchase. Other fees payable in respect of a Senior Loan, Senior Secured Bond or Mezzanine Obligation, which are separate from interest payments on such loan, may include facility, commitment, amendment and prepayment fees.

Senior Loans, Senior Secured Bonds and Mezzanine Obligations also generally provide for restrictive covenants designed to limit the activities of the Obligors thereunder in an effort to protect the rights of lenders to receive timely payments of interest on, and repayment of, principal of the loans or bonds. Such covenants may include restrictions on dividend payments, specific mandatory minimum financial ratios, limits on total debt and other financial tests. A breach of covenant (after giving effect to any cure period) under a Senior Loan, Senior Secured Bond or Mezzanine Obligation which is not waived by the lending syndicate or bondholders normally is an event of acceleration which allows the syndicate to demand immediate repayment in full of the outstanding loan. However, although any particular Senior Loan, Senior Secured Bond or Mezzanine Obligation may share many similar features with other loans or bonds and obligations of its type, the actual term of any Senior Loan, Senior Secured Bond or Mezzanine Obligation will have been a matter of negotiation and will be unique. Any such particular loan or bond may contain non-standard terms and may provide less protection for creditors than may be expected generally, including in respect of covenants, events of default, security or guarantees.
Limited Liquidity, Prepayment and Default Risk in relation to Senior Loans, Senior Secured Bonds and Mezzanine Obligations and High Yield Bonds

In order to induce banks and institutional investors to invest in a Senior Loan, Senior Secured Bond or Mezzanine Obligation, and to obtain a favourable rate of interest, an Obligor under such an obligation often provides the investors therein with extensive information about its business, which is not generally available to the public. Because of the provision of confidential information, the unique and customised nature of the Underlying Instrument including such Senior Loan, Senior Secured Bond or Mezzanine Obligation, and the private syndication of the loan, Senior Loans, Senior Secured Bonds and Mezzanine Obligations are not as easily purchased or sold as a publicly traded security, and historically the trading volume in the loan market has been small relative to, for example, the high yield bond market. Historically, investors in or lenders under European Senior Loans, Senior Secured Bonds Mezzanine Obligations and High Yield Bonds have been predominantly commercial banks and investment banks. The range of investors for such loans and bonds has broadened significantly to include money managers, insurance companies, arbitrageurs, bankruptcy investors and mutual funds seeking increased potential total returns and collateral managers of trusts or special purpose companies issuing collateralised bond and loan obligations. As secondary market trading volumes increase, new loans are frequently adopting more standardised documentation to facilitate loan trading which should improve market liquidity. There can be no assurance, however, that future levels of supply and demand in loan trading will provide the degree of liquidity which currently exists in the market. This means that such assets will be subject to greater disposal risk in the event that such assets are sold following enforcement of the security over the Collateral or otherwise. The European market for Mezzanine Obligations is also generally less liquid than that for Senior Loans and Senior Secured Bonds, resulting in increased disposal risk for such obligations.

Senior Secured Bonds and High Yield Bonds are generally freely transferrable negotiable instruments (subject to standard selling and transfer restrictions to ensure compliance with applicable law, and subject to minimum denominations) and may be listed and admitted to trading on a regulated or an exchange regulated market; however there is currently no liquid market for them to any materially greater extent than there is for Senior Loans. Additionally, as a consequence of the disclosure and transparency requirements associated with such listing, the information supplied by the Obligors to its debtholders may typically be less than would be provided on a Senior Loan.

**Increased Risks for Mezzanine Obligations**

The risk of non-payment of a Mezzanine Obligation in an enforcement situation is increased by the fact that Mezzanine Obligations are generally subordinated to any Senior Loan and Senior Secured Bond and potentially other indebtedness of the relevant Obligor thereunder, may have a longer maturity than such Senior Loans, Senior Secured Bonds or other indebtedness and will generally only have a second ranking security interest over any security granted in respect thereof.

Mezzanine Obligations may provide that all or part of the interest accruing thereon will not be paid on a current basis but will be deferred. Mezzanine Obligations also generally involve greater credit and liquidity risks than those associated with investment grade corporate obligations Senior Loans and Senior Secured Bonds. They are often entered into in connection with leveraged acquisitions or recapitalisations in which the Obligors thereunder incur a substantially higher amount of indebtedness than the level at which they previously operated and, as referred to above, sit at a subordinated level in the capital structure of such companies.

**Prepayment Risk**

Loans are generally prepayable in whole or in part at any time at the option of the obligor thereof at par plus accrued and unpaid interest thereon. Senior Secured Bonds may include obligor call or prepayment features,
with or without a premium or makewhole. Prepayments on loans and bonds may be caused by a variety of factors, which are difficult to predict. Accordingly, there exists a risk that loans or bonds purchased at a price greater than par may experience a capital loss as a result of such a prepayment. In addition, Principal Proceeds received upon such a prepayment are subject to reinvestment risk. Any inability of the Issuer to reinvest payments or other proceeds in Collateral Debt Obligations with comparable interest rates in compliance with the Reinvestment Criteria may adversely affect the timing and amount of payments and distributions received by the Noteholders and the yield to maturity of the Notes. There can be no assurance that the Issuer will be able to reinvest proceeds in Collateral Debt Obligations with comparable interest rates in compliance with the Reinvestment Criteria or (if it is able to make such reinvestments) as to the length of any delays before such investments are made.

Defaults and Recoveries

There is limited historical data available as to the levels of defaults and/or recoveries that may be experienced on Senior Loans, Senior Secured Bonds, Mezzanine Obligations, High Yield Bonds and Second Lien Loans and no assurance can be given as to the levels of default and/or recoveries that may apply to any Senior Loans, Senior Secured Bonds, High Yield Bonds and Mezzanine Obligations purchased by the Issuer. As referred to above, although any particular Senior Loan, Senior Secured Bond, Mezzanine Obligation, High Yield Bonds or Second Lien Loan often will share many similar features with other loans and obligations of its type, the actual terms of any particular Senior Loan, Senior Secured Bond, Mezzanine Obligation, High Yield Bonds or Second Lien Loan will have been a matter of negotiation and will thus be unique. The types of protection afforded to creditors will therefore vary from investment to investment. Recoveries on Senior Loans, Senior Secured Bonds, Mezzanine Obligations, High Yield Bonds and Second Lien Loans may also be affected by the different bankruptcy regimes applicable in different jurisdictions, the availability of comprehensive security packages in different jurisdictions and the enforceability of claims against the Obligors thereunder.

The effect of an economic downturn on default rates and the ability of finance providers to protect their investment in a default situation is uncertain. Furthermore, the holders of Senior Loans, Senior Secured Bonds, High Yield Bonds and Mezzanine Obligations are more diverse than ever before, including not only banks and specialist finance providers but also alternative collateral managers, specialist debt and distressed debt investors and other financial institutions. The increasing diversification of the investor base has also been accompanied by an increase in the use of hedges, swaps and other derivative instruments to protect against or spread the economic risk of defaults. All of these developments may further increase the risk that historic recovery levels will not be realised. The returns on Senior Loans, Senior Secured Bonds, High Yield Bonds and/or Mezzanine Obligations therefore may not adequately reflect the risk of future defaults and the ultimate recovery rates.

A non-investment grade loan or debt obligation or an interest in a non-investment grade loan is generally considered speculative in nature and may become a Defaulted Obligation for a variety of reasons. Upon any Collateral Debt Obligation becoming a Defaulted Obligation, such Defaulted Obligation may become subject to either substantial workout negotiations or restructuring, which may entail, among other things, a substantial change in the interest rate, a substantial write-down of principal, a conversion of some or all of the principal debt into equity, an extension of the maturity and a substantial change in the terms, conditions and covenants with respect to such Defaulted Obligation. Junior creditors may find that a restructuring leads to the total eradication of their debt whilst the Obligor continues to service more senior tranches of debt on improved terms for the senior lenders. In addition, such negotiations or restructuring may be quite extensive and protracted over time, and therefore may result in uncertainty with respect to the ultimate recovery on such Defaulted Obligation. Forum shopping for a favourable legal regime for a restructuring is not uncommon, English law schemes of arrangement having become a popular tool for European incorporated companies, even for Obligors with little connection to the UK. The liquidity for Defaulted Obligations may be limited, and to the extent that Defaulted Obligations are sold, it is highly unlikely that the proceeds from
such sale will be equal to the amount of unpaid principal and interest thereon. Furthermore, there can be no assurance that the ultimate recovery on any Defaulted Obligation will be at least equal either to the minimum recovery rate assumed by the Rating Agencies in rating the Notes or any recovery rate used in the analysis of the Notes by investors in determining whether to purchase the Notes.

In some European jurisdictions, obligors or lenders may seek a "scheme of arrangement". In such instance, a lender may be forced by a court to accept restructuring terms. Recoveries on Senior Loans, Senior Secured Bonds, High Yield Bonds and Mezzanine Obligations will also be affected by the different bankruptcy regimes applicable in different European jurisdictions and the enforceability of claims against the Obligors thereunder. See "Lender Liability Considerations; Equitable Subordination" below.

**Investing in Cov-Lite Loans involves certain risks**

The Portfolio Profile Tests provide that not more than 30.00 per cent. of the Aggregate Collateral Balance can consist of Cov-Lite Loans. The Issuer or the Collateral Manager acting on its behalf may purchase Collateral Debt Obligations which are Cov-Lite Loans. Cov-Lite Loans typically do not have Maintenance Covenants, they usually have incurrence covenants in the same manner as a High Yield Bond. Ownership of Cov-Lite Loans may expose the Issuer to greater risks, including with respect to liquidity, price volatility and ability to restructure obligations, than is the case with obligations that have Maintenance Covenants. In addition, the lack of Maintenance Covenants may make it more difficult to trigger a default in respect of such Collateral Debt Obligations. This makes it more likely that any default will only arise under a Cov-Lite Loan at a stage where the relevant Obligor is in a greater degree of financial distress. Such a delay may make any successful restructuring more difficult to achieve and/or result in a greater reduction in the value of the Cov-Lite Loans as a consequence of any restructuring affected in such circumstances.

**Characteristics of High Yield Bonds**

Some High Yield Bonds are unsecured, may be subordinated to other obligations of the applicable obligor and may involve greater credit and liquidity risks than those associated with investment grade corporate obligations. They are often issued in connection with leveraged acquisitions or recapitalisations in which the obligors thereunder incur a substantially higher amount of indebtedness than the level at which they previously operated.

High Yield Bonds have historically experienced greater default rates than investment grade securities. Although several studies have been made of historical default rates in the U.S. high yield market, such studies do not necessarily provide a basis for drawing definitive conclusions with respect to default rates and, in any event, do not necessarily provide a basis for predicting future default rates in either the European or the U.S. high yield markets which may exceed the hypothetical default rates assumed by investors in determining whether to purchase the Notes or by the Rating Agencies in rating the Notes.

The lower rating of securities in the high yield sector reflects a greater possibility that adverse changes in the financial condition of an issuer thereof, or in general economic conditions (including a sustained period of rising interest rates or an economic downturn), or both, may affect the ability of such issuer to make payments of principal and interest on its debt. Many issuers of High Yield Bonds are highly leveraged, and specific developments affecting such issuers, including reduced cash flow from operations or inability to refinance debt at maturity, may also adversely affect such issuers’ ability to meet their debt service obligations. There can be no assurance as to the levels of defaults and/or recoveries that may be experienced on the High Yield Bonds in the Portfolio.

Some European High Yield Bonds are subordinated structurally, as opposed to contractually, to senior secured debtholders. Structural subordination is when a high yield security investor lends to a holding company whose primary asset is ownership of a cash-generating operating company or companies. The debt
investment of the high yield investor is serviced by passing the revenues and tangible assets from the operating companies upstream through the holding company (which typically has no revenue-generating capacity of its own) to the security holders. In the absence of upstream guarantees from operating or asset owning companies in the group, such a process may leave the High Yield Bond investors deeply subordinated to secured and unsecured creditors of the operating companies and means that investors therein will not necessarily have access to the same security package as the senior lenders (even on a second priority charge basis) or be able to participate directly in insolvency proceedings or pre-insolvency discussions relating to the operating companies within the group. This facet of the European high yield market differs from the U.S. high yield market, where structural subordination is markedly less prevalent. Furthermore, security granted may be similar to that granted under a Second Lien Loan – see further “Characteristics of Second Lien Loans” above.

In the case of High Yield Bonds issued by issuers with their principal place of business in Europe, structural subordination of High Yield Bonds, coupled with the relatively shallow depth of the European high yield market, leads European high yield defaults to realise lower average recoveries than their U.S. counterparts. Another factor affecting recovery rates for European high yield bonds is the bankruptcy regimes applicable in different European jurisdictions and the enforceability of claims against the high yield bond issuer. See “Lender Liability Considerations; Equitable Subordination” below. It must be noted, however, that the overall probability of default (based on credit rating) remains similar for both U.S. and European credits; it is the severity of the effect of any default that differs between the two markets as a result of the aforementioned factors.

In addition to the characteristics described above, high yield securities frequently have call or redemption features that permit the issuer to redeem such obligations prior to their final maturity date. If such a call or redemption were exercised by an issuer during a period of declining interest rates, the Collateral Manager, acting on behalf of the Issuer, may only be able to replace such called obligation with a lower yielding obligation, thus decreasing the net investment income from the Portfolio.

Characteristics of Senior Unsecured Obligations

The Collateral Debt Obligations may include Senior Unsecured Obligations. Such Collateral Debt Obligations generally have greater credit, insolvency and liquidity risk than is typically associated with secured obligations. Senior Unsecured Obligations will generally have lower rates of recovery than secured obligations following a default. Also, if the insolvency of an Obligor of any Senior Unsecured Obligations occurs, the holders of such obligation will be considered general, unsecured creditors of the Obligor and will have fewer rights than secured creditors of the Obligor.

Investing in Second Lien Loans involves certain risks

The Portfolio Profile Tests provide that not more than 10.00 per cent. of the Aggregate Collateral Balance can consist of Second Lien Loans (together with Senior Unsecured Obligations, Mezzanine Obligations and/or High Yield Bonds in aggregate). The Collateral Debt 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 any Obligor. In addition, during a bankruptcy of the Obligor, the holder of a Second Lien Loan may be required to give advance consent to (a) any use of cash collateral approved by the first lien creditors; (b) sales of collateral approved by the first lien lenders and the
bankruptcy court, so long as the second liens continue to attach to the sale proceeds; and (c) debtor-in-possession financings.

Liens arising by operation of law may take priority over the Issuer’s liens on an Obligor’s underlying collateral and impair the Issuer’s recovery on a Collateral Debt Obligation if a default or foreclosure on that Collateral Debt Obligation occurs.

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

5.5 Limited Control of Administration and Amendment of Collateral Debt Obligations

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

The Collateral Manager may, in accordance with its portfolio management practices and subject to the Trust Deed and the Collateral Management Agreement, agree on behalf of the Issuer to extend or defer the maturity, or adjust the outstanding balance of any underlying asset, or otherwise amend, modify or waive the terms of any related loan agreement, including the payment terms thereunder. Any amendment, waiver or modification of an underlying asset could postpone the expected maturity of the Notes and/or reduce the likelihood of timely and complete payment of interest on or principal of the Notes. Any such amendment, waiver or modification must comply with the terms of the Collateral Management Agreement. See further "The Portfolio – Amendments to Collateral Debt Obligation Stated Maturities of Collateral Debt Obligations”

5.6 Participations, Novations and Assignments

The Collateral Manager, acting on behalf of the Issuer may acquire interests in Collateral Debt Obligations which are loans either directly (by way of novation or assignment) or indirectly (by way of sub-participation). Each institution from which such an interest is taken by way of participation or acquired by way of assignment or participation is referred to herein as a “Selling Institution”. Interests in loans acquired directly by way of novation or assignment are referred to herein as "Assignments". Interests in loans taken acquired by way of sub-participation are referred to herein as "Participations".

The purchaser of an Assignment typically succeeds to all the rights of the assigning Selling Institution and becomes entitled to the benefit of the loans and the other rights of the lender under the loan agreement. The Issuer, as an assignee, will generally have the right to receive directly from the borrower all payments of principal and interest to which it is entitled, provided that notice of such Assignment has been given to the borrower. As a purchaser of an Assignment, the Issuer typically will have the same voting rights as other lenders under the applicable loan agreement and will have the right to vote to waive enforcement of breaches
of covenants. The Issuer will generally also have the same rights as other lenders to enforce compliance by the borrower with the terms of the loan agreement, to set off claims against the borrower and to have recourse to collateral supporting the loan. As a result, the Issuer will generally not bear the credit risk of the Selling Institution and the insolvency of the Selling Institution should have no effect on the ability of the Issuer to continue to receive payment of principal or interest from the borrower. The Issuer will, however, assume the credit risk of the borrower. The purchaser of an Assignment also typically succeeds to and becomes entitled to the benefit of any other rights of the Selling Institution in respect of the loan agreement including the right to the benefit of any security granted in respect of the loan interest transferred. The loan agreement usually contains mechanisms for the transfer of the benefit of the loan and the security relating thereto. The efficacy of these mechanisms is rarely tested, if ever, and there is debate amongst counsel in continental jurisdictions over their effectiveness. With regard to some of the loan agreements, security will have been granted over assets in different jurisdictions. Some of the jurisdictions will require registrations, filings and/or other formalities to be carried out not only in relation to the transfer of the loan but, depending on the mechanism for transfer, also with respect to the transfer of the benefit of the security.

Participations by the Issuer in a Selling Institution’s portion of the loan typically results in a contractual relationship only with such Selling Institution and not with the borrower under such loan. The Issuer would, in such case, only be entitled to receive payments of principal and interest to the extent that the Selling Institution has received such payments from the borrower. In purchasing Participations, the Issuer generally will have no right to enforce compliance by the borrower with the terms of the applicable loan agreement and the Issuer may not directly benefit from the collateral supporting the loan in respect of which it has purchased a Participation. As a result, the Issuer will assume the credit risk of both the borrower and the Selling Institution selling the Participation. In the event of the insolvency of the Selling Institution selling a Participation, the Issuer may be treated as a general creditor of the Selling Institution and may not benefit from any set off between the Selling Institution and the borrower and the Issuer may suffer a loss to the extent that the borrower sets off claims against the Selling Institution. The Issuer may purchase a Participation from a Selling Institution that does not itself retain any economic interest of the loan, and therefore, may have limited interest in monitoring the terms of the loan agreement and the continuing creditworthiness of the borrower. When the Issuer holds a Participation in a loan it generally will not have the right to participate directly in any vote to waive enforcement of any covenants breached by a borrower. A Selling Institution voting in connection with a potential waiver of a restrictive covenant may have interests which are different from those of the Issuer and such Selling Institutions may not be required to consider the interest of the Issuer in connection with the exercise of its votes. Participations expose the Issuer to the credit risk of the relevant Selling Institution - see further “Counterparty Risk” below.

Additional risks are therefore associated with the purchase of Participations by the Issuer as opposed to Assignments. The Portfolio Profile Tests impose limits on the amount of Collateral Debt Obligations that may comprise Participations as a proportion of the Aggregate Collateral Balance.

5.7 Voting Restrictions on Syndicated Loans for Minority Holders

The Issuer will generally purchase each underlying asset in the form of an assignment of, or participation interest in, a note or other obligation issued under a loan facility to which more than one lender is a party. These loan facilities are administered for the lenders by a lender or other agent acting as the lead administrator. The terms and conditions of these loan facilities may be amended, modified or waived only by the agreement of the lenders. Generally, any such agreement requires the consent of a majority or a super-majority (measured by outstanding loans or commitments) or, in certain circumstances, a unanimous vote of the lenders, and the Issuer may have a minority interest in such loan facilities. Consequently, the terms and conditions of an underlying asset issued or sold in connection with a loan facility could be modified, amended or waived in a manner contrary to the preferences of the Issuer if the amendment, modification or waiver of such term or condition does not require the unanimous vote of the lenders and a sufficient number of the other lenders concur with such modification, amendment or waiver. There can be no assurance that
any Collateral Debt Obligations issued or sold in connection with any loan facility will maintain the terms and conditions to which the Issuer or a predecessor in interest to the Issuer originally agreed.

5.8 Corporate Rescue Loans

The Portfolio Profile Tests provide that not more than 5.00 per cent. of the Aggregate Collateral Balance may comprise of Corporate Rescue Loans, provided that not more than 2.00 per cent. thereof shall consist of Corporate Rescue Loans from a single Obligor. Corporate Rescue Loans are made to companies that have experienced, or are experiencing, significant financial or business difficulties such that they have become subject to bankruptcy or other reorganisation and liquidation proceedings and thus involves additional risks. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that the Issuer will correctly evaluate the value of the assets securing the Corporate Rescue Loan or the prospects for a successful reorganisation or similar action and accordingly the Issuer could suffer significant losses on its investments in such Corporate Rescue Loan. In any reorganisation or liquidation case relating to a company in which the Issuer invests, the Issuer may lose its entire investment, may be required to accept cash or securities with a value less than the Issuer’s original investment and/or may be required to accept payment over an extended period of time.

Distressed company and other asset-based investments require active monitoring and may, at times, require participation by the Issuer in business strategy or bankruptcy proceedings. To the extent that the Issuer becomes involved in such proceedings, the Issuer’s more active participation in the affairs of the bankruptcy debtor could result in the imposition of restrictions limiting the Issuer’s ability to liquidate its position in the debtor.

Although a Corporate Rescue Loan is secured, where the Obligor is subject to U.S. bankruptcy law, it has a priority permitted by Section 364(c) or section 364(d) under the United States Bankruptcy Code and at the time that it is acquired by the Issuer is required to be current with respect to scheduled payments of interest and principal (if any).

5.9 Bridge Loans

The Portfolio Profile Tests provide that not more than 2.50 per cent. of the Aggregate Collateral Balance may be comprised of Bridge Loans. Bridge Loans are generally a temporary financing instrument and as such the interest rate may increase after a short period of time in order to encourage an Obligor to refinance the Bridge Loan with more long-term financing. If an Obligor is unable to refinance a Bridge Loan, the interest rate may be subject to an increase and as such Bridge Loans may have greater credit and liquidity risk than other types of loans.

5.10 Collateral Enhancement Debt Obligations

All funds required in respect of the purchase price of any Collateral Enhancement Debt Obligations and all funds required in respect of the exercise price of any rights or options thereunder, may be paid out of the Balance standing to the credit of the Collateral Enhancement Account at the relevant time, or out of a Collateral Manager Advance or as a Permitted Use of certain other proceeds. Such Balance shall include sums deposited therein from time to time which will comprise interest payable in respect of the Subordinated Notes which the Collateral Manager, acting on behalf of the Issuer, determines shall be paid into the Collateral Enhancement Account pursuant to the Priorities of Payments rather than being paid to the Subordinated Noteholders.

To the extent that there are insufficient sums standing to the credit of the Collateral Enhancement Account from time to time to purchase or exercise rights under Collateral Enhancement Debt Obligations which the
Collateral Manager determines on behalf of the Issuer should be purchased or exercised, the Collateral Manager may, at its discretion from time to time but not more than once per calendar year nor more than three times in aggregate, pay amounts required in order to fund such purchase or exercise (each such amount, an "Collateral Manager Advance") to such account pursuant to the terms of the Collateral Management Agreement. All such Collateral Manager Advances shall be repaid (together with interest thereon) out of Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payments.

The Collateral Manager is under no obligation whatsoever to exercise its discretion (acting on behalf of the Issuer) to take any of the actions described above and there can be no assurance that the Balance standing to the credit of the Collateral Enhancement Account will be sufficient to fund the exercise of any right or option under any Collateral Enhancement Debt Obligation at any time. The ability of the Collateral Manager (acting on behalf of the Issuer) to exercise any rights or options under any Collateral Enhancement Debt Obligation will be partially dependent upon there being sufficient amounts standing to the credit of the Collateral Enhancement Account to pay the costs of any such exercise. If sufficient amounts are not so available, the Collateral Manager may, subject to the limits on the number of Collateral Manager Advances, at its discretion, fund the payment of any shortfall by way of a Collateral Manager Advance. However, the Collateral Manager is under no obligation to make any Collateral Manager Advance. Failure to exercise any such right or option may result in a reduction of the returns to the Subordinated Noteholders (and, potentially, Noteholders of other Classes).

Collateral Enhancement Debt Obligations and any income or return generated thereby are not taken into account for the purposes of determining satisfaction of, or required to satisfy, any of the Coverage Tests, Portfolio Profile Tests or Collateral Quality Tests.

5.11 Counterparty Risk

Participations, the Liquidity Facility Agreement and Hedge Transactions involve the Issuer entering into contracts with counterparties. Pursuant to such contracts, the counterparties agree to make payments to the Issuer under certain circumstances as described therein. The Issuer will be exposed to the credit risk of the counterparty with respect of any such payments. Other than the Liquidity Facility Provider, each such counterparty is required to satisfy the applicable Rating Requirement upon entry into the applicable contract or instrument.

Such credit risk exposes the Issuer not just to insolvency risk but also potentially the risk of the effect of a special resolution regime where the counterparty is a regulated entity within the scope of such regime. A special resolution regime may consist of stabilisation options exercisable by the relevant competent supervisory authorities, including bail-in, and special insolvency procedures. In general terms, the purpose of the stabilisation options is to address the situation where all or part of a business of a relevant entity has encountered, or is likely to encounter, financial difficulties, giving rise to wider public interest concerns. Bail-in means that certain claims of creditors of the relevant entity are reduced, written down to zero and/or converted to equity. The exact scope of the stabilisation options depends on the particular special resolution regime that is applicable. Any such event in respect of a counterparty of the Issuer may result in a significant loss for the Issuer as a creditor of such counterparty.

In the event that a Hedge Counterparty is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, the terms of the applicable Hedge Agreement will generally provide for a termination event unless such Hedge Counterparty either transfers its obligations under the applicable Hedge Agreement to a replacement counterparty with the requisite ratings, obtains a guarantee of its obligations by a guarantor with the requisite ratings, collateralises its obligations in a manner satisfactory to the Rating Agencies or employs some other strategy as results in the rating of the Rated Notes being maintained at their then current level within the remedy period specified in the ratings criteria of the Rating Agencies. There can be no assurance that the applicable Hedge Counterparty will be able to transfer its
obligations to a suitable replacement counterparty or exercise any of the other aforementioned remedies within the specified remedy period. Failure to do so may result in interest rate or currency mismatches, which could adversely affect the ability of the Issuer to make payments on the Notes as the Issuer may not receive payments it would otherwise be entitled to from such Hedge Counterparty to cover its interest rate risk exposure or currency risk exposure in respect of Non-Euro Obligations for so long as the Issuer has not entered into a replacement Hedge Transaction (see "Interest Rate Risk" and "Currency Risk" below). For further information, see "Hedging Arrangements" below.

Similarly, the Issuer will be exposed to the credit risk of the Account Bank and the Custodian to the extent of, respectively, all cash of the Issuer held in the Accounts and all Collateral of the Issuer held by the Custodian.

In the event that the Account Bank or the Custodian is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, the Issuer shall use its reasonable endeavours to procure the appointment of a replacement Account Bank or Custodian, as the case may be, with the applicable Rating Requirement and which is acceptable to the Trustee within 30 days of such withdrawal or downgrade.

5.12 Liquidity Risk

The Liquidity Facility is available for the period from (and including) the Issue Date to (but excluding) the earliest of (a) the Business Day that is immediately preceding the date that is four years from the Issue Date, subject to renewal for one or two additional one year periods in accordance with the Liquidity Facility Agreement; (b) the date on which the Liquidity Facility is cancelled in its entirety in accordance with its provisions; and (c) the date on which the Rated Notes are redeemed in full, or in each case, if such day is not a Business Day, the Business Day immediately prior to such day (the "Liquidity Facility Commitment Period"). The Commitment Period is therefore expected to be considerably shorter than the term of the Notes. If there is any shortfall in any amounts due and payable by the Issuer under, and in accordance with, the Interest Proceeds Priority of Payments on any Payment Date following the expiry of the Commitment Period, the Issuer will not be able to obtain Liquidity Drawings for the purpose of payment of such shortfall.

5.13 Concentration Risk

The Issuer will invest in Collateral Debt Obligations consisting primarily of Senior Secured Loans, Senior Secured Bonds, Corporate Rescue Loans, Senior Unsecured Obligations, High Yield Bonds, Second Lien Loans and Mezzanine Obligations. The concentration of the Portfolio in any one Obligor would subject the Notes to a greater degree of risk with respect to defaults by such Obligor, and the concentration of the Portfolio in any one industry would subject the Notes to a greater degree of risk with respect to economic downturns relating to such industry. The Portfolio Profile Tests and Collateral Quality Tests attempt to mitigate any concentration risk in the Portfolio. See "The Portfolio - Portfolio Profile Tests and Collateral Quality Tests" section of this Offering Circular. Although the resulting diversification of Collateral may reduce the risk described above, the diversification requirements applicable to the Issuer may cause the Issuer to invest in obligors or industries that suffer more defaults than if the Issuer were not required to invest in a diversified portfolio.

5.14 Credit Risk

Risks applicable to Collateral Debt Obligations also include the possibility that earnings of the Obligor may be insufficient to meet its debt service obligations thereunder and the declining creditworthiness and potential for insolvency of the Obligor of such Collateral Debt Obligations during periods of rising interest rates and economic downturn. An economic downturn could severely disrupt the market for leveraged loans and adversely affect the value thereof and the ability of the obligor thereunder to repay principal and interest.
5.15 Interest Rate Risk

Certain Classes of Notes will bear interest at a floating rate based on EURIBOR. It is possible that Collateral Debt Obligations (in particular Senior Secured Bonds and High Yield Bonds) may bear interest at fixed rates and there is no requirement that the amount or portion of Collateral Debt Obligations securing the Notes must bear interest on a particular basis, save for the Portfolio Profile Tests which requires that not more than 10.00 per cent. of the Aggregate Collateral Balance may comprise Fixed Rate Collateral Debt Obligations.

In addition, any payments of principal or interest received in respect of Collateral Debt Obligations and not otherwise reinvested during the Reinvestment Period in Substitute Collateral Debt Obligations will generally be invested in Eligible Investments until shortly before the next Payment Date. There is no requirement that such Eligible Investments bear interest on a particular basis, and the interest rates available for such Eligible Investments are inherently uncertain. As a result of these factors, it is expected that there will be a fixed/floating rate mismatch and/or a floating rate basis mismatch (including in the case of Collateral Debt Obligations or Eligible Investments which pay a floating rate based on a benchmark other than EURIBOR or LIBOR), maturity date mismatch and mismatch in timing of determination of the applicable floating rate benchmark, in each case between the Notes and the underlying Collateral Debt Obligations and Eligible Investments. Such mismatch may be material and may change from time to time as the composition of the related Collateral Debt Obligations and Eligible Investments change and as the liabilities of the Issuer accrue or are repaid. As a result of such mismatches, changes in the level of the EURIBOR or LIBOR could adversely affect the ability to make payments on the Notes. In addition, pursuant to the Collateral Management Agreement, the Collateral Manager, acting on behalf of the Issuer, is authorised to enter into the Interest Rate Hedge Transactions in order to mitigate such interest rate mismatches from time to time, subject to receipt in each case of Rating Agency Confirmation in respect thereof (unless such Interest Rate Hedge Transaction is in a form in respect of which the Issuer (or the Collateral Manager on behalf of the Issuer) has previously received approval from each Rating Agency) and subject to certain regulatory considerations in relation to swaps, discussed in "EMIR" and "Commodity Pool Regulation" above. In particular, the Issuer may enter into the Issue Date Interest Rate Hedge Transactions on or around the Issue Date in order to mitigate its exposure to increases in EURIBOR or LIBOR-based payments of interest payable by the Issuer under the Rated Notes as further described in "Hedging Arrangements". However, the Issuer will depend on each Interest Rate Hedge Counterparty to perform its obligations under any Interest Rate Hedge Transaction to which it is a party and if any Interest Rate Hedge Counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from such Interest Rate Hedge Counterparty to cover its interest rate risk exposure. Furthermore, the terms of the Hedge Agreements may provide for the ability of the Hedge Counterparty to terminate such Hedge Agreement upon the occurrence of certain events, including related to certain regulatory matters. Any such termination in the case of an Interest Rate Hedge Transaction would result in the Issuer's exposure to interest rate exposure increasing, and may result in the Issuer being required to pay a termination amount to the relevant Hedge Counterparty. See further "Hedging Arrangements" below.

Interest Amounts are due and payable in respect of the Notes on a quarterly basis prior to the occurrence of a Frequency Switch Event and on a semi-annual basis following the occurrence of a Frequency Switch Event. If a significant number of Collateral Debt Obligations pay interest on a semi-annual or annual basis, there may be insufficient interest received to make quarterly interest payments on the Notes (at all times prior to the occurrence of a Frequency Switch Event). In order to mitigate the effects of any such timing mis-match, prior to the occurrence of a Frequency Switch Event, the Issuer will be required to hold back a portion of the interest received on Collateral Debt Obligations which pay interest less than quarterly in order make quarterly payments of interest on the Notes ("Interest Smoothing"). There can be no assurance that Interest Smoothing shall be sufficient to mitigate any timing mismatch. In addition, to mitigate reset risk, a Frequency Switch Event shall occur if (amongst other things) sufficient Collateral Debt Obligations reset from quarterly to semi-annual, as more particularly described in the definition of "Frequency Switch
Event”. There can be no assurance that Interest Smoothing and the occurrence of a Frequency Switch Event shall be sufficient to mitigate such timing and reset risks.

There can be no assurance that the Collateral Debt Obligations and Eligible Investments securing the Notes will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Notes, that any particular levels of return will be generated on the Subordinated Notes or that the Issue Date Interest Rate Hedge Transactions (if any) would be sufficient to mitigate any interest rate risk.

Furthermore, the Issuer is exposed to interest rate risk by virtue of the Accounts. As interest rate levels fluctuate over time, the Issuer may be entitled to a lower rate of interest on some or all Accounts or, in some circumstances, may be required to pay a negative interest rate to the Account Bank (which would be payable as Administrative Expenses subject to the Priorities of Payment). Any such lower or negative rate of interest will reduce the funds available for the Issuer to make distributions in respect of the Notes.

5.16 Unhedged Collateral Debt Obligations

The percentage of the Portfolio that is comprised of these types of obligations may increase or decrease over the life of the Notes within the limits set by the Portfolio Profile Tests. Although the Issuer intends to hedge against certain currency exposures pursuant to the Asset Swap Transactions it is not a requirement that all Non-Euro Obligations must be Asset Swap Obligations and some may be Unhedged Collateral Debt Obligations. Accordingly, fluctuations in the Euro exchange rate for currencies in which Non-Euro Obligations are denominated may lead to the proceeds of the Collateral Debt Obligations being insufficient to pay all amounts due to the respective Classes of Noteholders or may result in a decrease in value of the Collateral for the purposes of sale hereof upon enforcement of the security over it.

Notwithstanding that Non-Euro Obligations may have an associated Asset Swap Transaction which will include currency protection provisions, losses may be incurred due to fluctuations in the Euro exchange rates and in the event of a default by the relevant Asset Swap Counterparty under any such Asset Swap Transaction. In addition, fluctuations in Euro exchange rates may result in a decrease in value of the Portfolio for the purposes of sale thereof upon enforcement of the security over it. Furthermore, the terms of the Hedge Agreements may provide for the ability of the Asset Swap Counterparty to terminate such Hedge Agreement upon the occurrence of certain events, including related to certain regulatory matters. Any such termination in the case of an Asset Swap Transaction would result in the Issuer being exposed to currency risk in respect of the related Non-Euro Obligations for so long as the Issuer has not entered into a replacement Asset Swap Transaction, and may result in the Issuer being required to pay a termination amount to the relevant Asset Swap Counterparty. See further “Hedging Arrangements” below.

In addition, it may be necessary for the Issuer to make substantial up-front payments in order to enter into currency hedging arrangements on the terms required by the Collateral Management Agreement, and the Issuer’s on-going payment obligations under the Asset Swap Transactions (including termination payments) may be significant. The payments associated with such hedging arrangements generally rank senior to payments on the Notes.

Defaults, prepayments, trading and other events increase the risk of a mismatch between the Asset Swap Transactions, the Non-Euro Obligations and the Notes. This may cause losses. The Collateral Manager may be limited at the time of reinvestment in its choice of Collateral Debt Obligations because of the cost of the foreign exchange hedging and due to restrictions in the Collateral Management Agreement with respect to exercising such hedging. In addition, it may not be economically advantageous or feasible for the Issuer to exercise its hedging arrangements and such hedging arrangements may not be sufficient to protect the Issuer from fluctuations in exchange rates.
The Issuer will depend upon the Asset Swap Counterparty to perform its obligations under any hedges. If the Asset Swap Counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from the Asset Swap Counterparty to cover its foreign exchange exposure.

5.17 International Investing

The Portfolio will consist of obligations of, or securities issued by, obligors organised under the laws of a variety of different countries. Investing in certain countries may involve greater risks than investing in other countries, including: (i) less publicly available information; (ii) varying levels of governmental regulation and supervision; (iii) the difficulty of enforcing legal rights in a foreign jurisdiction and uncertainties as to the status, interpretation and application of laws; and (iv) foreign exchange controls. Moreover accounting, auditing and financial reporting standards, practices and requirements may vary from jurisdiction to jurisdiction.

Different markets also have different clearance and settlement procedures, which could create delays in the purchase and sale of Portfolio. Delays in settlement could result in periods when assets of the Issuer are uninvested or invested in short term investments with low yields. The inability to sell Collateral Debt Obligations due to settlement problems could result in losses due to subsequent declines in the value of the Collateral Debt Obligations.

5.18 Reinvestment Risk/Uninvested Cash Balances

To the extent the Collateral Manager maintains cash balances invested in short-term investments instead of higher yielding loans or bonds, portfolio income will be reduced which will result in reduced amounts available for payment on the Notes. In general, the larger the amount and the longer the time period during which cash balances remain uninvested the greater the adverse impact on portfolio income which will reduce amounts available for payment on the Notes, especially the Subordinated Notes. The extent to which cash balances remain uninvested will be subject to a variety of factors, including future market conditions and is difficult to predict.

During the Reinvestment Period, subject to compliance with certain criteria and limitations described herein, the Collateral Manager will have discretion to dispose of certain Collateral Debt Obligations and to reinvest the proceeds thereof in Substitute Collateral Debt Obligations in compliance with the Reinvestment Criteria. In addition, during the Reinvestment Period, to the extent that any Collateral Debt Obligations prepay or mature prior to the Maturity Date, the Collateral Manager will seek, to invest the proceeds thereof in Substitute Collateral Debt Obligations, subject to the Reinvestment Criteria. The yield with respect to such Substitute Collateral Debt Obligations will depend, among other factors, on reinvestment rates available at the time, on the availability of investments which satisfy the Reinvestment Criteria and are acceptable to the Collateral Manager, and on market conditions related to high yield securities and bank loans in general. The need to satisfy such Reinvestment Criteria and identify acceptable investments may require the purchase of Collateral Debt Obligations with a lower yield than those replaced, with different characteristics than those replaced (including, but not limited to, coupon, maturity, call features and/or credit quality) or require that such funds be maintained in cash or Eligible Investments pending reinvestment in Substitute Collateral Debt Obligations, which will further reduce the yield on the Adjusted Aggregate Collateral Balance. Any decrease in the yield on the Adjusted Aggregate Collateral Balance will have the effect of reducing the amounts available to make distributions on the Notes which will adversely affect cash flows available to make payments on the Notes, especially the most junior Class or Classes of Notes. There can be no assurance that in the event Collateral Debt Obligations are sold, prepaid, or mature, yields on Collateral Debt Obligations that are eligible for purchase will be at the same levels as those replaced and there can be no assurance that the characteristics of any Substitute Collateral Debt Obligations purchased will be the same as those replaced and there can be no assurance as to the timing of the purchase of any Substitute Collateral Debt Obligations.
The timing of the initial investment of the net proceeds of issue of the Notes remaining after the payment of certain fees and expenses due and payable by the Issuer on the Issue Date and reinvestment of Sale Proceeds, Scheduled Principal Proceeds and Unscheduled Principal Proceeds, can affect the return to holders of, and cash flows available to make payments on, the Notes, especially the most junior Class or Classes of Notes. Loans and privately placed high yield securities are not as easily (or as quickly) purchased or sold as publicly traded securities for a variety of reasons, including confidentiality requirements with respect to Obligor information, the customised nature of loan agreements and private syndication. The reduced liquidity and lower volume of trading in loans, in addition to restrictions on investment represented by the Reinvestment Criteria, could result in periods of time during which the Issuer is not able to fully invest its cash in Collateral Debt Obligations. The longer the period between reinvestment of cash in Collateral Debt Obligations, the greater the adverse impact may be on the aggregate amount of the Interest Proceeds collected and distributed by the Issuer, including on the Notes, especially the most junior Class or Classes of Notes, thereby resulting in lower yields than could have been obtained if Principal Proceeds were immediately reinvested. In addition, loans are often prepayable by the borrowers thereof with no, or limited, penalty or premium. As a result, loans generally prepay more frequently than other corporate debt obligations of the issuers thereof. Senior loans usually have shorter terms than more junior obligations and often require mandatory repayments from excess cash flow, asset dispositions and offerings of debt and/or equity securities. The increased levels of prepayments and amortisation of loans increase the associated reinvestment risk on the Collateral Debt Obligations which risk will first be borne by holders of the Subordinated Notes and then by holders of the Rated Notes, beginning with the most junior Class.

In addition, the amount of Collateral Debt Obligations owned by the Issuer on the Issue Date, the timing of purchases of additional Collateral Debt Obligations on and after the Issue Date and the scheduled interest payment dates of those Collateral Debt Obligations may have a material impact on collections of Interest Proceeds during the first Due Period, which could affect interest payments on the Rated Notes and the payment of distributions to the Subordinated Notes on the first Payment Date after the Issue Date.

5.19 Ratings on Collateral Debt Obligations

The Collateral Quality Tests, the Portfolio Profile Tests and the Coverage Tests are sensitive to variations in the ratings applicable to the underlying Collateral Debt Obligations. Generally, deteriorations in the business environment or increases in the business risks facing any particular Obligor may result in downgrade of its obligations, which may result in such obligation becoming a Credit Impaired Obligation, a Moody’s Caa Obligation or S&P CCC Obligation (and therefore potentially subject to haircuts in the determination of the Par Value Tests and restriction in the Portfolio Profile Tests) or a Defaulted Obligation. The Collateral Management Agreement contains detailed provisions for determining the Moody’s Rating and the S&P Rating. In most instances, the Moody’s Rating and the S&P Rating will not be based on or derived from a public rating of the Obligor or the actual Collateral Debt Obligation. In most cases, the S&P Rating and Moody’s Rating in respect of a Collateral Debt Obligation will be based on a confidential credit estimate determined separately by S&P and Moody’s. Such confidential credit estimates are private and therefore not capable of being disclosed to Noteholders. In addition, some ratings will be derived by the Collateral Manager based on, among other things, Obligor group or Affiliate ratings, comparable ratings provided by a different Rating Agency and, in certain circumstances, temporary ratings applied by the Collateral Manager. In certain cases, the Moody’s Rating and/or the S&P Rating of a Collateral Debt Obligation may be derived from a rating assigned to such Collateral Debt Obligation by a different rating agency. Such derived ratings will not reflect detailed credit analysis of the particular Collateral Debt Obligation and may reflect a more or less conservative view of the actual credit risk of such Collateral Debt Obligation than any such fundamental credit analysis might, if conducted, warrant; and model-derived variations in such ratings may occur (and have consequential effects on the Collateral Quality Tests, the Portfolio Profile Tests and the Coverage Tests) without necessarily reflecting comparable variation in the actual credit quality of the Collateral Debt Obligation in question. Please see "Ratings of the Notes" and "The Portfolio".
In addition to the ratings assigned to the Rated Notes by the Rating Agencies, the Issuer will be utilising ratings assigned by rating agencies to Obligors of individual Collateral Debt Obligations. The Collateral Quality Tests, the Portfolio Profile Tests and the Coverage Tests are sensitive to variations in the ratings applicable to the underlying Collateral Debt Obligations. Generally, deteriorations in the business environment or increases in the business risks facing any particular Obligor may result in downgrade of its obligations, which may result in such obligation becoming a Credit Impaired Obligation, a Moody’s Caa Obligation, an S&P CCC Obligation (and therefore potentially subject to haircuts in the determination of the Par Value Tests and restriction in the Portfolio Profile Tests) or a Defaulted Obligation. The Collateral Management Agreement contains detailed provisions for determining the Moody’s Rating and the S&P Rating. In most instances, the Moody’s Rating and the S&P Rating will not be based on or derived from a public rating of the Obligor or the actual Collateral Debt Obligation. In most cases, the Moody’s Rating and the S&P Rating in respect of a Collateral Debt Obligation will be based on a confidential credit estimate determined separately by Moody’s and S&P. Such confidential credit estimates are private and therefore not capable of being disclosed to Noteholders. In addition, some ratings will be derived by the Collateral Manager based on, among other things, Obligor group or affiliate ratings, comparable ratings provided by a different Rating Agency and, in certain circumstances, temporary ratings applied by the Collateral Manager. Furthermore, such derived ratings will not reflect detailed credit analysis of the particular Collateral Debt Obligation and may reflect a more or less conservative view of the actual credit risk of such Collateral Debt Obligation than any such fundamental credit analysis might, if conducted, warrant; and model-derived variations in such ratings may occur (and have consequential effects on the Collateral Quality Tests, the Portfolio Profile Tests and the Coverage Tests) without necessarily reflecting comparable variation in the actual credit quality of the Collateral Debt Obligation in question. Please see “The Portfolio” and “Ratings of the Notes”.

There can be no assurance that rating agencies will continue to assign such ratings utilising the same methods and standards utilised today despite the fact that such Collateral Debt Obligation might still be performing fully to the specifications set forth in its Underlying Instrument. Any change in such methods and standards could result in a significant rise in the number of Moody’s Caa Obligations and S&P CCC Obligations in the Portfolio, which could cause the Issuer to fail to satisfy the Par Value Tests on subsequent Determination Dates, which failure could lead to the early amortisation of some or all of one or more Classes of the Notes. See Condition 7(c) (Mandatory Redemption upon Breach of Coverage Tests).

5.20 Insolvency Considerations relating to Collateral Debt Obligations

Collateral Debt Obligations may be subject to various laws enacted for the protection of creditors in the countries of the jurisdictions of incorporation of Obligors and, if different, in which the Obligors conduct business and in which they hold the assets, which may adversely affect such Obligors’ abilities to make payment on a full or timely basis. These insolvency considerations will differ depending on the country in which each Obligor is located or domiciled and may differ depending on whether the Obligor is a non sovereign or a sovereign entity. In particular, it should be noted that a number of continental European jurisdictions operate “debtor friendly” insolvency regimes which would result in delays in payments under Collateral Debt Obligations where obligations thereunder are subject to such regimes, in the event of the insolvency of the relevant Obligor.

The different insolvency regimes applicable in the different European jurisdictions result in a corresponding variability of recovery rates for Senior Loans, Senior Secured Bonds, Mezzanine Obligations, Corporate Rescue Loans, Mezzanine Obligations and High Yield Bonds entered into by Obligors in such jurisdictions. No reliable historical data is available.
5.21 Lender Liability Considerations; Equitable Subordination

In recent years, a number of judicial decisions in the United States and other jurisdictions have upheld the right of borrowers to sue lenders or bondholders on the basis of various evolving legal theories (collectively, termed "lender liability"). Generally, lender liability is founded upon the premise that an institutional lender or bondholder has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or issuer or has assumed a degree of control over the borrower or issuer resulting in the creation of a fiduciary duty owed to the borrower or issuer or its other creditors or shareholders. Although it would be a novel application of the lender liability theories, the Issuer may be subject to allegations of lender liability. However, the Issuer does not intend to engage in, and the Collateral Manager does not intend to advise the Issuer with respect to any, conduct that would form the basis for a successful cause of action based upon lender liability.

In addition, under common law principles that in some cases form the basis for lender liability claims, if a lender or bondholder (a) intentionally takes an action that results in the under capitalisation of a borrower to the detriment of other creditors of such borrower, (b) engages in other inequitable conduct to the detriment of such other creditors, (c) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (d) uses its influence as a stockholder to dominate or control a borrower to the detriment of other creditors of such borrower, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors, a remedy called "equitable subordination". Because of the nature of the Collateral Debt Obligations, the Issuer may be subject to claims from creditors of an Obligor that Collateral Debt Obligations issued by such Obligor that are held by the Issuer should be equitably subordinated. However, the Issuer does not intend to engage in, and the Collateral Manager does not intend to advise the Issuer with respect to, any conduct that would form the basis for a successful cause of action based upon the equitable subordination doctrine.

The preceding discussion is based upon principles of United States federal and state laws. Insofar as Collateral Debt Obligations that are obligations of non-United States Obligors are concerned, the laws of certain foreign jurisdictions may impose liability upon lenders or bondholders under factual circumstances similar to those described above, with consequences that may or may not be analogous to those described above under United States federal and state laws.

5.22 Loan Repricing

Leveraged loans may experience volatility in the spread that is paid on such leveraged loans. Such spreads will vary based on a variety of factors, including, but not limited to, the level of supply and demand in the leveraged loan market, general economic conditions, levels of relative liquidity for leveraged loans, the actual and perceived level of credit risk in the leveraged loan market, regulatory changes, changes in credit ratings and the methodology used by credit rating agencies in assigning credit ratings, and such other factors that may affect pricing in the leveraged loan market. Since leveraged loans may generally be prepaid at any time without penalty, the obligors of such leveraged loans would be expected to prepay or refinance such leveraged loans if alternative financing were available at a lower cost. For example, if the credit ratings of an obligor were upgraded, the obligor were recapitalised or if credit spreads were declining for leveraged loans, such obligor would likely seek to refinance at a lower credit spread. Declining credit spreads in the leveraged loan market and increasing rates of prepayments and refinancings will likely result in a reduction of portfolio yield and interest collections on the Collateral Debt Obligations, which would have an adverse effect on the amount available for distributions on Notes, beginning with the Subordinated Notes as the most junior Classes.

Downward movements in interest rates could also adversely affect the performance of non-investment grade bonds with call or redemption features. Such a call or redemption feature would permit the issuer of such debt securities to repurchase such securities from the Issuer. If a call were exercised by such an issuer during
a period of declining interest rates, the Issuer likely would have to replace such called non-investment Collateral Debt Obligations with lower yielding Collateral Debt Obligations.

5.23 Collateral Manager

The Collateral Manager is given authority in the Collateral Management Agreement to act as Collateral Manager to the Issuer in respect of the Portfolio pursuant to and in accordance with the parameters and criteria set out in the Collateral Management Agreement. See "The Portfolio" and "The Collateral Manager" sections of this Offering Circular. The powers and duties of the Collateral Manager in relation to the Portfolio include effecting, on behalf of the Issuer, in accordance with the provisions of the Collateral Management Agreement: (a) the acquisition of Collateral Debt Obligations during the Reinvestment Period; (b) the sale of Collateral Debt Obligations during the Reinvestment Period (subject to certain limits) and, at any time, upon the occurrence of certain events (including a Collateral Debt Obligation becoming a Defaulted Obligation, a Credit Improved Obligation or a Credit Impaired Obligation); and (c) the participation in restructuring and work-outs of Collateral Debt Obligations on behalf of the Issuer. See "The Portfolio" section of this Offering Circular. Any analysis by the Collateral Manager (on behalf of the Issuer) of Obligors under Collateral Debt Obligations which it is purchasing (on behalf of the Issuer) or which are held in the Portfolio from time to time will, in respect of Collateral Debt Obligations which are publicly listed bonds, be limited to a review of readily available public information and in respect of Collateral Debt Obligations which are bonds which are not publicly listed, any analysis by the Collateral Manager (on behalf of the Issuer) will be in accordance with standard review procedures for such type of bonds and, in respect of Collateral Debt Obligations which are Assignments or Participations of senior and mezzanine loans and in relation to which the Collateral Manager has non public information, such analysis will include due diligence of the kind common in relation to senior and mezzanine loans of such kind.

In addition, the Collateral Management Agreement places significant restrictions on the Collateral Manager’s ability to buy and sell Collateral Debt Obligations on behalf of the Issuer, and the Collateral Manager is required to comply with the restrictions contained in the Collateral Management Agreement. Accordingly, during certain periods or in certain specified circumstances, the Collateral Manager may be unable to buy or sell Collateral Debt Obligations on behalf of the Issuer or to take other actions which it might consider in the best interest of the Issuer and the Noteholders, as a result of the restrictions set forth in the Collateral Management Agreement.

Pursuant to the Collateral Management Agreement, the Collateral Manager will not be liable for any losses or damages resulting from the performance of its duties in accordance with the standard of care under the Collateral Management Agreement, except by reason of acts or omissions constituting bad faith, fraud, wilful misconduct, willful breach, gross negligence (as such concept is interpreted by the New York courts) or reckless disregard in the performance of its obligations thereunder and provided that nothing shall relieve the Collateral Manager from contractual liability under the Collateral Management Agreement in the event that the Collateral Manager fails to perform its duties in accordance with the standard of care specified therein. Investors should note that, for such purpose and notwithstanding that the Notes and the Transaction Documents are governed by English law, the interpretation of "gross negligence" will be made as such concept is interpreted by the New York courts. The concept of "gross negligence" may be interpreted by a New York court as implying a significantly lower standard than negligence on the part of the Collateral Manager than ordinary negligence under English law requiring conduct akin to intentional wrongdoing or reckless indifference. As a result, the Collateral Manager may have no liability for its actions or inactions under the Collateral Management Agreement where it would otherwise have been liable for failing to reach the required standard of care if a mere ordinary negligence standard were applied or if the New York courts were not designated as the courts to interpret the concept of "gross negligence" under the Collateral Management Agreement.
The Issuer is a special purpose vehicle and, other than in respect of the Original Notes and certain warehouse arrangements, has no operating history or performance record of its own. The actual performance of the Issuer will depend on numerous factors which are difficult to predict and may be beyond the control of the Collateral Manager. The nature of, and risks associated with, the Issuer’s future investments may differ substantially from those investments and strategies undertaken historically by the Collateral Manager and such persons. There can be no assurance that the Issuer’s investments will perform as well as the past investments of any such persons or entities.

The performance of other collateralised debt obligation vehicles ("CLO Vehicles") or other similar investment funds ("Other Funds") managed or advised by the Collateral Manager or Affiliates of the Collateral Manager should not be relied upon as an indication or prediction of the performance of the Issuer. Such other CLO Vehicles and Other Funds may have significantly different characteristics, including but not limited to their structures, composition of the collateral pool, investment objectives, leverage, financing costs, fees and expenses, management personnel and other terms when compared to the Issuer and may have been formed and managed under significantly different market conditions than those which apply to the Issuer and its Portfolio.

The Issuer will be highly dependent on the financial and managerial experience of certain individuals associated with the Collateral Manager in analysing, selecting and managing the Collateral Debt Obligations. There can be no assurance that such key personnel currently associated with the Collateral Manager or any of its Affiliates will remain in such position throughout the life of the transaction. The loss of one or more of such individuals could have a material adverse effect on the performance of the Issuer.

In addition, the Collateral Manager may resign or be removed in certain circumstances as described herein under "Description of the Collateral Management Agreement". There can be no assurance that any successor manager would have the same level of skill in performing the obligations of the Collateral Manager, in which event payments on the Notes could be reduced or delayed. Furthermore, irrespective of a resignation, removal or replacement of the Collateral Manager pursuant to the terms of the Collateral Management Agreement, the requirement to satisfy the Originator Requirement will continue to apply. The ongoing application of such requirement may create an impediment in the identification and appointment of a suitable successor Collateral Manager.

The Collateral Manager is not required to devote all of its time to the performance of the Collateral Management Agreement and will continue to advise and manage other investment funds in the future.

5.24 No Placement Agent Role Post-Closing

The Placement Agent takes no responsibility for, and has no obligations in respect of, the Issuer and will have no obligation to monitor the performance of the Portfolio or the actions of the Collateral Manager or the Issuer and no authority to advise the Collateral Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Collateral Manager and the Issuer. If the Placement Agent or its Affiliates acts as counterparty to any hedge, swap or derivative transaction entered into by the Issuer (to the extent permitted under the Trust Deed) or owns Notes, they will have no responsibility to consider the interests of any other owner of Notes with respect to actions they take or refrain from taking in such capacity.

5.25 Acquisition and Disposition of Collateral Debt Obligations

The Collateral Manager’s decisions concerning purchases of Collateral Debt Obligations will be influenced by a number of factors, including market conditions and the availability of securities and loans satisfying the Eligibility Criteria, compliance with the Reinvestment Criteria and the other requirements of the Collateral Management Agreement. The failure or inability of the Collateral Manager to acquire Collateral Debt Obligations with the proceeds of the offering or to reinvest Sale Proceeds or payments and prepayments of
principal in Substitute Collateral Debt Obligations in a timely manner will adversely affect the returns on the Notes, in particular with respect to the most junior Class or Classes.

Under the Collateral Management Agreement and as described herein, the Collateral Manager may only, on behalf of the Issuer, dispose of a limited percentage of Collateral Debt Obligations in any period of 12 calendar months as well as any Collateral Debt Obligation that meets the definition of a Defaulted Obligation, an Exchanged Security and, subject to the satisfaction of certain conditions, a Credit Impaired Obligation or Credit Improved Obligation. Notwithstanding such restrictions and subject to the satisfaction of the conditions set forth in the Collateral Management Agreement, sales and purchases by the Collateral Manager of Collateral Debt Obligations on behalf of the Issuer could result in losses by the Issuer, which will be borne in the first instance by the holders of the Subordinated Notes and then by holders of the Rated Notes, beginning with the most junior Class.

In addition, circumstances may exist under which the Collateral Manager may believe that it is in the best interests of the Issuer to dispose of a Collateral Debt Obligation, but will not be permitted to do so under the terms of the Collateral Management Agreement.

5.26 Regulatory Risk Related to Lending

In many jurisdictions, especially in continental Europe, engaging in lending activities “in” certain jurisdictions whether conducted via the granting of loans, purchases of receivables, discounting of invoices, guarantee transactions or otherwise (collectively, "Lending Activities") is generally considered a regulated financial activity and, accordingly, must be conducted in compliance with applicable local banking laws. In many such jurisdictions, there is comparatively little statutory, regulatory or interpretive guidance issued by the competent authorities or other authoritative guidance as to what constitutes the conduct of Lending Activities in such jurisdictions.

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

5.27 Valuation Information; Limited Information

None of the Placement Agent, the Collateral Manager or any other transaction party will be required to provide periodic pricing or valuation information to investors. Investors will receive limited information with regard to the Collateral Debt Obligations and none of the transaction parties (including the Issuer, Trustee, or Collateral Manager) will be required to provide any information other than what is required in the Trust Deed or the Collateral Management Agreement. Furthermore, if any information is provided to the Noteholders (including required reports under the Trust Deed), such information may not be audited. Finally, the Collateral Manager may be in possession of material, non-public information with regard to the Collateral Debt Obligations and will not be required to disclose such information to the Noteholders.
6. CERTAIN CONFLICTS OF INTEREST

The Placement Agent and its Affiliates and the Collateral Manager and their Affiliates, are acting in a number of capacities in connection with the transaction described herein, which may give rise to certain conflicts of interest. The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

6.1 Collateral Manager

Various potential and actual conflicts of interest may exist from the overall investment activities of the Collateral Manager, or its Affiliates, any director, officer or employee of such entities or any fund or account for which the Collateral Manager or its Affiliates exercises discretionary voting authority on behalf of such fund or account in respect of the Notes (collectively, "Collateral Manager Related Persons") investing for their own accounts or for the accounts of others.

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

Any Notes (including any Class of Rated Notes and Subordinated Notes) held by or on behalf of the Collateral Manager, the Sub-Manager or any of their respective Affiliates shall have no voting rights with respect to, and shall not be counted for the purpose of determining a quorum and the results of, voting on any CM Removal Resolution or CM Replacement Resolution.

Subject to the foregoing, there will be no restriction on the ability of Collateral Manager Related Persons to purchase Notes (either upon initial issuance or through secondary transfers) and to exercise any voting rights to which such Notes are entitled (except that Notes held by the Collateral Manager, certain of its Affiliates and their respective employees shall be disregarded with respect to voting rights under certain circumstances as described in the Trust Deed and the Collateral Management Agreement). The interests of Collateral Manager Related Persons and other investors in the Notes may not be aligned and may create conflicts of interest between the Collateral Manager and other investors in the Notes. Moreover, such ownership of Notes by Collateral Manager Related Persons, the Subordinated Collateral Management Fee and the opportunity to earn an Incentive Collateral Management Fee could provide an incentive for the Collateral Manager to seek to acquire Collateral Debt Obligations on behalf of the Issuer at a lower price or to otherwise make riskier investments than would otherwise be the case.

Collateral Manager Related Persons also currently serve as and expect to serve as collateral manager or investment adviser for, act as a general partner to, or invest in or are affiliated with other entities which invest in, underwrite or originate high yield bonds and loans, including those organised to issue collateral debt obligations similar to those issued by the Issuer. In addition, Collateral Manager Related Persons may form or have a financial or operational interest in the management of one or more hedge funds or similar alternative investment vehicles which may be permitted to allocate a portion of their portfolios to high yield debt, bank loans and long-dated, illiquid, restricted or other similar securities and investment opportunities (including, without limitation, private equity investments, mezzanine investments and distressed investments). Thus, the Collateral Manager may, at the same or approximately the same time, buy or sell for such clients debt obligations it also buys or sells for the Issuer. Collateral Manager Related Persons may invest in securities or obligations that would be appropriate as Collateral Debt Obligations and may be buyers or sellers of credit protection that reference Collateral Debt Obligations owned by the Issuer. The Collateral Manager may also purchase debt obligations for other clients that are senior to, or have interests adverse to, those it buys or sells for the Issuer. As a result, Collateral Manager Related Persons may possess information
relating to issuers of Collateral Debt Obligations which is not known to the individuals at the Collateral Manager responsible for monitoring the Collateral Debt Obligations.

Alternatively, the Collateral Manager may buy or sell for its clients a debt obligation that it does not buy or sell for the Issuer, even though the debt obligation is eligible to be bought or sold by the Issuer, if the Collateral Manager believes the circumstances warrant. The Collateral Manager might have an incentive to favour such other clients over the Issuer because the Collateral Manager may have a larger direct or indirect investment in such other clients, have business relationships with those clients or persons associated with them, or be paid a higher level of fees by those clients. Neither the Collateral Manager nor any of its Affiliates is under any obligation to offer investment opportunities of which they become aware to the Issuer or to inform the Issuer of any investments before engaging in any investments or to account to the Issuer (or share with the Issuer) with respect to any such transaction or any benefit received by them from any such transaction. Furthermore, the Collateral Manager and/or its Affiliates may make an investment on behalf of any account that any of them manage or advise without offering the investment opportunity to or making any investment on behalf of the Issuer. Affirmative obligations may exist or may arise in the future, whereby Affiliates of the Collateral Manager are obligated to offer certain investments to funds or accounts that such Affiliates manage or advise before or without the Collateral Manager offering those investments to the Issuer. Under the Collateral Management Agreement, unless the Collateral Manager determines that a purchase or sale is appropriate, the Collateral Manager may refrain from causing the Issuer to purchase or sell securities issued by persons about which any Collateral Manager Related Persons has information which the Collateral Manager deems confidential or non-public or otherwise might prohibit it from advising as to the trading of such securities in accordance with applicable law.

The Collateral Manager may cause the Issuer to buy or sell one or more Collateral Debt Obligations, in one or more transactions, with the Collateral Manager, its Affiliates and/or other Collateral Manager Related Persons. In addition, the Collateral Manager, acting as principal for its own account or for the account of an Affiliate, may effect other transactions between itself or an Affiliate and the Issuer. Such transactions will present a conflict between the interests of the Collateral Manager or its Affiliates and/or their other clients, and the interests of the Issuer.

The Collateral Manager will act as the "originator" for the purposes of the EU Retention Requirements and will be required to satisfy the Originator Requirement (which will be satisfied if, on the Issue Date, the Aggregate Principal Balance of all Collateral Debt Obligations that have been acquired by the Issuer from the Collateral Manager, divided by the Target Par amount, is greater than or equal to 50 per cent.). See "The Retention Requirements" below. The Collateral Manager, acting in its capacity as the Retention Holder, will subscribe for on the Issue Date and, hold, from the Issue Date, on an on-going basis, not less than 5 per cent. of the Principal Amount Outstanding of each Class of Notes on the Issue Date. Any Collateral Manager Related Persons may purchase Subordinated Notes and/or Rated Notes on or after the Issue Date.

The Collateral Manager will enter into retention financing arrangements in respect of the Retention Notes, as to which see "Regulatory Initiatives – Retention Financing" above. Noteholders should also be aware that any incurrence of debt by the Collateral Manager, including that used to finance the acquisition of the Retention Notes, could potentially lead to an increased risk of the Collateral Manager becoming insolvent and therefore unable to fulfil its obligations in its capacity as both Retention Holder and Collateral Manager.

No provision in the Collateral Management Agreement prevents the Collateral Manager or any of its Affiliates from rendering services of any kind to any person or entity, including the issuer of any obligation included in the Collateral Debt Obligations and their respective Affiliates, the Trustee, the holders of the Notes, the Liquidity Facility Provider and the Hedge Counterparties. Without limiting the generality of the foregoing, the Collateral Manager, its Affiliates and the directors, officers, employees and agents of the Collateral Manager and its Affiliates may, among other things: (a) serve as directors, partners, officers, employees, agents, nominees or signatories for any issuer of any obligation included in the Collateral Debt
Obligations; (b) receive fees for services rendered to the issuer of any obligation included in the Collateral Debt Obligations or any Affiliate thereof; (c) be retained to provide services unrelated to the Collateral Management Agreement to the Issuer and be paid therefor; (d) be a secured or unsecured creditor of, or hold an equity interest in, any issuer of any obligation included in the Collateral Debt Obligations; (e) sell or terminate any Collateral Debt Obligations or Eligible Investments to, or purchase or enter into any Collateral Debt Obligations from, the Issuer while acting in the capacity of principal or agent; and (f) serve as a member of any "creditors' board" with respect to any obligation included in the Collateral Debt Obligations which has become or may become a Defaulted Obligation. Services of this kind may lead to conflicts of interest with the Collateral Manager, and may lead individual officers or employees of the Collateral Manager to act in a manner adverse to the Issuer. The Collateral Manager may from time to time rely on the brokerage, trading, settlement and other capital markets capabilities of its Affiliates in performing its duties under the Collateral Management Agreement.

Clients of the Collateral Manager or its Affiliates may act as counterparty with respect to Liquidity Facility, Hedge Transactions and Participations or as party to or in connection with the investment of any funds in Eligible Investments.

There is no limitation or restriction on the Collateral Manager, or any of its respective Affiliates with regard to acting as Collateral Manager (or in a similar role) to other parties or persons. This and other future activities of the Collateral Manager and/or its Affiliates may give rise to additional conflicts of interest. See "The Collateral Manager" section of this Offering Circular.

The Collateral Manager does not owe fiduciary duties to the Issuer, the Noteholders or any other Secured Party.

Although the professional staff of the Collateral Manager will devote as much time to the Issuer as the Collateral Manager deems appropriate to perform its duties in accordance with the Collateral Management Agreement, the staff of the Collateral Manager may have conflicts in allocating its time and services among the Issuer and the Collateral Manager’s other accounts. The Collateral Manager may, in its sole discretion, aggregate orders for its accounts under management. Depending on market conditions, the aggregation of orders may result in a higher or lower average price paid or received by a client.

The Collateral Manager may have discussions with investors from time to time. The views expressed in such discussions may influence the composition of the portfolio, and there can be no assurance that (i) a holder would agree with any views expressed by other investors in such discussions, (ii) the views expressed by some investors will not be more influential than those of others, or (iii) modifications made to the portfolio as a result of such discussions will not adversely affect the performance of a holder’s Notes. The Collateral Manager will have sole authority to select, and sole responsibility for selecting, the Collateral Debt Obligations.

The Collateral Manager may, in its sole discretion, agree with one or more Noteholders, the Placement Agent and/or the Arranger (or any of their Affiliates) to rebate a portion of its Collateral Management Fees and, if such agreement is made, the Collateral Manager will not be obliged to enter into similar agreements with or to notify other Noteholders. Such rebates may affect the incentives of the Collateral Manager in managing the Collateral Debt Obligations and may also affect the actions of the relevant Noteholders in taking any actions it may be permitted to take in respect of the Notes, including votes concerning amendments.

6.2 Rating Agencies

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

6.3 Conflicts of Interest Involving or Relating to the Placement Agent and its Affiliates

Each of the Placement Agent and its Affiliates (the "Citi Parties") will play various roles in relation to the offering, including acting as the structurer of the transaction and in other roles described below.

The Citi Parties have been involved (together with the Collateral Manager) in the formulation of the Portfolio Profile Tests, Coverage Tests, Collateral Quality Tests, Priorities of Payments and other criteria in and provisions of the Trust Deed and the Collateral Management Agreement. These may be influenced by discussions that the Placement Agent may have or have had with investors and there is no assurance that investors would agree with the views of one another or that the resulting modifications will not adversely affect the performance of the Notes or any particular Class of Notes. An Affiliate of the Initial Purchaser is also the Liquidity Facility Provider under the Liquidity Facility Agreement. See further "The Liquidity Facility Provider" and "Description of the Liquidity Facility Agreement" below. The Placement Agent will purchase the Notes from the Issuer on the Issue Date and resell them in individually negotiated transactions at varying prices, which may result in a higher or lower fee being paid to the Placement Agent in respect of those Notes. The Placement Agent may elect in its sole discretion to rebate a portion of its fees in respect of the Notes to certain investors, including the Retention Holder and the Collateral Manager. The Placement Agent may assist clients and counterparties in transactions related to the Notes (including assisting clients in future purchases and sales of the Notes and hedging transactions). The Placement Agent expects to earn fees and other revenues from these transactions.

The Citi Parties may retain a certain proportion of the Notes in their portfolios with an intention to hold to maturity or to trade. The holding or any sale of the Notes by these parties may adversely affect the liquidity of the Notes and may also affect the prices of the Notes in the primary or secondary market. The Citi Parties are part of a global investment banking and securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. As such, they actively make markets in and trade financial instruments for their own account and for the accounts of customers in the ordinary course of their business. The financial services that the Citi Parties may provide also include financing and, as such, the Citi Parties may have and/or may provide financing to the Collateral Manager or a Collateral Manager Related Person. If it is a lender under any such retention financing (which is not currently envisaged to be the case in respect of the Retention Financing), when exercising its rights in connection with such retention financing, the relevant Citi Party may seek to enforce its security over all or some of the Retention Notes and take possession or sell such Retention Notes to a third party. In addition, the Citi Parties may derive fees and other revenues from the arrangement and provision of any such financings. The Citi Parties may have positions in and will likely have placed or underwritten certain of the Collateral Debt Obligations (or other obligations of the Obligors of Collateral Debt Obligations) when they were originally issued and may have provided or may be providing investment banking services and other services to obligors of certain Collateral Debt Obligations. In addition, the Citi Parties and their clients may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, Collateral Debt Obligations. Each of the Citi Parties will act in its own commercial interest in its various capacities without regard to whether its interests conflict with those of the Noteholders or any other party including, without limitation, in deciding whether to enforce its security granted in connection with any financing. Moreover, the Issuer may invest in loans of Obligors Affiliated with the Citi Parties or in which one or more Citi Parties hold an equity, participation or other interest. The purchase, holding or sale of such Collateral Debt Obligations by the Issuer may increase the profitability of the Citi Party own investments in such obligors.

From time to time the Collateral Manager may purchase from or sell Collateral Debt Obligations through or to the Citi Parties (including a portion of the Collateral Debt Obligations to be purchased on or prior to the
Issue Date) and one or more Citi Parties may act as the selling institution with respect to participation interests and/or as a counterparty under a Hedge Agreement. The Citi Parties may act as placement agent and/or initial purchaser or investment manager in other transactions involving issues of collateralised debt obligations or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the availability of collateral for the Issuer and/or on the price of the Notes.

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

By purchasing a Note, each investor will be deemed to have acknowledged the existence of the conflicts of interest inherent to this transaction, including as described herein, and to have waived any claim with respect to any liability arising from the existence thereof.
The following is the text of the terms and conditions of the Notes (the "Conditions") which (subject to amendment and completion) will be endorsed or attached on each Global Certificate and each Note in definitive form (if applicable) and (subject to the provisions thereof) will apply to each such Note.

On 21 May 2015 (the "Original Issue Date"), CVC Cordatus Loan Fund V Designated Activity Company (formerly known as CVC Cordatus Loan Fund V Limited) (the "Issuer") issued €264,735,000 Class A-1 Senior Secured Floating Rate Notes due 2029 (the "Original Class A-1 Notes"), €5,265,000 Class A-2 Senior Secured Fixed Rate Notes due 2029 (the "Original Class A-2 Notes" and, together with the Class A-1 Notes, the "Original Class A Notes"), €36,865,000 Class B-1 Senior Secured Floating Rate Notes due 2029 (the "Original Class B-1 Notes"), €12,635,000 Class B-2 Senior Secured Fixed Rate Notes due 2029 (the "Original Class B-2 Notes" and, together with the Class B-1 Notes, the "Original Class B Notes"), €27,000,000 Class C Senior Secured Deferrable Floating Rate Notes due 2029 (the "Original Class C Notes"), €25,250,000 Class D Senior Secured Deferrable Floating Rate Notes due 2029 (the "Original Class D Notes"), €28,750,000 Class E Senior Secured Deferrable Floating Rate Notes due 2029 (the "Original Class E Notes") and €15,150,000 Class F Senior Secured Deferrable Floating Rate Notes due 2029 (the "Original Class F Notes" and, together with the Original Class A Notes, the Original Class B Notes, the Original Class C Notes, the Original Class D Notes and the Original Class E Notes, the "Refinanced Notes"). The Refinanced Notes will be refinanced in whole on 21 July 2017 (the "Issue Date"). On the Original Issue Date, the Issuer also issued €47,800,000 Subordinated Notes due 2029, the terms of which are to be amended as set out in these Conditions, including by an extension of their Maturity Date (the "Subordinated Notes").

The issue of €2,000,000 Class X Senior Secured Floating Rate Notes due 2030 (the "Class X Notes"), €263,000,000 Class A Senior Secured Floating Rate Notes due 2030 (the "Class A Notes"), €32,000,000 Class B-1 Senior Secured Floating Rate Notes due 2030 (the "Class B-1 Notes"), €30,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2030 (the "Class B-2 Notes" and, together with the Class B-1 Notes, the "Class B Notes"), €30,000,000 Class C Senior Secured Deferrable Floating Rate Notes due 2030 (the "Class C Notes"), €23,000,000 Class D Senior Secured Deferrable Floating Rate Notes due 2030 (the "Class D Notes"), €28,000,000 Class E Senior Secured Deferrable Floating Rate Notes due 2030 (the "Class E Notes") and €13,000,000 Class F Senior Secured Deferrable Floating Rate Notes due 2030 (the "Class F Notes" and, together with the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the "Rated Notes" or the "Refinancing Notes" and the Refinancing Notes together with the Subordinated Notes, the "Notes") was authorised by resolutions of the board of directors of the Issuer passed on 14 July 2017. The issue of the Subordinated Notes by the Issuer was authorised by a resolutions of the board of directors of the Issuer passed on 15 May 2015.

The Notes are constituted and secured by a trust deed (together with any other security document entered into in respect of the Notes, the "Trust Deed") dated 21 May 2015, as supplemented on or about the Issue Date between (amongst others) the Issuer and Citibank, N.A. London Branch in its capacity as trustee for the Noteholders and as security trustee for the other Secured Parties (the "Trustee", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed).

These terms and conditions of the Notes (the "Conditions of the Notes" or the "Conditions") include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes the forms of the certificates representing the Notes). The following agreements have been entered into in relation to the Notes: (a) an agency agreement to be dated 21 May 2015, as amended and restated on the Issue Date (the "Agency Agreement") between, amongst others, the Issuer, Citigroup Global Markets Deutschland AG as registrar (the "Registrar", which term shall include any successor or substitute registrar appointed pursuant to the terms of the Agency Agreement), Virtus Group LP as collateral administrator (the "Collateral Administrator", which term shall include any successor or substitute collateral administrator appointed pursuant to the terms of the Collateral
Management Agreement), Citibank, N.A., London Branch as principal paying agent, account bank, calculation agent, custodian, transfer agent and information agent (respectively, "Principal Paying Agent", "Account Bank", "Calculation Agent", "Custodian", "Transfer Agent" and "Information Agent", which terms shall include any successor or substitute principal paying agent, account bank, calculation agent, custodian, transfer agent or information agent, respectively, appointed pursuant to the terms of the Agency Agreement or the Collateral Management Agreement, as the case may be), CVC Credit Partners Group Limited in its capacity as sub-registrar (the "Sub-Registrar", which term shall include any successor or substitute sub-registrar appointed pursuant to the terms of the Agency Agreement) and the Trustee; (b) a collateral management agreement dated 21 May 2015, as amended and restated on the Issue Date (the "Collateral Management Agreement") between CVC Credit Partners Group Limited as collateral manager in respect of the Portfolio (the "Collateral Manager", which term shall include any successor collateral manager appointed pursuant to the terms of the Collateral Management Agreement), the Issuer, the Collateral Administrator, the Information Agent, the Custodian and the Trustee; (c) a corporate services agreement between the Issuer and Maples Fiduciary Services (Ireland) Limited as corporate services provider dated 22 January 2015 (the "Corporate Services Agreement"); (d) a placement agency agreement dated as of 19 July 2017 (the "Placement Agency Agreement") between the Issuer and Citigroup Global Markets Limited as placement agent; (e) a liquidity facility agreement dated 21 May 2015, as amended and restated on the Issue Date (the "Liquidity Facility Agreement") between the Issuer, the Trustee, the Collateral Administrator and Citibank, N.A., London Branch as the Liquidity Facility Provider; and (f) a Collateral Sub-Management Agreement dated 21 May 2015, as amended and restated on the Issue Date (the "Collateral Sub-Management Agreement") between the Issuer, Collateral Manager and CVC Credit Partners Investment Management Limited as sub-manager (the "Sub-Manager"). Copies of the Trust Deed, the Agency Agreement, the Collateral Management Agreement, the Liquidity Facility Agreement and the Collateral Sub-Management Agreement are available for inspection during usual business hours at the principal office of the Issuer (presently at 32 Molesworth Street, Dublin 2, Ireland) and at the specified office of the Principal Paying Agent for the time being. The holders of each Class of Notes are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Trust Deed, and are deemed to have notice of all the provisions of the Agency Agreement, the Collateral Management Agreement and the Liquidity Facility Agreement applicable to them.

1. Definitions

"Acceleration Notice" has the meaning given to it in Condition 10(b) (Acceleration).

"Accounts" means the Principal Account, the Interest Account, the Payment Account, the Expense Reserve Account, the Collateral Enhancement Account, each Counterparty Downgrade Collateral Account, the Contributions Account, the Custody Account, each Hedge Termination Account, each Non-Euro Hedge Account, the Unfunded Revolver Reserve Account, the Collection Account and the Interest Smoothing Account.

"Accrual Period" means, in respect of each Class of Notes, the period from and including the Issue Date to, but excluding, the first Payment Date after the Issue Date and each successive period from and including each Payment Date to, but excluding, the following Payment Date or if earlier, the Business Day upon which the relevant Class is subject to a Refinancing, provided that, for the purpose of calculating the interest payable in accordance with Condition 6(e)(iii) (Calculation of Class B-2 Fixed Amounts), the Payment Date shall not be adjusted if the relevant Payment Date would have fallen on a day other than a Business Day but for the proviso in the definition of Payment Date.

"Accrued Collateral Debt Obligation Interest" means, in respect of any Payment Date, an amount equal to the aggregate of all accrued unpaid interest under the Collateral Debt Obligations (excluding capitalised interest in respect of PIK Obligations, Purchased Accrued Interest, interest on any Defaulted Obligations or S&P CCC Obligations and unpaid interest under Mezzanine Obligations deferred in accordance with the terms of such Mezzanine Obligations), which is not payable to the Issuer on or prior to the Determination Date in respect of such Payment Date by the Obligors under the relevant Collateral Debt Obligations.
"Adjusted Aggregate Collateral Balance" means, as of any date of determination:

(i) the Aggregate Principal Balance of the Collateral Debt Obligations (other than Defaulted Obligations, Discount Obligations and Deferring Securities); plus

(ii) without duplication, the amount on deposit in the Principal Account (including Eligible Investments therein which represent Principal Proceeds); plus

(iii) in relation to a Deferring Security or a Defaulted Obligation the lesser of (x) its Moody’s Collateral Value and (y) its S&P Collateral Value; provided that, in the case of a Defaulted Obligation, the value determined under this paragraph (iii) of a Defaulted Obligation that has been a Defaulted Obligation for more than three years after the date on which it became a Defaulted Obligation and continues to be a Defaulted Obligation on such date shall be zero; plus

(iv) the aggregate, for each Discount Obligation, of the product of the (x) purchase price (expressed as a percentage of par and excluding accrued interest) and (y) Principal Balance of such Discount Obligation; minus

(v) the Excess CCC/Caa Adjustment Amount;

provided that:

(A) with respect to any Collateral Debt Obligation that satisfies more than one of the definitions of Defaulted Obligation, Discount Obligation, Deferring Security and/or that falls into the Excess CCC/Caa Adjustment Amount, such Collateral Debt Obligation shall, for the purposes of this definition, be treated as belonging to the category of Collateral Debt Obligations which results in the lowest Adjusted Aggregate Collateral Balance on any date of determination; and

(B) in respect of paragraph (ii) above, any non-Euro amounts received will be converted into Euro (x) in the case of each Non-Euro Obligation which is subject to an Asset Swap Transaction, at the Applicable Exchange Rate for the related Hedge Transaction and (y) in the case of each Non-Euro Obligation which is not subject to an Asset Swap Transaction, at the Spot Rate.

"Administrative Expenses" means amounts due and payable by the Issuer in the following order of priority including, except as expressly set out otherwise below, any VAT thereon (whether payable to that party or the relevant tax authority):

(i) on a pro-rata and pari passu basis, to (i) the Agents (other than the Sub-Registrar and each Reporting Delegate) pursuant to the Agency Agreement or, in the case of the Information Agent and Collateral Administrator, the Collateral Management Agreement (including by way of indemnity and, to the extent that interest is chargeable on any Account, to the payment of any additional fee by the Issuer to the Account Bank in accordance with the Agency Agreement and in an amount equal to the interest payable); and (ii) the Corporate Services Provider pursuant to the Corporate Services Agreement;

(ii) each Reporting Delegate pursuant to any Reporting Delegation Agreement (including by way of indemnity);

(iii) to the Sub-Registrar pursuant to the Agency Agreement;
on a pro-rata and pari passu basis:

(A) to any Rating Agency which may from time to time be requested to assign (i) a rating to each of the Rated Notes, or (ii) a confidential credit estimate to any of the Collateral Debt Obligations, for fees and expenses (including surveillance fees) in connection with any such rating or confidential credit estimate including, in each case, the ongoing monitoring thereof and any other amounts due and payable to any Rating Agency under the terms of the Issuer’s engagement with such Rating Agency;

(B) to the independent certified public auditors, agents and counsel of the Issuer;

(C) to the Collateral Manager pursuant to the Collateral Management Agreement (including indemnities provided for therein), but excluding any Collateral Management Fees or any VAT payable thereon and excluding any amounts in respect of Collateral Manager Advances;

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

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

(F) on a pro rata basis to any other Person in respect of any other fees or expenses contemplated in the Conditions of the Notes and in the Transaction Documents or any other documents delivered pursuant to or in connection with the issue and sale of the Notes (other than the Liquidity Facility Provider), including, without limitation, an amount up to €25,000 per annum in respect of fees and expenses incurred by the Issuer (in its sole and absolute discretion) in assisting in the preparation, provision or validation of data for purposes of Noteholder tax jurisdictions;

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

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

(I) to the Placement Agent pursuant to the Placement Agency Agreement (including indemnities provided for therein);

(J) any reasonably anticipated winding up costs of the Issuer; and

(K) to the Liquidity Facility Provider other than for those amounts payable pursuant to Clause 7 (Repayment), Clause 9 (Interest) and Clause 18 (Fees) of the Liquidity Facility Agreement;

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

(A) on a pro rata basis to any other Person (including the Collateral Manager) in connection with satisfying the requirements of Rule 17g-5, EMIR, CRA Regulation, Securitisations Regulation, AIFMD or the Dodd-Frank Act;
on a pro rata basis to any other Person (including the Collateral Manager) in connection with satisfying the EU Retention Requirements including any costs or fees related to additional due diligence or reporting requirements;

(C) FATCA Compliance Costs; and

(D) reasonable fees, costs and expenses of the Issuer and the Collateral Manager including reasonable attorney’s fees of compliance by the Issuer and the Collateral Manager with the United States Commodity Exchange Act of 1936, as amended (including rules and regulations promulgated thereunder) and fees related to the administration of the Portfolio including administrators and trustees;

(vi) any Refinancing Costs (to the extent not provided for above); and

(vii) on a pro rata basis payment of any indemnities (to the extent not already covered in paragraphs (i) to (vi) above) payable to any Person as contemplated in these Conditions or the Transaction Documents,

provided that (x) the Collateral Manager may direct the payment of any Rating Agency fees set out in (iv)(A) above other than in the order required by paragraph (iv) above if the Collateral Manager or Issuer has been advised by a Rating Agency that non-payment of its fees will immediately result in the withdrawal of any ratings on any Class of Rated Notes; and (y) the Collateral Manager may, in its reasonable judgement, determine a payment other than in the order required by paragraph (iv) above is required to ensure the delivery of certain accounting services and reports.

"Affiliate" or "Affiliated" means with respect to a Person:

(i) any other Person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such Person; or

(ii) any other Person who is a director, officer or employee:

   (A) of such Person;

   (B) of any subsidiary or parent company of such Person; or

   (C) of any Person described in paragraph (i) above.

For the purposes of this definition, (1) control of a Person shall mean the power, direct or indirect, (x) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of such Person, or (y) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise and (2) any entity which holds Notes pursuant to the terms of any retention financing shall be considered an Affiliate of the Collateral Manager for the purposes of such holding.

For the avoidance of doubt, "Affiliate" or "Affiliated" in relation to the Issuer, the Collateral Manager and the Sub-Manager shall not include portfolio companies in which funds managed or advised by Affiliates of the Collateral Manager or the Sub-Manager hold an interest.

"Agent" means each of the Registrar, the Sub-Registrar, the Principal Paying Agent, each Transfer Agent, each Paying Agent, the Calculation Agent, the Account Bank, the Collateral Administrator, the Information Agent, each Reporting Delegate and the Custodian and each of their permitted successors or assigns.
appointed as agents of the Issuer pursuant to the Agency Agreement, any Reporting Delegation Agreement or the Collateral Management Agreement, as the case may be, and “Agents” shall be construed accordingly.

"Aggregate Collateral Balance" means, as at any Measurement Date, the amount equal to the aggregate of the following amounts, as at such Measurement Date:

(i) the Aggregate Principal Balance of all Collateral Debt Obligations, save that for the purpose of calculating the Aggregate Principal Balance for the purposes of:

   (A) the Portfolio Profile Tests, the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value,

   (B) the Collateral Quality Tests (other than the S&P CDO Monitor Test), the Principal Balance of each Defaulted Obligation shall be excluded;

   (C) determining whether a Note Event of Default has occurred in accordance with Condition 10(a)(iv) (Collateral Debt Obligations), the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value; and

(ii) the Balance standing to the credit of the Principal Account and any Eligible Investments which represent Principal Proceeds (excluding, for the avoidance of doubt, any interest accrued on Eligible Investments).

"Aggregate Principal Balance" means the aggregate of the Principal Balances of all the Collateral Debt Obligations and when used with respect to some portion of the Collateral Debt Obligations, means the aggregate of such portion of the Principal Balances of such Collateral Debt Obligations, in each case, as at the date of determination.

"AIFMD" means Article 51 of Regulation (EU) No 231/2013 of 19 December 2012 (the "AIFM Regulation") as amended from time to time and EU Directive 2011/61/EU on Alternative Investment Fund Managers (as amended from time to time and as implemented by Member States of the European Union) together with any implemented or delegated regulation, technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"AIFMD Retention Requirements" means Article 17 of the AIFMD, as implemented by Section 5 of the AIFM Regulation, including any guidance published in relation thereto and any implementing laws or regulations in force in any Member State of the European Union, provide that references to AIFMD Retention Requirements shall be deemed to include any successor or replacement provisions of Section 5 included in any European Union directive or regulation subsequent to AIFMD or the European Union Delegated Regulation (EU) No 231/2013.

"Annual Obligations" means Collateral Debt Obligations which in accordance with their terms, at the relevant date of measurement, pay interest less frequently than semi-annually.

"Applicable Exchange Rate" means, in relation to any Non-Euro Obligation that is subject to an Asset Swap Transaction, the exchange rate set forth in the relevant Hedge Transaction, and in any other case, the Spot Rate.

"Applicable Margin" has the meaning given thereto in Condition 6 (Interest).
"Appointee" means any attorney, manager, agent, delegate or other person properly appointed by the Trustee in accordance with the terms of the Trust Deed to discharge any of its functions or to advise in relation thereto.

"Asset Swap Agreement" means a 1992 ISDA Master Agreement (Multicurrency-Cross-Border) or a 2002 ISDA Master Agreement (or such other ISDA pro forma Master Agreement as may be published by ISDA from time to time), together with the schedule and confirmations relating thereto including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof, each as amended or supplemented from time to time, and entered into by the Issuer with an Asset Swap Counterparty which shall govern one or more Asset Swap Transactions entered into by the Issuer and such Asset Swap Counterparty (including any Replacement Asset Swap Transaction) under which the Issuer swaps cash flows receivable on such Asset Swap Obligations for Euro denominated cash flows from each Asset Swap Counterparty.

"Asset Swap Counterparty" means any financial institution with which the Issuer enters into an Asset Swap Agreement, or any permitted assignee or successor thereof, under the terms of the related Asset Swap Agreement and, in each case, which satisfies, at the time of entry into the Asset Swap Transaction, the applicable Rating Requirement (or whose obligations are guaranteed by a guarantor which satisfies the applicable Rating Requirement).

"Asset Swap Counterparty Principal Exchange Amount" means each initial, interim and final exchange amount (whether expressed as such or otherwise) scheduled to be paid by the Asset Swap Counterparty to the Issuer under an Asset Swap Transaction and excluding any Scheduled Periodic Asset Swap Counterparty Payments but including any amounts described as termination payments in the relevant Asset Swap Agreement which relate to payments to be made as a result of the relevant Asset Swap Obligation being sold or becoming subject to a credit event or debt restructuring.

"Asset Swap Issuer Principal Exchange Amount" means each initial, interim and final exchange amount (whether expressed as such or otherwise) scheduled to be paid to the Asset Swap Counterparty by the Issuer under an Asset Swap Transaction and excluding any Scheduled Periodic Asset Swap Issuer Payments but including any amounts described as termination payments in the relevant Asset Swap Agreement which relate to payments to be made as a result of the relevant Asset Swap Obligation being sold or becoming subject to a credit event or debt restructuring.

"Asset Swap Obligation" means any Collateral Debt Obligation which is denominated in a Qualifying Currency other than Euro and which (i) is, or will no later than the settlement date thereof, become the subject of an Asset Swap Transaction or (ii) (a) is denominated in a Qualifying Unhedged Obligation Currency, (b) is acquired in the Primary Market, (c) was previously an Unhedged Collateral Debt Obligation and (d) is subject to an Asset Swap Transaction (entered into not later than 90 calendar days of the settlement of the purchase by the Issuer of such Collateral Debt Obligation).

"Asset Swap Replacement Payment" means any amount payable by the Issuer to a replacement Asset Swap Counterparty upon entry into a Replacement Asset Swap Transaction which is replacing an Asset Swap Transaction which was terminated.

"Asset Swap Replacement Receipt" means any amount payable to the Issuer by a replacement Asset Swap Counterparty upon entry into a Replacement Asset Swap Transaction which is replacing an Asset Swap Transaction which was terminated.

"Asset Swap Termination Payment" means the amount payable to an Asset Swap Counterparty by the Issuer upon termination or modification of an Asset Swap Transaction excluding, for purposes other than payment by the Issuer, any due and unpaid scheduled amounts payable thereunder and any Asset Swap Issuer Principal Exchange Amounts.
"Asset Swap Termination Receipt" means the amount payable by an Asset Swap Counterparty to the Issuer upon termination or modification of an Asset Swap Transaction excluding, for purposes other than payment to the applicable Account to which the Issuer shall credit such amounts, the portion thereof representing any due and unpaid scheduled amounts payable thereunder and any Asset Swap Counterparty Principal Exchange Amounts.

"Asset Swap Transaction" means each asset swap transaction entered into under an Asset Swap Agreement.

"Assignment" means an interest in a loan that is acquired directly by way of novation or assignment.

"Authorised Denomination" means, in respect of any Note, the Minimum Denomination thereof and any denomination equal to a multiple of the Authorised Integral Amount in excess of the Minimum Denomination thereof.

"Authorised Integral Amount" means for each Class of Notes, €1,000.

"Authorised Officer" means with respect to the Issuer, any director of the Issuer or other person as notified in writing by or on behalf of the Issuer to the Trustee who is authorised to act for the Issuer in matters relating to, and binding upon, the Issuer.

"Available Commitment" means, at any time, the Commitment less any amounts previously drawn by the Issuer under the Liquidity Facility Agreement (taking into account any Liquidity Drawings scheduled to be repaid on or prior to the proposed Drawdown Date and subject to the Collateral Administrator confirming that there will be sufficient amounts available in the Interest Account to make repayment of such Liquidity Drawings in full on the Payment Date following the Drawdown Date).

"Balance" means on any date, with respect to any cash or Eligible Investments standing to the credit of an Account (or any subaccount thereof), the aggregate of the:

(i) current balance of cash, demand deposits, time deposits, certificates of deposits, government guaranteed funds and other investment funds;

(ii) outstanding principal amount of interest bearing corporate and government obligations and money market accounts and repurchase obligations; and

(iii) purchase price, up to an amount not exceeding the face amount, of non interest bearing government and corporate obligations, commercial paper and certificates of deposit,

provided that (x) to the extent that the Hedge Agreement Eligibility Criteria has been satisfied and an Asset Swap Agreement is in place, amounts standing to the credit of the Non-Euro Hedge Account shall be converted into Euro at the Applicable Exchange Rate, (y) to the extent that no Asset Swap Agreement is in place, any balance which is denominated in a currency other than Euro shall be converted into Euro at the Spot Rate and (z) in the event that a default as to payment of principal and/or interest has occurred and is continuing (disregarding any grace periods provided for pursuant to the terms thereof) in respect of any Eligible Investment or any material obligation of the obligor thereunder which is senior or equal in right of payment to such Eligible Investment such Eligible Investment shall have a value equal to the lesser of its Moody’s Collateral Value and its S&P Collateral Value (determined as if such Eligible Investment were a Collateral Debt Obligation).
"Benefit Plan Investor" means:

(i) an employee benefit plan (as defined in Section 3(3) of ERISA), subject to the provisions of part 4 of Subtitle B of Title I of ERISA;

(ii) a plan to which Section 4975 of the Code applies; or

(iii) any entity whose underlying assets include plan assets by reason of such an employee benefit plan or plan’s investment in such entity.

"Bivariate Risk Table" has the meaning given to it in the Collateral Management Agreement.

"Bridge Loan" shall mean any Collateral Debt Obligation that: (i) is incurred in connection with a merger, acquisition, consolidation, sale of all or substantially all of the assets of a person, restructuring or similar transaction; (ii) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings; and (iii) prior to its purchase by the Issuer, has a Moody’s Rating and an S&P Rating.

"Business Day" means (save to the extent otherwise defined) a day:

(i) on which TARGET2 is open for settlement of payments in Euro;

(ii) on which commercial banks and foreign exchange markets settle payments in London and New York (other than a Saturday or a Sunday); or

(iii) for the purposes of the definition of Presentation Date, in relation to any place, on which commercial banks and foreign exchange markets settle payments in that place.

"CCC/Caa Excess" means an amount equal to the greater of:

(i) the excess of the aggregate Principal Balance of all Moody’s Caa Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be its Moody’s Collateral Value); and

(ii) the excess of the aggregate Principal Balance of all S&P CCC Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value),

in each case as determined as at such date of determination, provided that:

(A) in determining which of the Moody’s Caa Obligations shall be included under part (i) above, the Moody’s Caa Obligations with the lowest Market Value (expressed as a percentage of the Principal Balance of such Collateral Debt Obligations as of the relevant date of determination) shall be deemed to constitute the excess of the aggregate Principal Balance of all Moody’s Caa Obligations; and

(B) in determining which of the S&P CCC Obligations shall be included under part (ii) above, the S&P CCC Obligations with the lowest Market Value (expressed as a percentage of the Principal Balance of such Collateral Debt Obligations as of the relevant date of determination) shall be deemed to constitute the excess of the aggregate Principal Balance of all S&P CCC Obligations.

"CFTC" means the Commodity Futures Trading Commission and any replacement or successor thereto.
"Class of Notes" means each of the Classes of Notes being:

(i) the Class X Notes;
(ii) the Class A Notes;
(iii) the Class B-1 Notes;
(iv) the Class B-2 Notes;
(v) the Class C Notes;
(vi) the Class D Notes;
(vii) the Class E Notes;
(viii) the Class F Notes; and
(ix) the Subordinated Notes,

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

(A) notwithstanding that the CM Voting Notes, CM Non-Voting Exchangeable and the CM Non-Voting Notes of a single Class are in the same Class, they shall not be treated as a single Class in respect of any consent, direction, objection, approval, vote or determination of quorum under the Trust Deed in connection with any CM Removal Resolution or CM Replacement Resolution and, instead, the CM Voting Notes shall be treated as the relevant Class solely for such purpose; and

(B) notwithstanding that the Class B-1 Notes and the Class B-2 Notes are separate Classes, they shall be treated as a single Class for the purposes of (I) any consent, direction, objection, approval, vote or determination of quorum under the Trust Deed, except as expressly provided in the Trust Deed, with each holder of Class B-1 Notes and Class B-2 Notes voting based on the aggregate Principal Amount Outstanding of Class B Notes held by such holder (other than in relation to a Refinancing, in which case each of the Class B-1 Notes and the Class B-2 Notes shall constitute separate Classes) and (II) the definition of Retention Notes.

"Class A CM Non-Voting Exchangeable Notes" means the Class A Notes in the form of CM Non-Voting Exchangeable Notes.

"Class A CM Non-Voting Notes" means the Class A Notes in the form of CM Non-Voting Notes.

"Class A CM Voting Notes" means the Class A Notes in the form of CM Voting Notes.

"Class A Noteholders" means the holders of any Class A Notes from time to time.

"Class A/B Coverage Tests" means the Class A/B Interest Coverage Test and the Class A/B Par Value Test.

"Class A/B Interest Coverage Ratio" means, as of any Measurement Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the sum of (a) the scheduled Interest Amounts due on the Class X Notes, the Class A Notes and the Class B Notes, (b) any Class X Principal Amortisation Amount due on such date and (c) any Unpaid Class X Principal Amortisation Amount as of such date. For the purposes of calculating the Class A/B Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and
the expected Interest Amounts payable on the Class X Notes, the Class A Notes and the Class B Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"Class A/B Interest Coverage Test" means the test which will apply as of any Measurement Date and which will be satisfied on such Measurement Date if the Class A/B Interest Coverage Ratio is at least equal to 120.00 per cent.

"Class A/B Par Value Ratio" means, as of any Measurement Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Aggregate Collateral Balance by (b) the sum of the Principal Amount Outstanding of each of the Class A Notes and the Class B Notes.

"Class A/B Par Value Test“ means the test which will apply as of any Measurement Date and which will be satisfied on such Measurement Date if the Class A/B Par Value Ratio is at least equal to 130.08 per cent.

"Class B Noteholders” means the holders of any Class B Notes from time to time.

"Class B CM Non-Voting Exchangeable Notes” means the Class B Notes in the form of CM Non-Voting Exchangeable Notes.

"Class B CM Non-Voting Notes" means the Class B Notes in the form of CM Non-Voting Notes.

"Class B CM Voting Notes" means the Class B Notes in the form of CM Voting Notes.

"Class C Coverage Tests” means the Class C Interest Coverage Test and the Class C Par Value Test.

"Class C Interest Coverage Ratio” means, as of any Measurement Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the sum of (a) the scheduled Interest Amounts due on the Class X Notes, the Class A Notes, the Class B Notes and the Class C Notes (excluding Deferred Interest but including any interest on Deferred Interest), (b) any Class X Principal Amortisation Amount due on such date and (c) any Unpaid Class X Principal Amortisation Amount as of such date. For the purposes of calculating the Class C Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected Interest Amounts payable on the Class X Notes, the Class A Notes, the Class B Notes and the Class C Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"Class C Interest Coverage Test“ means the test which will apply as of any Measurement Date and which will be satisfied on such Measurement Date if the Class C Interest Coverage Ratio is at least equal to 110.00 per cent.

"Class C Noteholders" means the holders of any Class C Notes from time to time.

"Class C Par Value Ratio" means, as of any Measurement Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Aggregate Collateral Balance by (b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes and the Class C Notes.

"Class C Par Value Test” means the test which will apply as of any Measurement Date and which will be satisfied on such Measurement Date if the Class C Par Value Ratio is at least equal to 119.82 per cent.

"Class C CM Non-Voting Exchangeable Notes” means the Class C Notes in the form of CM Non-Voting Exchangeable Notes.

"Class C CM Non-Voting Notes" means the Class C Notes in the form of CM Non-Voting Notes.
"Class C CM Voting Notes" means the Class C Notes in the form of CM Voting Notes.

"Class D Coverage Tests" means the Class D Interest Coverage Test and the Class D Par Value Test.

"Class D Interest Coverage Ratio" means, as of any Measurement Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the sum of (a) the scheduled Interest Amounts due on the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes (excluding Deferred Interest but including any interest on Deferred Interest), (b) any Class X Principal Amortisation Amount due on such date and (c) any Unpaid Class X Principal Amortisation Amount as of such date. For the purposes of calculating the Class D Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected Interest Amounts payable on the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"Class D Interest Coverage Test" means the test which will apply as of any Measurement Date and which will be satisfied on such Measurement Date if the Class D Interest Coverage Ratio is at least equal to 105.00 per cent.

"Class D Noteholders" means the holders of any Class D Notes from time to time.

"Class D Par Value Ratio" means, as of any Measurement Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Aggregate Collateral Balance by (b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, Class C Notes and the Class D Notes.

"Class D Par Value Test" means the test which will apply as of any Measurement Date and which will be satisfied on such Measurement Date if the Class D Par Value Ratio is at least equal to 113.58 per cent.

"Class D CM Non-Voting Exchangeable Notes" means the Class D Notes in the form of CM Non-Voting Exchangeable Notes.

"Class D CM Non-Voting Notes" means the Class D Notes in the form of CM Non-Voting Notes.

"Class D CM Voting Notes" means the Class D Notes in the form of CM Voting Notes.

"Class E Noteholders" means the holders of any Class E Notes from time to time.

"Class E Par Value Ratio" means, as of any Measurement Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Aggregate Collateral Balance by (b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, Class C Notes, the Class D Notes, the Class E Notes.

"Class E Par Value Test" means the test which will apply as of any Measurement Date and which will be satisfied on such Measurement Date if the Class E Par Value Ratio is at least equal to 106.83 per cent.

"Class F Par Value Ratio" means, as of any Measurement Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Aggregate Collateral Balance by (b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.
"Class F Par Value Test" means the test which will apply as of any Measurement Date and which will be satisfied on such Measurement Date if the Class F Par Value Ratio is at least equal to 103.88 per cent.

"Class X Noteholders" means the holders of any Class X Notes from time to time.

"Class X Principal Amortisation Amount" means, for each Payment Date beginning on (and including) the first Payment Date immediately following the Issue Date, the lesser of (a) the Principal Amount Outstanding of the Class X Notes (for the avoidance of doubt, taking into account all prior principal payments on the Class X Notes); and (b)(i) in respect of each such Payment Date prior to the occurrence of a Frequency Switch Event, €500,000 and (ii) in respect of each such Payment Date following the occurrence of a Frequency Switch Event, €1,000,000.

"Clearing System Business Day" means a day on which Euroclear and Clearstream Luxembourg are open for business.

"Clearstream, Luxembourg" means Clearstream Banking, société anonyme.

"CM Non-Voting Exchangeable Notes" means Notes which:

(i) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution or a CM Replacement Resolution but which do carry a right to vote on and be so counted in respect of all other matters in respect of which the CM Voting Notes have a right to vote and be so counted;

(ii) are exchangeable into:

(A) CM Non-Voting Notes at any time; or

(B) CM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor.

"CM Non-Voting Notes" means Notes which:

(i) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution or a CM Replacement Resolution but which do carry a right to vote on and be so counted in respect of all other matters in respect of which the CM Voting Notes have a right to vote and be so counted; and

(ii) are not exchangeable into CM Voting Notes or CM Non-Voting Exchangeable Notes at any time.

"CM Voting Notes" means Notes which:

(i) carry a right to vote, in respect of and be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution or a CM Replacement Resolution and all other matters as to which Noteholders are entitled to vote; and

(ii) are exchangeable into CM Non-Voting Exchangeable Notes or CM Non-Voting Notes at any time.

"CM Removal Resolution" means any Resolution, vote, written direction or consent of the Noteholders in relation to the removal of the Collateral Manager in accordance with the Collateral Management Agreement following the occurrence of a Collateral Manager Event of Default (other than pursuant to paragraph (vii) of the definition thereof).
"CM Replacement Resolution" means any Resolution, vote, written direction or consent of the Noteholders in relation to the appointment of a successor Collateral Manager or any assignment or delegation by the Collateral Manager of its rights or obligations, in each case, in accordance with the Collateral Management Agreement.

"Collateral" means the property, assets and rights described in Condition 4(a) (Security) which are charged and assigned to the Trustee from time to time for the benefit of the Secured Parties pursuant to the Trust Deed.

"Collateral Acquisition Agreements" means each of the agreements entered into by the Issuer in relation to the purchase by the Issuer of Collateral Debt Obligations from time to time.

"Collateral Debt Obligation" means any debt obligation or debt security purchased by or on behalf of the Issuer from time to time (or, if the context so requires, to be purchased by or on behalf of the Issuer) and which the Collateral Manager determines in accordance with the Collateral Management Agreement satisfies the Eligibility Criteria at the time that any commitment to purchase is entered into by or on behalf of the Issuer save for an Original Issue Date Collateral Debt Obligation which must only have satisfied the Eligibility Criteria on the Original Issue Date. References to Collateral Debt Obligations shall not include Collateral Enhancement Debt Obligations, Eligible Investments or Exchanged Security. Obligations which are to constitute Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to purchase but which have not yet settled shall be included as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests, the Interest Diversion Test and all other tests and criteria applicable to the Portfolio at any time as if such purchase had been completed; and Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but in respect of which such sale has not yet settled, shall be excluded from being Collateral Debt Obligations in the calculation of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests, the Interest Diversion Test and all other tests and criteria applicable to the Portfolio at any time as if such sale had been completed. The failure of any obligation to satisfy the Eligibility Criteria at any time after the Issuer or the Collateral Manager on behalf of the Issuer has entered into a binding agreement to purchase it, shall not cause such obligation to cease to constitute a Collateral Debt Obligation unless it is an Original Issue Date Collateral Debt Obligation which did not satisfy the Eligibility Criteria on the Original Issue Date. A Collateral Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) shall only constitute a Collateral Debt Obligation for the purpose of the calculation of the Portfolio Profile Tests, Collateral Quality Tests, Coverage Tests and all other tests and criteria applicable to the Portfolio if it satisfies the Restructured Obligation Criteria on the appropriate Restructuring Date.

"Collateral Debt Obligation Stated Maturity" means, with respect to any Collateral Debt Obligation or Eligible Investment, the date specified in such obligation as the fixed date on which the final payment or repayment of principal of such obligation is due and payable.

"Collateral Enhancement Account" means the account described as such in the name of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland.

"Collateral Enhancement Amount" means, with respect to any Payment Date during the Reinvestment Period, the amount of Interest Proceeds retained in the Collateral Enhancement Account on the Payment Date in accordance with the Interest Proceeds Priority of Payments, at the sole discretion of the Collateral Manager which amounts shall not exceed €1,000,000 in the aggregate for any Payment Date or an aggregate amount for all applicable Payment Dates of €2,000,000.
"Collateral Enhancement Debt Obligation" means any warrant or equity security, excluding Exchanged Securities, but including without limitation, warrants relating to Mezzanine Obligations and any equity security received upon conversion or exchange of, or exercise of an option under, or otherwise in respect of a Collateral Debt Obligation; or any warrant or equity security purchased as part of a unit with a Collateral Debt Obligation (but in all cases, excluding, for the avoidance of doubt, the Collateral Debt Obligation), in each case, the acquisition of which will not result in the imposition of any present or future, actual or contingent liabilities or obligations on the Issuer other than those which may arise at its option.

"Collateral Enhancement Obligation Proceeds" means all Distributions and Sale Proceeds received in respect of any Collateral Enhancement Debt Obligation.

"Collateral Management Fee" means each of the Senior Collateral Management Fee, the Subordinated Collateral Management Fee and Incentive Collateral Management Fee.

"Collateral Manager Advance" means any amount advanced by the Collateral Manager:

(i) for the purchase or exercise of a Collateral Enhancement Debt Obligation, to the extent there are insufficient funds available in the Collateral Enhancement Account, in its sole discretion; and

(ii) as a contribution to Interest Proceeds or Principal Proceeds, to be applied in accordance with the applicable Priorities of Payments,

which shall bear interest in accordance with the Collateral Management Agreement at a rate as agreed between the Issuer and the Collateral Manager from time to time, and notified by the Collateral Manager to the Collateral Administrator as soon as reasonably practicable, provided that such rate of interest shall not exceed a rate of EURIBOR plus 2.0 per cent.

The aggregate amount outstanding of all Collateral Manager Advances shall not, at any time, exceed €5,000,000 or such greater number as the Subordinated Noteholders may approve, acting by way of an Ordinary Resolution.

"Collateral Quality Tests" means the Collateral Quality Tests set out in the Collateral Management Agreement being each of the following:

(i) so long as any Notes rated by Moody’s are Outstanding:

   (A) the Moody’s Minimum Diversity Test;

   (B) the Moody’s Minimum Weighted Average Recovery Rate Test; and

   (C) the Moody’s Maximum Weighted Average Rating Factor Test;

(ii) so long as any Notes rated by S&P are Outstanding and until the expiry of the Reinvestment Period only, the S&P CDO Monitor Test; and

(iii) so long as any Rated Notes are Outstanding:

   (A) the Weighted Average Life Test; and

   (B) the Minimum Weighted Average Spread Test,

each as defined in the Collateral Management Agreement.
"Collateral Tax Event" means at any time as a result of the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final), interest, discount or premium payments due from the Obligors of any Collateral Debt Obligations (or from Selling Institutions in the case of Participations) in relation to any Due Period to the Issuer becoming properly subject to the imposition of home jurisdiction or foreign withholding tax (other than where such withholding tax is compensated for by a "gross up" provision in the terms of the Collateral Debt Obligation or such requirement to withhold is eliminated or compensated in full pursuant to a double taxation treaty or otherwise so that the Issuer as holder thereof (either directly or indirectly through a Participation) is held completely harmless from the full amount of such withholding tax on an after tax basis) so that the aggregate amount of such withholding tax (after taking into account the benefit of any partial gross-up and any reduction of or compensation for the withholding) on all Collateral Debt Obligations in relation to such Due Period is equal to or in excess of 6 per cent. of the aggregate interest, discount or premium payments due (for the avoidance of doubt, excluding any additional interest arising as a result of the operation of any gross up provision) on all Collateral Debt Obligations in relation to such Due Period.

"Collection Account" means the account described as such in the name of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland.

"Commitment" means an amount equal to €2,000,000, subject to reduction or cancellation in accordance with the terms of the Liquidity Facility Agreement.

"Commitment Amount" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, the maximum aggregate outstanding principal amount (whether at the time funded or unfunded) of advances or other extensions of credit at any one time outstanding that the Issuer could be required to make to the Obligor under the Underlying Instruments relating thereto or to a funding bank in connection with any ancillary facilities related thereto.

"Constitution" means the constitution of the Issuer comprising the memorandum and articles of association of the Issuer (as adopted by special resolution on 23 June 2017) (as may be amended from time to time).

"Contribution" has the meaning specified in the Conditions 2(l) (Contributions).

"Contributions Account" means the account described as such in the name of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland.

"Contributor" has the meaning specified in Condition 2(l) (Contributions).

"Controlling Class" means:

(i) the Class A Notes; or

(ii) (A) following redemption and payment in full of the Class A Notes; or

(B) prior to the redemption and payment in full of the Class A Notes and solely in connection with a CM Removal Resolution or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes is held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes,

the Class B Notes; or

(iii) (A) following redemption and payment in full of the Class A Notes and the Class B Notes; or
(B) prior to the redemption and payment in full of the Class A Notes and the Class B Notes and solely in connection with a CM Removal Resolution or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of each of the Class A Notes and the Class B Notes is held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes,

the Class C Notes; or

(iv) (A) following redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes; or

(B) prior to the redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes and solely in connection with a CM Removal Resolution or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes and the Class C Notes is held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes,

the Class D Notes; or

(v) (A) following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes; or

(B) prior to the redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and solely in connection with a CM Removal Resolution or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes is held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes,

the Class E Notes; or

(vi) following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the Class F Notes; or

(vii) following redemption and payment in full of all of the Rated Notes, the Subordinated Notes,

provided that:

(a) solely in connection with a CM Removal Resolution or a CM Replacement Resolution, no Notes held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of such CM Removal Resolution or CM Replacement Resolution or (C) be counted for the purposes of determining a quorum or the result of voting in respect of such CM Removal Resolution or CM Replacement Resolution; and

(b) solely with respect to any vote (or written direction or consent) in connection with a CM Removal Resolution or a CM Replacement Resolution, no Notes held by or on behalf of the Collateral Manager, the Sub-Manager or any of their respective Affiliates shall (A) be entitled to vote in respect of such vote (or written direction or consent) or (B) be counted for the purposes of determining a quorum or the result of voting in respect of such vote (or written direction or consent).
"Controlling Person" means a person (other than a Benefit Plan Investor) with discretionary authority or control over the assets of the entity or who provides investment advice for a fee with respect to such assets (such as the Collateral Manager), and their respective Affiliates.

"Corporate Rescue Loan" means, as determined by the Collateral Manager, any interest in a loan or financing facility that is acquired directly by way of assignment, novation or indirectly by way of sub-participation, which is paying interest (and, if applicable, principal) on a current basis, has a Moody’s Rating determined in accordance with (a)(i) of the definition of Moody’s Rating of not lower than "Caa3" and either:

(i) is an obligation of a debtor in possession as described in § 1107 of the United States Bankruptcy Code or a trustee (if appointment of such trustee has been ordered pursuant to § 1104 of the United States Bankruptcy Code) (a “Debtor”) organised under the laws of the United States or any State therein, the terms of which have been approved by an order of the United States Bankruptcy Court, the United States District Court, or any other court of competent jurisdiction, the enforceability of which order is not subject to any pending contested matter or proceeding (as such terms are defined in the Federal Rules of Bankruptcy Procedure) and which order provides that (x) such Corporate Rescue Loan is secured by liens on the Debtor’s otherwise unencumbered assets pursuant to § 364(c)(2) of the United States Bankruptcy Code; or (y) such Corporate Rescue Loan is secured by liens of equal or senior priority on property of the Debtor’s estate that is otherwise subject to a lien pursuant to § 364(d) of the United States Bankruptcy Code; or (z) such Corporate Rescue Loan is secured by junior liens on the Debtor’s encumbered assets and such Corporate Rescue Loan is fully secured based upon a current valuation or appraisal report; or (zz) if the Corporate Rescue Loan or any portion thereof is unsecured, the repayment of such Corporate Rescue Loan retains priority over all other administrative expenses pursuant to § 364(c)(1) of the United States Bankruptcy Code; or

(ii) is a credit facility or other advance made available to a company or group not organised under laws of the United States or any State therein in a restructuring or insolvency process which constitutes the most senior secured obligations of the entity which is the Obligor thereof, provided such Obligor is not organised under the laws of the United States or any State therein and either (x) ranks pari passu in all respects with the other senior secured debt of the Obligor, provided that such facility is entitled to recover proceeds of enforcement of security shared with the other senior secured indebtedness (for example bonds) of the Obligor and its subsidiaries in priority to all such other senior secured indebtedness, or (y) achieves priority over other senior secured obligations of the Obligor otherwise than through the grant of security, such as pursuant to the operation of applicable insolvency legislation (including as an expense of the restructuring or insolvency process) or other applicable law.

"Corporate Services Provider" means Maples Fiduciary Services (Ireland) Limited.

"Counterparty Downgrade Collateral" means any cash and/or securities delivered to the Issuer as collateral for the obligations of a Hedge Counterparty under a Hedge Transaction.

"Counterparty Downgrade Collateral Account" means one or more accounts of the Issuer with the Custodian into which all Counterparty Downgrade Collateral received from a Hedge Counterparty (other than cash) is to be deposited or (as the case may be) account(s) of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland into which all Counterparty Downgrade Collateral (in the form of cash) is to be deposited. A separate Counterparty Downgrade Collateral Account shall be opened in respect of each Hedge Counterparty as and when required.

"Counterparty Downgrade Collateral Account Surplus" has the meaning given thereto in Condition 3(j)(iv)(B)(3) (Counterparty Downgrade Collateral Accounts).
"Coverage Test" means each of the Class A/B Par Value Test, the Class A/B Interest Coverage Test, the Class C Par Value Test, the Class C Interest Coverage Test, the Class D Par Value Test, the Class D Interest Coverage Test, the Class E Par Value Test and the Class F Par Value Test.

"Cov-Lite Loan" means a Collateral Debt Obligation that is an interest in a loan that in the reasonable judgment of the Collateral Manager (a) does not contain any financial covenants; or (b) requires the Obligor to comply with an Incurrence Covenant, but does not require the Obligor to comply with a Maintenance Covenant; provided that for all purposes (other than the determination of the S&P Recovery Rate in respect of a loan) such a Collateral Debt Obligation which either contains a cross default provision to or is pari passu with, another loan of the Obligor that requires the Obligor to comply with a Maintenance Covenant will be deemed not to be a Cov-Lite Loan where such compliance is required either (i) at all times during the life of such other obligation or (ii) only when such other obligation is funded upon the occurrence of a particular specified event.

"CRA Regulation" means Regulation EC 1060/2009 (as amended) on credit rating agencies.

"Credit Impaired Obligation" means any Collateral Debt Obligation that, in the Collateral Manager’s reasonable judgment, has a significant risk of declining in credit quality or price; provided that at any time during a Restricted Trading Period, a Collateral Debt Obligation will qualify as a Credit Impaired Obligation for purposes of sales of Collateral Debt Obligations only if: (i) such Collateral Debt Obligation has been downgraded by any Rating Agency at least one rating sub-category or has been placed and remains on a watch list for possible downgrade or on negative outlook by the Rating Agency since it was acquired by the Issuer; (ii) at least one of the Credit Impaired Obligation Criteria is satisfied with respect to such Collateral Debt Obligation; or (iii) the Controlling Class acting by way of Ordinary Resolution votes to treat such Collateral Debt Obligation as a Credit Impaired Obligation.

"Credit Impaired Obligation Criteria" means the criteria that will be met on any date of determination in respect of a Collateral Debt Obligation if any of the following apply to such Collateral Debt Obligation, as determined by the Collateral Manager in its discretion:

(i) if such Collateral Debt Obligation is a loan obligation or floating rate note, the price of such Collateral Debt Obligation has changed during the period from the date on which the Issuer entered into a binding commitment to purchase such Collateral Debt Obligation to the proposed date the Issuer intends to enter into a binding commitment to sell such Collateral Debt Obligation by a percentage which is (i) in the case of Senior Secured Loans or Senior Secured Bonds, either at least 0.25 per cent. more negative or at least 0.25 per cent. less positive and (ii) in the case of Senior Unsecured Obligations, Second Lien Loans or Mezzanine Obligations, either at least 0.50 per cent. more negative or at least 0.50 per cent. less positive, in each case, than the percentage change in the average price of an Eligible Loan Index;

(ii) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1.00 per cent. more negative or at least 1.00 per cent. less positive, as the case may be, than the percentage change in the Eligible Bond Index over the same period, as determined by the Collateral Manager;

(iii) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation which is a bond or security, the price of such Collateral Debt Obligation has decreased by at least 1.00 per cent. of the price paid by the Issuer for such Collateral Debt Obligation;
(iv) if such Collateral Debt Obligation is a loan obligation or a floating rate note, the spread over the applicable reference rate for such Collateral Debt Obligation has been increased in accordance with the underlying Collateral Debt Obligation since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by (1) 0.25 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) less than or equal to 2.00 per cent.), (2) 0.375 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 2.00 per cent. but less than or equal to 4.00 per cent.) or (3) 0.50 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 4.00 per cent.), due to a deterioration in the Obligor's financial ratios or financial results; or

(v) if such Collateral Debt Obligation has a projected cash flow interest coverage ratio (earnings before interest and taxes divided by cash interest expense as estimated by the Collateral Manager) of the Obligor of such Collateral Debt 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.

"Credit Improved Obligation" means any Collateral Debt Obligation which, in the Collateral Manager’s reasonable judgment, has significantly improved in credit quality after it was acquired by the Issuer provided that at any time during a Restricted Trading Period, a Collateral Debt Obligation will qualify as a Credit Improved Obligation only if: (i) it has been upgraded by any Rating Agency at least one rating sub category or has been placed and remains on a watch list for possible upgrade or on positive outlook by the Rating Agency since it was acquired by the Issuer; (ii) at least one of the Credit Improved Obligation Criteria is satisfied with respect to such Collateral Debt Obligation; or (iii) the Controlling Class acting by way of Ordinary Resolution votes to treat such Collateral Debt Obligation as a Credit Improved Obligation.

"Credit Improved Obligation Criteria" means the criteria that will be met on any date of determination in respect of a Collateral Debt Obligation if any of the following apply to such Collateral Debt Obligation, as determined by the Collateral Manager in its discretion:

(i) if such Collateral Debt Obligation is a loan obligation, a bond or security, the Sale Proceeds (excluding Sale Proceeds that constitute Interest Proceeds) of such loan obligation, bond or security would be at least 101.00 per cent. of the purchase price paid by the Issuer at the time of its acquisition;

(ii) if such Collateral Debt Obligation is a loan obligation, or floating rate note, the price of such loan obligation has changed during the period from the date on which the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation to the proposed sale date by a percentage either at least 0.25 per cent. more positive, or 0.25 per cent. less negative, as the case may be, than the percentage change in the average price of the applicable Eligible Loan Index over the same period;

(iii) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1.00 per cent. more positive or at least 1.00 per cent. less negative than the percentage change in the Eligible Bond Index over the same period, as determined by the Collateral Manager;

(iv) if such Collateral Debt Obligation is a loan obligation, the spread over the applicable reference rate for such Collateral Debt Obligation has been decreased in accordance with the underlying Collateral Debt Obligation since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by (1) 0.25 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) less than or equal to 2.00 per cent.),
(2) 0.375 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) greater than 2.00 per cent. but less than or equal to 4.00 per cent.) or (3) 0.50 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) greater than 4.00 per cent.) due, in each case, to an improvement in the Obligor’s financial ratios or financial results; or

(v) it has a projected cash flow interest coverage ratio (earnings before interest and taxes divided by cash interest expense as estimated by the Collateral Manager) of the Obligor of such Collateral Debt Obligation that is expected to be more than 1.15 times the current year’s projected cash flow interest coverage ratio.

"CRR" means Regulation (EU) No. 575/2013 as may be effective from time to time together with any amendments of any successor or replacement provisions included in any European Union directive or regulation.

"CRR Retention Requirements" means Articles 404 to 410 of the CRR, (in each case as implemented by the Member States of the European Union) and together with the Final Technical Standards and any other guidelines and technical standards published in relation thereto by the EBA or contained in any European Commission delegated regulation as may be effective from time to time, in each case together with any amendments to those provisions or any successor or replacement provisions included in any European Union directive or regulation.

"CRS" means the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the OECD, also known as the Common Reporting Standard, and any bilateral or multilateral competent authority agreements, intergovernmental agreements and treaties, laws, regulations, official guidance or other instrument facilitating the implementation thereof and any law implementing it.

"CRS Compliance" means compliance with CRS.

"CRS Compliance Costs" means the aggregate cumulative costs of the Issuer in achieving CRS Compliance, including the fees and expenses of the Collateral Manager and any other agent or appointee appointed by or on behalf of the Issuer in respect of the Issuer’s CRS Compliance.

"Current Pay Obligation" means any Collateral Debt Obligation (other than a Corporate Rescue Loan) that would otherwise be treated as a Defaulted Obligation but as to which no payments are due and payable that are unpaid and:

(i) the Collateral Manager believes, in its reasonable judgment, the Obligor of such Collateral Debt Obligation will continue to make scheduled payments of interest thereon in cash and will pay the principal thereof in cash by maturity or as otherwise contractually due;

(ii) if the Obligor is subject to a bankruptcy or insolvency proceedings, a bankruptcy court has authorised the payment of interest and principal payments when due thereunder;

(iii) the Collateral Debt Obligation has a Market Value of at least 80 per cent. of its outstanding principal amount; and

(iv) the Collateral Debt Obligation has either:

(A) a Moody’s Rating of "B3" or higher;

(B) a Moody’s Rating of at least "Caal" and a Market Value of (x) in the case of an Unhedged Collateral Debt Obligation, at least 80 per cent. of its Unhedged Principal
Balance, and (y) in the case of all other such Collateral Debt Obligations, at least 80 per cent. of its current Principal Balance; or

(C) a Moody’s Rating of at least "Caa2" and a Market Value of (x) in the case of an Unhedged Collateral Debt Obligation, at least 85 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Debt Obligations, at least 85 per cent. of its current Principal Balance,

provided that, (x) if the Moody’s Rating falls below the rating specified in (A), (y) if the Moody’s Rating or the Market Value falls below the rating or market value specified in (B), or (z) if the Moody’s Rating or the Market Value falls below the rating or market value specified in (C), as the case may be, such Collateral Debt Obligation shall be treated as Defaulted Obligation until such time as it becomes a Current Pay Obligation (by virtue of paragraphs (i), (ii) and (iv) above being satisfied).

"Custody Account" means the custody account or accounts held in the United Kingdom and in any event outside Ireland established on the books of the Custodian in accordance with the provisions of the Agency Agreement, which term shall include each securities account relating to each such Custody Account (if any).

"CVC Capital Portfolio Company" means a company in which one or more CVC Funds (i) has board representation; (ii) holds more than 25 per cent. of the share capital or (iii) has an economic interest in excess of €100,000,000.

"CVC Fund" means a fund managed and/or advised by the CVC Group.

"CVC Group" means CVC Capital Partners SICAV-FIS S.A. and each of its direct and indirect subsidiaries and their respective Affiliates but excluding (i) any funds managed and/or advised by any of the foregoing and (ii) any of the portfolio investments of any fund referenced in (i) above.

"Defaulted Deferring Mezzanine Obligation" means a Mezzanine Obligation which by its contractual terms provides for the deferral of interest and is a Defaulted Obligation.

"Defaulted Hedge Termination Payment" means any amount payable by the Issuer to a Hedge Counterparty upon termination of any Hedge Transaction, including any due and unpaid scheduled amounts thereunder in respect of which the Hedge Counterparty was either (x) the "Defaulting Party" (as defined in the applicable Hedge Agreement) or (y) the sole "Affected Party" (as such term is defined in the applicable Hedge Agreement) in respect of any termination event, howsoever described, resulting from a rating downgrade of the Hedge Counterparty and/or its failure or inability to take any specified action in relation to such rating downgrade within any specified period within the applicable Hedge Agreement, or in respect of a termination event that is a "Tax Event Upon Merger" (as defined in the applicable Hedge Agreement).

"Defaulted Mezzanine Excess Amounts" means the lesser of:

(i) the greater of (x) zero and (y) the aggregate of all amounts paid into the Principal Account in respect of each Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation, minus the sum of the principal amount of such Mezzanine Obligation outstanding immediately prior to receipt of such amounts plus any Purchased Accrued Interest relating thereto; and

(ii) all deferred interest paid in respect of each such Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation minus any Purchased Accrued Interest relating thereto.
"Defaulted Obligation" means a Collateral Debt Obligation as determined by the Collateral Manager:

(i) in respect of which there has occurred and is continuing a default with respect to the payment of interest or principal, disregarding any grace periods, waiver or forbearance applicable thereto provided that in the case of any Collateral Debt Obligation in respect of which the Collateral Manager has confirmed to the Trustee in writing that, to the knowledge of the Collateral Manager, such default has resulted from non-credit related causes, such Collateral Debt Obligation shall not constitute a "Defaulted Obligation" for the lesser of five Business Days, seven calendar days or any grace period applicable thereto, in each case which default entitles the holders thereof, with notice or passage of time or both, to accelerate the maturity of all or a portion of the principal amount of such obligation, but only until such default has been cured;

(ii) in respect of which any bankruptcy, insolvency or receivership proceeding has been initiated in connection with the Obligor of such Collateral Debt Obligation (provided that a Collateral Debt Obligation shall not constitute a Defaulted Obligation under this paragraph (ii) if it is a Current Pay Obligation);

(iii) in respect of which the Collateral Manager knows the Obligor thereunder is in default as to payment of principal and/or interest on another obligation, save for obligations constituting trade debts which the applicable Obligor is disputing in good faith, (and such default has not been cured), but only if both such other obligation and the Collateral Debt Obligation are full recourse, unsecured obligations, the other obligation is senior to, or pari passu with, the Collateral Debt Obligation in right of payment and the holders of such obligation have accelerated the maturity of all or a portion of such obligation;

(iv) which (i) has an Moody’s Rating of "Ca", "C" or below or (ii) has an S&P Rating of "CC", "SD" or "D" or below;

(v) which the Collateral Manager, acting on behalf of the Issuer, determines in its reasonable judgment should be treated as a Defaulted Obligation;

(vi) which would be treated as a Current Pay Obligation except that such Collateral Debt Obligation would result in the Aggregate Collateral Balance of all Collateral Debt Obligations which constitute Current Pay Obligations exceeding 5.00 per cent. of the Aggregate Collateral Balance (excluding Defaulted Obligations);

(vii) in respect of a Collateral Debt Obligation that is a Participation:

(A) the Selling Institution has defaulted in respect of any of its payment obligations under the terms of such Participation;

(B) the obligation which is the subject of such Participation would constitute a Defaulted Obligation if the Issuer had a direct interest therein; or

(C) the Selling Institution has (x) a Moody’s Rating of "Ca" or "C" or had such Moody’s Rating immediately prior to its withdrawal by Moody’s or (y) an S&P Rating of "CC", "SD" or "D" or below or in either case had such rating prior to its withdrawal of its S&P Rating; or

(viii) if the Obligor thereof offers holders of such Collateral Debt Obligation a new security, obligation or package of securities or obligations that amount to a diminished financial obligation (such as preferred or common stock, or debt with a lower coupon or amount) of such Obligor and in the
reasonable judgement of the Collateral Manager, such offer has the apparent purpose of helping the Obligor avoid default; provided, however, such obligation will cease to be a Defaulted Obligation under this paragraph if such new obligation is (x) a Restructured Obligation; and (y) such Restructured Obligation does not otherwise constitute a Defaulted Obligation pursuant to any other paragraph of the definition hereof.

provided that: (w) a Collateral Debt Obligation which is a Corporate Rescue Loan shall constitute a Defaulted Obligation if such Corporate Rescue Loan satisfies this definition of "Defaulted Obligation" other than paragraph (ii) and (viii) thereof; (x) if more than 5.00 per cent. of the Aggregate Collateral Balance constitutes Corporate Rescue Loans, the excess of Corporate Rescue Loans shall constitute Defaulted Obligations (provided further that, in determining which of the Corporate Rescue Loans are to be treated as Defaulted Obligations under this proviso; the Corporate Rescue Loans with the lowest Market Value shall be deemed to constitute the excess); (y) save in the case of paragraph (vi) above, a Collateral Debt Obligation which is a Current Pay Obligation shall not constitute a Defaulted Obligation (provided further that, in determining which of the Current Pay Obligations are to be treated as Defaulted Obligations under this proviso; the Current Pay Obligations with the lowest Market Value shall be deemed to constitute the excess); and (z) any Collateral Debt Obligation shall cease to be a Defaulted Obligation on the date such obligation no longer satisfies this definition of "Defaulted Obligation".

"Defaulted Obligation Excess Amounts" means in respect of a Defaulted Obligation, the greater of (i) zero and (ii) the aggregate of all amounts paid into the Principal Account in respect of such Defaulted Obligation for so long as it is a Defaulted Obligation, minus the sum of (a) the Principal Balance of such Defaulted Obligation outstanding immediately prior to receipt of such amounts and (b) any Purchased Accrued Interest in respect of such Defaulted Obligation.

"Deferred Interest" has the meaning given thereto in Condition 6(c)(i) (Deferred Interest).

"Deferred Senior Collateral Management Amounts" has the meaning given thereto in Condition 3(c)(i) (Application of Interest Proceeds).

"Deferred Subordinated Collateral Management Amounts" has the meaning given thereto in Condition 3(c)(i) (Application of Interest Proceeds).

"Deferring Security" and collectively "Deferring Securities" means a PIK Obligation that is deferring the payment of the current cash interest due thereon and has been so deferring the payment of such interest due thereon:

(i) with respect to Collateral Debt Obligations that have a Moody’s Rating of at least "Baa3" or a S&P Rating of at least "BBB-", for the shorter of two consecutive accrual periods or one year; and

(ii) with respect to Collateral Debt Obligations that have a Moody’s Rating of "Ba1" or below or a S&P Rating of "BB+" or below, for the shorter of one accrual period or six consecutive months,

which deferred capitalised interest has not, as of the date of determination, been paid in cash.

"Definitive Certificate" means a certificate representing one or more Notes in definitive, fully registered, form.

"Delayed Drawdown Collateral Debt Obligation" means a Collateral Debt Obligation that: (a) requires the Issuer to make one or more future advances to the borrower under the Underlying Instruments relating thereto; (b) specifies a maximum amount that can be borrowed; and (c) does not permit the re-borrowing of any amount previously repaid; but any such Collateral Debt Obligation will be a Delayed Drawdown
Collateral Debt Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"Determination Date" means the last Business Day of each Due Period, or in the event of any redemption of the Notes, following the occurrence of a Note Event of Default, five Business Days prior to the applicable Redemption Date.

"Discount Obligation" means any Collateral Debt Obligation that is not a Swapped Non-Disc

(i) in the case of any Floating Rate Collateral Debt Obligations, is acquired by the Issuer for a purchase price of less than (x) in the case of an Unhedged Collateral Debt Obligation, 80 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Debt Obligations, 80 per cent. of the Principal Balance of such Collateral Debt Obligation (or, if such interest has a Moody’s rating below "B3", such interest is acquired by the Issuer for a purchase price of less than 85 per cent. of its Principal Balance); provided that such Collateral Debt Obligation shall cease to be a Discount Obligation at such time as the Market Value (not being a Market Value determined by the Collateral Manager) of such Collateral Debt Obligation, as determined for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Debt Obligation equals or exceeds (x) in the case of an Unhedged Collateral Debt Obligation, 90 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Debt Obligations, 90 per cent. of the Principal Balance of such Collateral Debt Obligation; or

(ii) in the case of any Fixed Rate Collateral Debt Obligation, is acquired by the Issuer for a purchase price of less than (x) in the case of an Unhedged Collateral Debt Obligation, 75 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Debt Obligations, 75 per cent. of the Principal Balance of such Collateral Debt Obligation (or, if such interest has a Moody’s rating below "B3", such interest is acquired by the Issuer for a purchase price of less than 80 per cent. of its Principal Balance); provided that such Collateral Debt Obligation shall cease to be a Discount Obligation at such time as the Market Value (not being a Market Value determined by the Collateral Manager) of such Collateral Debt Obligation, as determined for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Debt Obligation, equals or exceeds (x) in the case of an Unhedged Collateral Debt Obligation, 85 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Debt Obligations, 85 per cent. of the Principal Balance of such Collateral Debt Obligation,

provided that:

(a) where the Principal Balance of a Collateral Debt Obligation is partially composed of a Discount Obligation, any sale, repayment or prepayment in respect of such Collateral Debt Obligation will be applied pro rata to (x) the discounted portion of such Collateral Debt Obligation and (y) the non-discounted portion of such Collateral Debt Obligation; and

(b) if such interest is a Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, the purchase price of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation for such purpose shall include an amount equal to the Unfunded Amount of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation which is required to be deposited in the Unfunded Revolver Reserve Account.

"Distribution" means any payment of principal or interest or any dividend or premium or other amount (including any proceeds of sale) or asset paid or delivered on or in respect of any Collateral Debt Obligation,
any Collateral Enhancement Debt Obligation, any Eligible Investment or any Exchanged Security, as applicable.

"Dodd-Frank Act" means the Dodd-Frank Wall Street Reform and Consumer Protection Act including any related regulation as may be amended, supplemented or replaced from time to time.

"Domicile" or "Domiciled" means with respect to any Obligor with respect to a Collateral Debt Obligation:

(i) except as provided in paragraph (ii) below, its country of organisation or incorporation; or

(ii) the jurisdiction and the country in which, in the Collateral Manager’s reasonable judgment, a substantial portion of such Obligor’s operations are located or from which the main portion of its revenue is derived, in each case directly or through subsidiaries (which shall be any jurisdiction and country known at the time of designation by the Collateral Manager to be the source of the majority of revenues, if any, of such Obligor).

"Drawdown Date" has the meaning given thereto in the Liquidity Facility Agreement.

"DTC" means The Depository Trust Company, its nominee or any successor thereto or replacement thereof.

"Due Period" means, with respect to any Payment Date, the period commencing on and including the day immediately following the eighth Business Day prior to the preceding Payment Date (or on the Issue Date, in the case of the Due Period relating to the first Payment Date after the Issue Date) and ending on and including the eighth Business Day prior to such Payment Date (or, in the case of the Due Period applicable to the Payment Date which is the Redemption Date of any Note, ending on and including the Business Day preceding such Payment Date).

"EBA" means the European Banking Authority (including any successor or replacement agency or authority).

"Eligibility Criteria" means the Eligibility Criteria specified in the Collateral Management Agreement which are required to be satisfied in respect of each Collateral Debt Obligation acquired by the Collateral Manager (on behalf of the Issuer) at the time of entering into a binding commitment to acquire such obligation and, in the case of Original Issue Date Collateral Debt Obligations, the Original Issue Date.

"Eligible Bond Index" means the Markit iBoxx EUR High Yield Index, the Credit Suisse Western European High Yield Index (or any subsequent names given to these indices) as chosen by the Collateral Manager or any other index proposed by the Collateral Manager, subject to Rating Agency Confirmation.

"Eligible Investments" means any investment denominated in Euro that is one or more of the following obligations or securities (other than obligations or securities which are zero coupon obligations or securities) and in the case of an obligation of a company incorporated or established in, or a sovereign issuer of, the United States, or otherwise bearing interest that arises, for U.S. federal income tax purposes, from sources within the United States, is in registered form for U.S. federal income tax purposes (or is not a "registration required obligation" as defined in Section 163(f) of the Code) at the time they are acquired including, without limitation, any Eligible Investments for which the Custodian or the Collateral Manager or an Affiliate of any of them provides services:

(i) direct obligations of, and obligations the timely payment of principal of and interest under which is fully and expressly guaranteed (such guarantee to comply with the current S&P criteria on guarantees) by, a Qualifying Country or any agency or instrumentality of a Qualifying Country, the obligations of which are fully and expressly guaranteed by a Qualifying Country (provided such
guarantee satisfies the then current S&P guarantee criteria) which in each case has a rating of not less than the applicable Eligible Investment Minimum Rating;

(ii) demand and time deposits in, certificates of deposit of and bankers’ acceptances issued by any depository institution (including the Account Bank) or trust company incorporated under the laws of a Qualifying Country with, in each case, a maturity of no more than 90 days, or following the occurrence of a Frequency Switch Event, 180 days and subject to supervision and examination by governmental banking authorities so long as the commercial paper and/or the debt obligations of such depository institution or trust company (or, in the case of the principal depository institution in a holding company system, the commercial paper or debt obligations of such holding company) and the relevant issuing depository institution or trust company (or holding company, if applicable) at the time of such investment or contractual commitment have a rating of not less than the applicable Eligible Investment Minimum Rating;

(iii) subject to receipt of Rating Agency Confirmation related thereto, unleveraged repurchase obligations with respect to:

(iv) any obligation described in paragraph (i) above; or

(v) any other security issued or guaranteed by an agency or instrumentality of a Qualifying Country, in either case entered into with a depository institution or trust company (acting as principal) described in paragraph (ii) above or entered into with a corporation (acting as principal) whose debt obligations are rated not less than the applicable Eligible Investments Minimum Rating at the time of such investment (and such guarantee, if applicable, complies with the relevant S&P criteria on guarantees);

(vi) securities bearing interest or sold at a discount to the face amount thereof issued by any corporation incorporated under the laws of a Qualifying Country that have a credit rating of not less than the Eligible Investments Minimum Rating at the time of such investment or contractual commitment providing for such investment;

(vii) commercial paper or other short-term obligations having, at the time of such investment, a credit rating of not less than the applicable Eligible Investments Minimum Rating and that either are bearing interest or are sold at a discount to the face amount thereof and have a maturity of not more than 92 days, or following the occurrence of a Frequency Switch Event, 183 days from their date of issuance;

(viii) offshore funds investing in the money markets rated, at all times, "AAAm" by S&P and "Aaa-mf" by Moody’s provided that such fund issues shares, units or participations that may be lawfully acquired in Ireland; and

(ix) any other investment similar to those described in paragraphs (i) to (viii) (inclusive) above:

(A) in respect of which Rating Agency Confirmation has been received as to its inclusion in the Portfolio as an Eligible Investment; and

(B) which has, in the case of an investment with a maturity of longer than 91 days, a long-term credit rating not less than the applicable Eligible Investment Minimum Rating,

and, in each case, such instrument or investment provides for payment of a predetermined fixed amount of principal on maturity that is not subject to change has a Collateral Debt Obligation Stated Maturity (giving effect to any applicable grace period) of no later than 365 days following the date of the Issuer’s acquisition
thereof and either (A) has a Collateral Debt Obligation Stated Maturity (giving effect to any applicable grace period) no later than the Business Day immediately preceding the next following Payment Date or (B) is capable of being liquidated at par on demand without penalty, provided, however, that Eligible Investments shall not include any mortgage backed security, interest only security, security subject to withholding or similar taxes, security rated with an "F", "r", "(sf)" or "t" subscript assigned by S&P or such other qualifying subscript published and assigned by S&P from time to time as may be applicable, or security purchased at a price in excess of 100 per cent. of par, security whose repayment is subject to substantial non credit related risk (as determined by the Collateral Manager in its discretion); provided further that only assets which are "qualifying assets" within the meaning of Section 110 of the Taxes Consolidation Act 1997 as amended of Ireland (the "TCA") and which do not give rise to stamp duty, stamp duty reserve tax or other transfer duties or taxes (except to the extent that such stamp duty, stamp duty reserve tax or other transfer duties or taxes are taken into account in deciding whether to acquire the assets) may constitute Eligible Investments.

"Eligible Investments Minimum Rating" means:

(i) for so long as any Notes rated by Moody’s are Outstanding:

(A) where such commercial paper or debt obligations do not have a short-term senior unsecured debt or issuer (as applicable) credit rating from Moody’s, a long-term senior unsecured debt or issuer (as applicable) credit rating of "Aaa" from Moody’s; or

(B) where such commercial paper or debt obligations have a short-term senior unsecured debt or issuer (as applicable) credit rating, such short-term rating is "P-1" from Moody’s and the long-term senior unsecured debt or issuer (as applicable) credit rating is at least "A1" from Moody’s;

(ii) for so long any Notes rated by S&P are Outstanding:

(A) in the case of Eligible Investments with a maturity of more than 60 calendar days:

(1) a long-term debt or issuer (as applicable) credit rating of at least "AA-" from S&P; or

(2) a short-term debt or issuer credit rating of at least "A-1+" from S&P; or

(3) such other ratings as confirmed by S&P; and

(B) in the case of Eligible Investments with a maturity of 60 calendar days or less:

(1) a short-term debt or issuer credit rating of at least "A-1" from S&P; or

(2) such other ratings as confirmed by S&P.

"Eligible Loan Index" means the S&P European Leveraged Loan Index, the Credit Suisse Western European leveraged Loan Index or any other index proposed by the Collateral Manager, subject to Rating Agency Confirmation.

"EMIR" means the European Market Infrastructure Regulation (Regulation (EU) No. 648/2012, including any implementing and/or delegated regulation (including the European Union (European Markets Infrastructure) Regulations 2014), technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"ESMA" means the European Securities and Markets Authority or any replacement thereof or successor thereto.

"EU Retention Requirements" means together, the CRR Retention Requirements, the AIFMD Retention Requirements and the Solvency II Retention Requirements.

"EURIBOR" means the rate determined in accordance with Condition 6(e) (Interest on the Notes).

"Euro", "Euros", "euro" and "€" means the lawful currency of the Member States of the European Union that have adopted and retain the single currency in accordance with the Treaty on the Functioning of the European Union, as amended from time to time; provided that if any member state or states ceases to have such single currency as its lawful currency (such member state(s) being the "Exiting State(s)"), the euro shall, for the avoidance of doubt, mean for all purposes the single currency adopted and retained as the lawful currency of the remaining member states and shall not include any successor currency introduced by the Exiting State(s).

"Euroclear" means Euroclear Bank S.A./N.V., as operator of the Euroclear system.

"Euro zone" means the region comprised of Member States of the European Union that have adopted the single currency in accordance with the Treaty on the Functioning of the European Union, as amended.

"Excess CCC/Caa Adjustment Amount" means, as of any date of determination, an amount equal to the greater of zero and an amount equal to:

(i) the Aggregate Principal Balance of all Collateral Debt Obligations included in the CCC/Caa Excess; minus

(ii) aggregate of, with respect to the Collateral Debt Obligations included in the CCC/Caa Excess, the product of (1) the Principal Balance of each such Collateral Debt Obligation and (2) the Market Value of each such Collateral Debt Obligation.

"Excess Par Amount" means an amount, determined as of the Issue Date, equal to (i) the Adjusted Collateral Principal Amount, less (ii) the Target Par Amount, provided that such amount may not be less than zero.


"Exchanged Security" means any of: (a) an equity security which is not a Collateral Enhancement Debt Obligation and which is delivered to the Issuer upon acceptance of an Offer in respect of a Defaulted Obligation or received by the Issuer as a result of restructuring of the terms in effect as of the later of the Original Issue Date or date of issuance of the relevant Collateral Debt Obligation and (b) a Collateral Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) which does not satisfy the Restructured Obligation Criteria on the Restructuring Date.

"Expense Reserve Account" means the account described as such in the name of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland.
"Extraordinary Resolution" means an extraordinary resolution as described in Condition 14 (Meetings of Noteholders, Modification, Waiver and Substitution) and as further described in, and as defined in, the Trust Deed.

"FATCA" means:

(i) Sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 (the "Code") or any associated regulations or other official guidance;

(ii) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or official guidance referred to in paragraph (i) above; or

(iii) any agreement pursuant to the implementation of any treaty, law, regulation, official guidance or intergovernmental agreement referred to in paragraphs (i) or (ii) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

"FATCA Compliance" means compliance with FATCA.

"FATCA Compliance Costs" means the aggregate cumulative costs of the Issuer of achieving FATCA Compliance, including the fees and expenses of the Collateral Manager and any other agent or appointee appointed by or on behalf of the Issuer in respect of the Issuer’s FATCA Compliance.

"Fee Basis Amount" means an amount equal to the weighted average Aggregate Collateral Balance during the related Due Period.

"Final Technical Standards" means Delegated Regulation (EU) No. 625/2014 of 13 March 2014 supplementing the CRR.

"Fitch" means Fitch Ratings Limited, and any successor or successors thereto.

"Fixed Rate Collateral Debt Obligation" means any Collateral Debt Obligation that bears a fixed rate of interest.

"Fixed Rate Notes" means the Class B-2 Notes.

"Floating Rate Collateral Debt Obligation" means any Collateral Debt Obligation that bears a floating rate of interest.

"Floating Rate Notes" means the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

"Floating Rate of Interest" has the meaning given thereto in Condition 6(e)(i) (Floating Rate of Interest).

"Foreign Safe Harbour" means the exemption provided for in Section _.20 of the U.S. Risk Retention Rules.

"Form Approved Asset Swap" means an Asset Swap Transaction and the related Asset Swap Agreement, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the name and financial aspects of the related Collateral Debt Obligation, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form for which Rating
Agency Confirmation has been received by the Issuer or which has been approved by the Rating Agencies from time to time, provided that such approval shall be deemed to have been so received in respect of any such form approved by the Rating Agencies prior to the Issue Date unless otherwise notified to the Collateral Manager (acting on behalf of the Issuer) by a Rating Agency prior to entering into a new Asset Swap Transaction.

"Form Approved Interest Rate Hedge" means an Interest Rate Hedge Transaction and the related Interest Rate Hedge Agreement, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the applicable floating rate index, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form approved by the Rating Agencies from time to time, provided that such approval shall be deemed to have been so received in respect of any such form for which Rating Agency Confirmation has been received by the Issuer or which has been approved by the Rating Agencies prior to the Issue Date unless otherwise notified to the Collateral Manager (acting on behalf of the Issuer) by a Rating Agency prior to entering into a new Interest Rate Hedge Transaction.

"Frequency Switch Event" shall occur if, on any Frequency Switch Measurement Date:

(i) (A) the Aggregate Principal Balance (for which purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value) of Collateral Debt Obligations that reset so as to become Semi-Annual Obligations or Annual Obligations in the previous Due Period (or where such Due Period is the first Due Period, in the last three months of such Due Period), is greater than or equal to 20 per cent. of the Aggregate Collateral Balance (for which purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value); (B) the Class A/B Interest Coverage Ratio is less than 101 per cent. (and provided that for such purpose, paragraph (ii) and paragraph (vii) of the definition of Interest Coverage Amount shall be deemed to be equal to zero), as calculated by the Collateral Administrator in consultation with, and notified to, the Collateral Manager and notified to the Issuer; and (C) for so long as any of the Class X Notes, the Class A Notes or the Class B Notes remain outstanding, the Class A/B Interest Coverage Ratio being greater than 101 per cent. (and provided for such purpose, (1) paragraphs (ii) and (vii) of the definition of Interest Coverage Amount shall be deemed to be equal to zero (2) accrued interest of Semi-Annual Obligations and Annual Obligations referred to in (i)(A) above shall be added to the numerator of the Class A/B Interest Coverage Ratio and (3) amounts standing to the credit of the Principal Account shall be added to the numerator of the Class A/B Interest Coverage Ratio); or

(ii) the Collateral Manager declares in its sole discretion that a Frequency Switch Event shall have occurred provided that (A) such election may only be made by the Collateral Manager for the purposes of the liquidity of the Issuer and (B) such election may not be made if the Class A/B Interest Coverage Ratio is less than 101 per cent. (and provided that for such purpose, paragraph (ii) and paragraph (vii) of the definition of Interest Coverage Amount shall be deemed to be equal to zero), as calculated by the Collateral Administrator in consultation with, and notified to, the Collateral Manager and notified to the Issuer, and would have been less than such level if calculated on such basis if no Collateral Debt Obligations have been reset so as to become Semi-Annual Obligations or Annual Obligations in the previous Due Period (or where such Due Period is the first Due Period, in the last three months of such Due Period),

in each case notified in writing by the Collateral Manager to the Rating Agencies, the Calculation Agent, the Issuer, the Principal Paying Agent, the Trustee, the Transfer Agent and the Registrar, and, (with respect to the occurrence of a Frequency Switch Event pursuant to paragraph (ii) above), the Collateral Administrator.

"Frequency Switch Measurement Date" means each Determination Date, provided that following the occurrence of a Frequency Switch Event, no further Frequency Switch Measurement Date shall occur.
"Funded Amount" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation at any time, the aggregate principal amount of advances or other extensions of credit to the extent funded thereunder by the Issuer that are outstanding at such time.

"Global Certificate" means a certificate representing one or more Notes in global, fully registered form.

"Hedge Agreement" means any Interest Rate Hedge Agreement and/or Asset Swap Agreement, as applicable.

"Hedge Agreement Eligibility Criteria" means, at the time a Hedge Transaction is entered into, each of the following is true:

(i) the relevant Hedge Transaction is an interest rate swap or cross-currency swap transaction (or both) and is being entered into solely to hedge interest rate risk, timing mismatch or currency risk (or any combination of these) on the relevant Collateral Debt Obligation;

(ii) the relevant Hedge Transaction relates to a single Collateral Debt Obligation only, although multiple Hedge Transactions with the same counterparty may be entered into under a single master hedge agreement;

(iii) the relevant Hedge Transaction does not change the tenor of the subject matter of the Collateral Debt Obligation;

(iv) the relevant Hedge Transaction does not leverage exposure to the relevant Collateral Debt Obligation or otherwise inject leverage into the Issuer's exposure;

(v) other than with respect to introducing credit risk exposure to the counterparty on the Hedge Transaction, the relevant Hedge Transaction does not change the Issuer's credit risk exposure to the Obligor on the relevant Collateral Debt Obligation;

(vi) the relevant Hedge Transaction is documented pursuant to an ISDA Master Agreement, including pursuant to a confirmation for each Hedge Transaction thereunder;

(vii) payment dates under the relevant Hedge Transaction correspond to or occur on or about Payment Dates or the relevant Collateral Debt Obligation payment dates;

(viii) the notional amount of the relevant Hedge Transaction will decline in line with the principal amount of the relevant Collateral Debt Obligation;

(ix) in the Collateral Manager's view, in the context of the transaction as a whole, the relevant Hedge Transaction will not change the Noteholders' investment experience in any material way by virtue thereof; and

(x) either (i) the relevant Hedge Transaction must terminate automatically in whole or in part (as applicable) when the relevant Collateral Debt Obligation is sold or matures; or (ii) the Issuer must have the right to terminate the relevant Hedge Transaction in whole or in part (as applicable) when the subject matter Collateral Debt Obligation is sold or matures and at the time the relevant Hedge Transaction is entered into the Collateral Manager intends to cause the Issuer to exercise such right.

"Hedge Counterparty" means any Interest Rate Hedge Counterparty or Asset Swap Counterparty, as applicable.
"Hedge Replacement Payment" means any Interest Rate Hedge Replacement Payment or Asset Swap Replacement Payment, as applicable.

"Hedge Replacement Receipt" means any Interest Rate Hedge Replacement Receipt or Asset Swap Replacement Receipt, as applicable.

"Hedge Termination Account" means the account described as such in the name of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland.

"Hedge Termination Payment" means any Interest Rate Hedge Termination Payment or Asset Swap Termination Payment, as applicable.

"Hedge Termination Receipt" means any Interest Rate Hedge Termination Receipt or Asset Swap Termination Receipt, as applicable.

"Hedge Transaction" means any Interest Rate Hedge Transaction or Asset Swap Transaction, as applicable.

"High Yield Bond" means a debt security other than a Senior Secured Bond which, on acquisition by the Issuer, is either rated below investment grade by at least one internationally recognised credit rating agency (provided that, if such debt security is, at any time following acquisition by the Issuer, no longer rated by at least one internationally recognised credit rating agency as below investment grade it will not, as a result of such change in rating, fall outside this definition) or which is a high yielding debt security, in each case as determined by the Collateral Manager, excluding any debt security which is secured directly on, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar security.

"Incentive Collateral Management Fee" means the fee payable to the Collateral Manager (exclusive of VAT) pursuant to the Collateral Management Agreement in an amount, as determined by the Collateral Administrator, equal to the amount specified at paragraph (DD) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments and paragraph (AA) of the Post-Acceleration Priority of Payments provided that such amount will only be payable to the Collateral Manager if the Incentive Collateral Management Fee IRR Threshold has been reached.

"Incentive Collateral Management Fee IRR Threshold" means the threshold which will have been reached on the relevant Payment Date (after giving effect to all payments in respect of the Subordinated Notes to be made on such Payment Date) if the Subordinated Notes Outstanding have received (for the avoidance of doubt, from and including the Original Issue Date) an annualised internal rate of return ("IRR") (computed using the "XIRR" function in Microsoft® Excel or an equivalent function in another software package and assuming for this purpose that all Subordinated Notes were purchased on the Original Issue Date at a price equal to the Subordinated Notes Initial Offer Price Percentage of the principal amount thereof) of at least 12 per cent. on the Principal Amount Outstanding of the Subordinated Notes on the Original Issue Date, provided that any additional issuances of the Subordinated Notes pursuant to Condition 17 (Additional Issuance) shall be included for the purpose of calculating the Incentive Collateral Management Fee IRR Threshold at their issue price (which, for the avoidance of doubt, shall be treated as negative cashflows) and issue date and not the Subordinated Notes Initial Offer Price Percentage.

"Incurrence Covenant" means a covenant by any Obligor to comply with one or more financial covenants only upon the occurrence of certain actions of the Obligor, including a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.
"Initial Drawdown" means the aggregate amounts that the Issuer has drawn in accordance with the terms of the Liquidity Facility Agreement for the payment of any shortfall in the amount of Interest Proceeds available to pay amounts due and payable in accordance with paragraphs (A) through (DD) (inclusive) (other than amounts payable to the Liquidity Facility Provider pursuant to paragraph (E)) of the Interest Proceeds Priority of Payments on any Payment Date.

"Initial Ratings" means in respect of any Class of Notes and any Rating Agency, the ratings assigned to such Class of Notes by such Rating Agency as at the Issue Date and "Initial Rating" means each such rating.

"Interest Account" means the account described as such in the name of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland.

"Interest Amount" means in respect of a Class of Notes:

(i) in the case of the Floating Rate Notes, the amount calculated by the Calculation Agent in accordance with Condition 6(e)(ii) (Determination of Floating Rate of Interest and Calculation of Interest Amount);

(ii) in the case of the Fixed Rate Notes, the amount calculated by the Calculation Agent in accordance with Condition 6(e)(iii) (Calculation of Class B-2 Fixed Amounts); and

(iii) in the case of the Subordinated Notes, the amount calculated by the Collateral Administrator in accordance with Condition 6(e)(v) (Interest Proceeds in respect of Subordinated Notes).

"Interest Coverage Amount" means, on any particular Measurement Date:

(i) the Balance standing to the credit of the Interest Account;

plus

(ii) the sum of all scheduled interest payments (including (X) any commitment fees due but not yet received in respect of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations, (Y) any amounts which the applicable Obligor has agreed or is required to pay by way of a gross-up in respect of amounts withheld at source or otherwise deducted in respect of taxes and (Z) any amounts which the Collateral Manager reasonably determines will be received within the same Due Period by way of recovery from an applicable tax authority under a double tax treaty) due but not yet received (in each case regardless of whether the applicable due date has yet occurred) in the Due Period in which such Measurement Date occurs on the Collateral Debt Obligations, the Eligible Investments and the Accounts (other than the Counterparty Downgrade Collateral Account, but including interest on third party collateral accounts of the kind referred to in Condition 3(j)(ii)(I) (Interest Account)), but excluding:

(A) accrued and unpaid interest on Defaulted Obligations (excluding Current Pay Obligations) unless such amounts constitute Defaulted Obligation Excess Amounts or Defaulted Mezzanine Excess Amounts;

(B) interest on any Collateral Debt Obligation to the extent that such Collateral Debt Obligation does not provide for the scheduled payment of interest in cash;

(C) any amounts, to the extent that such amounts if not paid, will not give rise to a default under the relevant Collateral Debt Obligation;
any amounts expected to be withheld at source or otherwise deducted in respect of taxes unless such withholding or deduction can be sheltered by application being made under the applicable double tax treaty or otherwise;

interest on any Collateral Debt Obligation which has not paid cash interest on a current basis in respect of the lesser of (A) twelve months and (B) the two most recent interest periods;

any scheduled interest payments as to which the Issuer or the Collateral Manager has actual knowledge that such payment will not be made;

any Purchased Accrued Interest;

with respect to Mezzanine Obligations and PIK Obligations, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Obligation,

provided that, in respect of a Non-Euro Obligation (1) that is an Asset Swap Obligation, this paragraph (ii) shall be deemed to refer to the related Scheduled Periodic Asset Swap Counterparty Payment, subject to the exclusions set out above and (2) that is an Unhedged Collateral Debt Obligation, the amount taken into account for this paragraph (ii) shall be an amount equal to (X) if such Unhedged Collateral Debt Obligation was purchased in the Primary Market, has been an Unhedged Collateral Debt Obligation for less than 90 calendar days since the date of settlement thereof, and as long as the Rated Notes are rated by Moody’s and/or S&P, 50.0 per cent. of the scheduled interest payments referred to above due but not yet received in respect of such Unhedged Collateral Debt Obligation (subject to the exclusions set out above), converted into Euro at the then prevailing Applicable Exchange Rate, and (Y) otherwise zero, provided that in the case of below, if the Aggregate Collateral Balance (after giving effect to the purchase of any unsettled Unhedged Collateral Debt Obligation and calculating the principal balance thereof in accordance with the provisions of the Principal Balance for Unhedged Collateral Debt Obligations) is less than the Reinvestment Target Par Amount, such amount shall be deemed to be zero, and provided further that in the case of below, if the Unhedged Aggregate Principal Balance exceeds 2.5 per cent. of the Aggregate Collateral Balance, such amount shall be multiplied by 2.5 per cent. of the Aggregate Collateral Balance and divided by the Unhedged Aggregate Principal Balance; and

minus the amounts payable pursuant to paragraphs (A) through (G) of the Interest Proceeds Priority of Payments on the following Payment Date;

minus any of the above amounts that would be payable into the Interest Smoothing Account on the Business Day after the Determination Date at the end of the Due Period in which such Measurement Date falls;

plus any amounts that would be payable from the Interest Smoothing Account to the Interest Account in the Due Period in which such Measurement Date falls (without double counting any such amounts which have been already transferred to the Interest Account);

plus any Scheduled Periodic Interest Rate Hedge Counterparty Payments payable to the Issuer under any Hedge Transaction but to the extent not already included in accordance with (i) above; and
(vii) plus any amounts which can be drawn under the Liquidity Facility Agreement after taking into account the amount currently outstanding that is not expected to be repaid under (iii) above; and

(viii) minus any interest in respect of a PIK Obligation that has been deferred (but only to the extent such amount has not already been excluded in accordance with (ii)(B), (C), (E), (H), above).

For the purposes of calculating any Interest Coverage Amount, the expected or scheduled interest income on Floating Rate Collateral Debt Obligations and Eligible Investments and the expected or scheduled interest payable on any Class of Notes and on any relevant Account shall be calculated using then current interest rates applicable thereto.

"Interest Coverage Ratio" means the Class A/B Interest Coverage Ratio, the Class C Interest Coverage Ratio and the Class D Interest Coverage Ratio (as applicable). For the purposes of calculating an Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the relevant Rated Notes will be calculated using the then current interest rates applicable thereto.

"Interest Coverage Test" means the Class A/B Interest Coverage Test, the Class C Interest Coverage Test and the Class D Interest Coverage Test (as applicable).

"Interest Determination Date" means the second Business Day prior to the commencement of each Accrual Period.

"Interest Diversion Test" means the test which will apply as of any Measurement Date during the Reinvestment Period which will be satisfied on such Determination Date if the Class F Par Value Ratio is at least equal to 104.38 per cent.

"Interest Proceeds" means all amounts paid or payable into the Interest Account from time to time and, with respect to any Payment Date, means any Interest Proceeds received or receivable by the Issuer during the related Due Period to be disbursed pursuant to the Interest Proceeds Priority of Payments on such Payment Date, together with any other amounts to be disbursed out of the Payment Account as Interest Proceeds on such Payment Date pursuant to Condition 3(i) (Accounts) or Condition 11 (Enforcement). Any Initial Drawdowns or Subsequent Drawdowns paid into the Payment Account shall constitute Interest Proceeds.

"Interest Proceeds Priority of Payments" means the priority of payments in respect of Interest Proceeds set out in Condition 3(c)(i) (Application of Interest Proceeds).

"Interest Rate Hedge Agreement" means a 1992 ISDA Master Agreement (Multicurrency-Cross-Border) or a 2002 ISDA Master Agreement (or such other ISDA pro forma Master Agreement as may be published by ISDA from time to time), together with the schedule and confirmations relating thereto including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof, each as amended or supplemented from time to time, and entered into by the Issuer with an Interest Rate Hedge Counterparty which shall govern one or more Interest Rate Hedge Transactions entered into by the Issuer and such Interest Rate Hedge Counterparty (including any Replacement Interest Rate Hedge Transaction).

"Interest Rate Hedge Counterparty" means each financial institution with which the Issuer enters into an Interest Rate Hedge Agreement or any permitted assignee or successor thereto under the terms of the related Interest Rate Hedge Agreement and in each case which satisfies, at the time of entry into the relevant Interest Rate Hedge Transaction, the applicable Rating Requirement (or whose obligations are guaranteed by a guarantor which satisfies the applicable Rating Requirement).
"Interest Rate Hedge Replacement Payment" means any amount payable to an Interest Rate Hedge Counterparty by the Issuer upon entry into a Replacement Interest Rate Hedge Transaction which is replacing an Interest Rate Hedge Transaction which was terminated.

"Interest Rate Hedge Replacement Receipt" means any amount payable to the Issuer by an Interest Rate Hedge Counterparty upon entry into a Replacement Interest Rate Hedge Transaction which is replacing an Interest Rate Hedge Transaction which was terminated.

"Interest Rate Hedge Termination Payment" means the amount payable to an Interest Rate Hedge Counterparty by the Issuer upon termination or modification of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement excluding, for purposes other than payment by the Issuer, any due and unpaid scheduled amounts payable thereunder.

"Interest Rate Hedge Termination Receipt" means the amount payable by an Interest Rate Hedge Counterparty to the Issuer upon termination of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement, excluding, for purposes other than payment to the applicable Account to which the Issuer shall credit such amounts, the portion thereof representing any due and unpaid scheduled amounts payable thereunder.

"Interest Rate Hedge Transaction" means each interest rate protection transaction, which may be an interest rate swap transaction, an interest rate cap, an interest rate floor transaction, or an asset specific interest rate swap, including for the avoidance of doubt any Issue Date Interest Rate Hedge Transaction, in each case, entered into under an Interest Rate Hedge Agreement.

"Interest Smoothing Account" means the account described as such in the name of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland.

"Interest Smoothing Amount" means, in respect of each Determination Date on or following the occurrence of a Frequency Switch Event, zero and, in respect of each other Determination Date and for so long as any Rated Notes are Outstanding, an amount equal to the sum of:

(a) (i) $0.5; multiplied by

(ii) an amount equal to:

(A) the sum of all payments of interest received during the related Due Period in respect of each Semi-Annual Obligation; minus

(B) the sum of all payments of interest scheduled to be received during the immediately following Due Period in respect of each Semi-Annual Obligation, plus

(b) (i) $0.5; multiplied by

(ii) an amount equal to:

(A) the sum of all payments of interest received during the related Due Period in respect of each Annual Obligation; minus

(B) the sum of all payments of interest scheduled to be received during the immediately following Due Period in respect of each Annual Obligation,

provided that, in each case, excluding all interest and other amounts received in respect of any Defaulted Obligations; and (x) such amount may not be less than zero and (y) following redemption in full of the
Rated Notes or if the Aggregate Principal Balance of the Semi-Annual Obligations and Annual Obligations is less than or equal to 5.0 per cent. of the Aggregate Collateral Balance (for such purpose, the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value), such amount shall be deemed to be zero.

"Intermediary Obligation" means an interest in relation to a loan which is structured to be acquired indirectly by lenders therein at or prior to primary syndication thereof, including pursuant to a collateralised deposit or guarantee, a sub-participation or other arrangement which has the same commercial effect and in each case, in respect of any obligation of the lender to a "fronting bank" in respect of non-payment by the Obligor, is 100 per cent. collateralised by such lenders.

"Investment Company Act" means the United States Investment Company Act of 1940, as amended.

"Irish Stock Exchange" means the Irish Stock Exchange plc.

"Internal Revenue Service" means the United States Internal Revenue Service or any successor thereto.

"ISDA" means the International Swaps and Derivatives Association, Inc.

"Issue Date" means 21 July 2017 (or such other date as may shortly follow such date as may be agreed between the Issuer and the Placement Agent and is notified in writing to the Trustee, the Collateral Administrator and the Noteholders in accordance with Condition 16 (Notices) and the Irish Stock Exchange).

"Issue Date Interest Rate Hedge Transactions" means the Interest Rate Hedge Transactions, (if any) entered into by the Issuer on or around the Issue Date.

"Issuer Irish Account" means the account in the name of the Issuer wherein the Issuer Profit Amount is retained.

"Issuer Profit Amount" means the payment on each Payment Date of €250, or, following the occurrence of a Frequency Switch Event, of €500, subject always to an aggregate maximum amount of €1,000 per annum, to the Issuer as a fee for entering into the transaction.

"Liquidity Drawing" means a loan made or to be made under the Liquidity Facility Agreement or deemed to be made under the Liquidity Facility Agreement including any Initial Drawdown and/or any Subsequent Drawdown.

"Liquidity Facility" means the liquidity facility granted by the Liquidity Facility Provider to the Issuer pursuant to the Liquidity Facility Agreement.

"Liquidity Facility Agreement" means an agreement dated the Issue Date between, amongst others, the Issuer, the Collateral Manager and the Liquidity Facility Provider.

"Liquidity Facility Commitment Period" means the period from (and including) the Issue Date to (but excluding) the Liquidity Facility Commitment Period End Date.
"Liquidity Facility Commitment Period End Date" means the earliest of:

(i) the Business Day that is immediately preceding the date that is four years from the Issue Date, unless the Liquidity Facility Commitment Period is renewed for one or two additional one year periods in accordance with the Liquidity Facility Agreement;

(ii) the date on which the Liquidity Facility is cancelled in its entirety in accordance with its terms; and

(iii) the date on which the Rated Notes are redeemed in full,

or, in each case, if such day is not a Business Day, the Business Day immediately prior to such day.

"Liquidity Facility Provider" means Citibank, N.A. London Branch in its capacity as the liquidity facility provider under the Liquidity Facility Agreement or such other person who may from time to time act as the liquidity facility provider under the Liquidity Facility Agreement.

"Liquidity Payment" means all interest and principal amounts and commitment fees due and payable by the Issuer to the Liquidity Facility Provider under the Liquidity Facility Agreement.

"Maintenance Covenant" means, as of any date of determination, a covenant by any Obligor to comply with one or more financial covenants during each reporting period applicable to the related loan, whether or not any action by, or event relating to, such Obligor occurs after such date of determination.

"Mandatory Redemption" means a redemption of the Notes pursuant to and in accordance with Condition 7(c) (Mandatory Redemption upon Breach of Coverage Tests).

"Margin Stock" has the meaning given to it in the Collateral Management Agreement.

"Market Value" means, on any date of determination and as provided by the Collateral Manager to the Collateral Administrator (in each case, expressed as a percentage of par):

(i) the bid price determined by an independent recognised pricing service; or

(ii) provided if the bid price determined in paragraph (i) above is, in the reasonable business judgement of the Collateral Manager inaccurate or if such independent recognised pricing service is not available, the mean of the bid prices (excluding accrued interest) determined by three independent broker-dealers active in the trading of such Collateral Debt Obligations; or

(iii) if three such broker-dealer prices are not available, the lower of the bid side prices (excluding accrued interest) determined by two such broker-dealers; or

(iv) if two such broker-dealer prices are not available, the bid side price (excluding accrued interest) determined by one independent broker-dealer (unless, in each case, the fair market value thereof determined by the Collateral Manager pursuant to paragraph (v) below would be lower); or

(v) if the determinations of such broker-dealers or independent recognised pricing service are not available, then the lower of:

   (A) the higher of:
(1) the lower of: (x) the Moody's Recovery Rate of such Collateral Debt Obligation and (y) the S&P Recovery Rate of such Collateral Debt Obligation; and

(2) 70.00 per cent.; and

(B) the fair market value thereof determined by the Collateral Manager on a best efforts basis (x) in a manner consistent with reasonable and customary market practice, (y) in a manner consistent with any determination the Collateral Manager applies with respect to any other similar obligation managed by the Collateral Manager, and (z) using the same fair market value as is assigned by the Collateral Manager to such Collateral Debt Obligation for all other purposes, in each case, as notified to the Collateral Administrator on the date of determination thereof, provided that if the Collateral Manager or the Collateral Sub-Manager is not subject to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 (or other comparable regulation), where the Market Value is determined by the Collateral Manager or the Collateral Sub-Manager in accordance with this paragraph (v)(B), such Market Value shall only be valid for 30 days; and

(vi) if the Market Value of an asset is not determined in accordance with paragraphs (i), (ii), (iii), (iv) or (v) above, then the Market Value will be deemed to be zero until such determination is made in accordance with paragraphs (i), (ii), (iii), (iv) or (v) above and if any Market Value determined in accordance with paragraph (v)(B) above, is no longer valid and the Market Value cannot be ascertained by broker-dealers or an independent recognised pricing service then the Market Value shall be deemed to be zero,

provided however that:

(i) the purposes of this definition, "independent" shall mean: (A) that each pricing service and broker-dealer from whom a bid price is sought is independent from each of the other pricing service and broker-dealers from whom a bid price is sought and (B) each pricing service and broker dealer is not an Affiliate of the Collateral Manager and is not a CVC Capital Portfolio Company in which one or more funds managed or advised by the Collateral Manager or an Affiliate thereof holds an interest;

(ii) where the Collateral Debt Obligation is a Non-Euro Obligation, the market value of the applicable Non-Euro Obligation shall be determined as provided above, multiplied by the Applicable Exchange Rate; and

(iii) in respect of Discount Obligations and Swapped Non-Discount Obligations, the Market Value calculated in accordance with (vi) above shall only be valid for 30 days, after which time if the Market Value cannot be ascertained by a third party the Market Value shall be deemed to be zero.

"Maturity Amendment" means with respect to any Collateral Debt Obligation, any waiver, modification, amendment or variance that would extend the Collateral Debt Obligation Stated Maturity of such Collateral Debt Obligation (whether by way of amendment and restatement of the existing facility or novation or substitution on substantially the same terms save for the maturity amendment). For the avoidance of doubt, a waiver, modification, amendment or variance that would extend the Collateral Debt Obligation Stated Maturity of the credit facility of which a Collateral Debt Obligation is part, but would not extend the Collateral Debt Obligation Stated Maturity of the Collateral Debt Obligation held by the Issuer, does not constitute a Maturity Amendment.
"Maturity Date" means 21 July 2030 or, if that day is not a Business Day, the next succeeding Business Day.

"Measurement Date" means:

(i) for the purposes of determining satisfaction of the Reinvestment Criteria, any Business Day on which such criteria are required to be determined, which determination shall be made, firstly, by reference immediately prior to receipt of any Principal Proceeds which are to be reinvested without taking into account and, secondly, taking into account on a projected basis, the proposed sale of Collateral Debt Obligations and reinvestment of the Sale Proceeds thereof in Substitute Collateral Debt Obligations;

(ii) the date of acquisition of any additional Collateral Debt Obligation;

(iii) each Determination Date;

(iv) the date as at which any Report is prepared;

(v) with reasonable (and not less than five Business Days’) written notice to the Issuer and the Trustee, any Business Day requested by any Rating Agency then rating any Class of Notes Outstanding.

"Mezzanine Obligation" means a mezzanine loan obligation or other comparable debt obligation, including any such loan obligation with attached warrants and any such obligation which is evidenced by an issue of notes (other than High Yield Bonds), as determined by the Collateral Manager in its reasonable judgment, or a Participation therein.

"Minimum Denomination" means:

(i) in the case of the Regulation S Notes of each Class €100,000; and

(ii) in the case of the Rule 144A Notes of each Class, €250,000.

"Minimum Weighted Average Spread Test" has the meaning given to it in the Collateral Management Agreement.

"Moody’s" means Moody’s Investors Service Ltd and any successor or successors thereto.

"Moody’s Caa Obligations" means all Collateral Debt Obligations, excluding Defaulted Obligations, with a Moody’s Rating of "Caa1" or lower.

"Moody’s Collateral Value" means:

(i) for each Defaulted Obligation and Deferring Security on or after the earlier to occur of (x) the date which falls 90 days after the Collateral Debt Obligation becomes a Defaulted Obligation or Deferring Security and (y) where a Determination Date falls in the 90 day period referred to in (x), the date which falls 30 days after the Collateral Debt Obligation becomes a Defaulted Obligation or Deferring Security, the lower of:

   (A) its prevailing Market Value; and

   (B) the relevant Moody’s Recovery Rate,
multiplied by its Principal Balance; or

(ii) in the case of any other applicable Collateral Debt Obligation (including any Defaulted Obligation or Deferring Security not falling in paragraph (i) above), the relevant Moody’s Recovery Rate, or if the Moody’s Recovery Rate cannot be determined, the prevailing Market Value, in each case, multiplied by its Principal Balance.

"Moody’s Maximum Weighted Average Rating Factor Test" has the meaning given to it in the Collateral Management Agreement.

"Moody's Minimum Diversity Test" has the meaning given to it in the Collateral Management Agreement.

"Moody’s Minimum Weighted Average Recovery Rate Test" has the meaning given to it in the Collateral Management Agreement.

"Monthly Report" means any monthly report defined as such in the Collateral Management Agreement which is prepared by the Collateral Administrator (in consultation with the Collateral Manager) on behalf of the Issuer on such dates as are set forth in the Collateral Management Agreement and made available via a secured website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Collateral Manager, the Hedge Counterparties, the Rating Agencies, the Liquidity Facility Provider and the Noteholders from time to time) which shall be accessible to the Issuer, the Trustee, the Collateral Manager, the Hedge Counterparties and the Rating Agencies, the Liquidity Facility Provider, and to any Noteholder by way of a unique password which, in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification (upon which certification the Collateral Administrator may rely absolutely and without further enquiry or liability) that such holder is a holder of a beneficial interest in any Notes and which shall include information regarding the status of certain of the Collateral pursuant to the Collateral Management Agreement.

"Non-Broadly Syndicated Loans to Portfolio Companies" means loans to Obligors which are CVC Capital Portfolio Companies, provided that a loan that is syndicated to an initial lender group of greater than five shall not be counted as a loan to an Obligor which is a CVC Capital Portfolio Company unless CVC Funds in aggregate hold 20 per cent. or more of such loan.

"Non-Call Period" means the period from and including the Issue Date up to, but excluding, 21 July 2019 or, if such day is not a Business Day, then the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding Business Day.

"Non-Eligible Original Issue Date Collateral Debt Obligation" means any Original Issue Date Collateral Debt Obligation which did not comply with the Eligibility Criteria on the Original Issue Date as determined by the Collateral Manager in accordance with the Collateral Management Agreement.

"Non-Emerging Market Country" means any of Austria, Belgium, Canada, the Channel Islands, Denmark, Finland, France, Germany, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom or United States and any other country, which has a Moody’s local currency country risk ceiling of, at the time of acquisition of the relevant Collateral Debt Obligation, at least "A3" by Moody’s and the foreign currency country issuer rating of which is rated, at the time of acquisition of the relevant Collateral Debt Obligation, at least "BBB-" by S&P (provided that Rating Agency Confirmation is received in respect of any such other country which is not in the Euro zone) or any other country in respect of which, at the time of acquisition of the relevant Collateral Debt Obligation, Rating Agency Confirmation is received.
"Non-Euro Hedge Account" means each currency account described as such in the name of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland.

"Non-Euro Obligation" means any Collateral Debt Obligation, or part thereof, as applicable, denominated in a currency other than Euro.

"Noteholders" means the several persons in whose name the Notes are registered from time to time in accordance with and subject to their terms and the terms of the Trust Deed, and "holder" (in respect of the Notes) shall be construed accordingly.

"Note Event of Default" means each of the events defined as such in Condition 10(a) (Note Events of Default).

"Note Payment Sequence" means the application of Interest Proceeds or Principal Proceeds, as applicable, in accordance with the relevant Priority of Payments in the following order:

(i) firstly, to the redemption of the Class X Notes and the Class A Notes (on a pro rata and pari passu basis) at the applicable Redemption Price in whole or in part until the Class X Notes and the Class A Notes have been fully redeemed,

(ii) secondly, to the redemption of the Class B Notes (on a pro rata and pari passu basis) at the applicable Redemption Price in whole or in part until the Class B Notes have been fully redeemed;

(iii) thirdly, to the redemption of the Class C Notes including any Deferred Interest thereon (on a pro rata and pari passu basis) at the applicable Redemption Price in whole or in part until the Class C Notes have been fully redeemed;

(iv) fourthly, to the redemption of the Class D Notes including any Deferred Interest thereon (on a pro rata and pari passu basis) at the applicable Redemption Price in whole or in part until the Class D Notes have been fully redeemed;

(v) fifthly, to the redemption of the Class E Notes including any Deferred Interest thereon (on a pro rata and pari passu basis) at the applicable Redemption Price in whole or in part until the Class E Notes have been fully redeemed; and

(vi) sixthly, to the redemption of the Class F Notes including any Deferred Interest thereon (on a pro rata and pari passu basis) at the applicable Redemption Price in whole or in part until the Class F Notes have been fully redeemed,

provided that, for the purposes of any redemption of the Notes in accordance with the Note Payment Sequence following breach of any Coverage Test, the Note Payment Sequence shall terminate immediately after the paragraph above that refers to the Class of Notes to which such Coverage Test relates.

"Note Tax Event" means, at any time:

(i) the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final) which results in (or would on the next Payment Date result in) any payment of principal or interest on the Notes becoming properly subject to any withholding tax other than:
(A) a payment in respect of Deferred Interest becoming properly subject to any withholding or deduction for or on account of tax;

(B) withholding tax in respect of FATCA;

(C) withholding tax which arises by reason of the failure by the relevant Noteholder or beneficial owner to comply with any Transaction Document which sets out applicable procedures required to establish non-residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland, the United States or other applicable taxing authority; or

(D) U.S. federal backup withholding tax;

(ii) UK or U.S. state, federal or any other governmental tax authorities outside of Ireland impose net income, profits, diverted profits or similar tax upon the Issuer in an amount in excess of €1,000 per annum (other than any U.S. federal state or local income or franchise tax imposed solely with respect to an equity security or "United States real property interest" (as defined for U.S. federal income tax purposes) received in an Offer); or

(iii) the Issuer is liable to pay net income, profits, diverted profits or similar tax in Ireland (other than Irish corporate income tax in relation to the Issuer Profit Amount) in an amount in excess of €1,000 per annum.

"Obligor" means, in respect of a Collateral Debt Obligation, the borrower thereunder or issuer thereof or, in either case, the guarantor thereof (as determined by the Collateral Manager on behalf of the Issuer).

"Offer" means, with respect to any Collateral Debt Obligation, (a) any offer by the Obligor under such obligation or by any other Person made to all of the creditors of such Obligor in relation to such obligation to purchase or otherwise acquire such obligation (other than pursuant to any redemption in accordance with the terms of the related Underlying Instruments) or to convert or exchange such obligation into or for cash, securities or any other type of consideration or (b) any solicitation by the Obligor of such obligation or any other Person to amend, modify or waive any provision of such obligation or any related Underlying Instrument.

"Ongoing Expense Excess Amount" means, on any Payment Date, an amount equal to the amount by which, (i) the sum of the Senior Expenses Cap and the Balance of the Expense Reserve Account as of the immediately preceding Determination Date, exceeds (ii) the sum of (without duplication) (x) all amounts paid pursuant to paragraphs (B) and (C) of Condition 3(c)(i) (Application of Interest Proceeds) on such Payment Date plus (y) all Trustee Fees and Expenses and Administrative Expenses paid during the related Due Period.

"Ongoing Expense Reserve Amount" means, on any Payment Date, an amount equal to the lesser of (i) the Ongoing Expense Reserve Ceiling and (ii) the Ongoing Expense Excess Amount, each as at such Payment Date.

"Ongoing Expense Reserve Ceiling" means, on any Payment Date, the excess, if any, of €150,000 over the amount then on deposit in the Expense Reserve Account without giving effect to any deposit thereto on such Payment Date pursuant to paragraph (D) of Condition 3(c)(i) (Application of Interest Proceeds).

"Optional Redemption" means a redemption pursuant to and in accordance with Condition 7(b) (Optional Redemption).
"**Ordinary Resolution**" means an ordinary resolution as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**Original Issue Date**" means 21 May 2015.

"**Original Issue Date Collateral Debt Obligation**" means an obligation for which the Issuer (or the Collateral Manager, acting on behalf of the Issuer) entered into a binding commitment to purchase on or prior to the Original Issue Date.

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

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

(ii) the Target Par Amount,

is greater than or equal to 50 per cent.

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

"**Outstanding**" means in relation to the Notes of a Class as of any date of determination, all of the Notes of such Class issued, as further defined in the Trust Deed.

"**Par Value Ratio**" means the Class A/B Par Value Ratio, the Class C Par Value Ratio, the Class D Par Value Ratio, the Class E Par Value Ratio or the Class F Par Value Ratio (as applicable).

"**Par Value Test**" means the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test, the Class E Par Value Test or the Class F Par Value Test (as applicable).

"**Partial PIK Obligation**" means any Collateral Debt 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 capitalised (which portion will at least be equal to EURIBOR or the applicable index with respect to which interest on such Collateral Debt Obligation is calculated plus, in the case of any Restructured Obligation, 1.5 per cent. (or, in the case of a Fixed Rate Collateral Debt Obligation, at least equal to the forward swap rate for a designated maturity equal to the scheduled maturity of such Collateral Debt Obligation plus, in the case of any Restructured Obligation, 1.5 per cent.)) and (ii) the issuer thereof or obligor thereon may defer or capitalise the remaining portion of the interest due thereon.

"**Partial Redemption Date**" means each date specified for a partial redemption of the Rated Notes of one or more Classes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) or, if such day is not a Business Day, the next following Business Day.

"**Partial Redemption Interest Proceeds**" means, as of any Partial Redemption Date, Interest Proceeds in an amount equal (x) to the lesser of (a) the amount of accrued interest on the Class or Classes of Rated Notes being refinanced or redeemed and (b) the amount the Collateral Manager reasonably determines would have been available for distribution under the Interest Proceeds Priority of Payments for the payment of accrued interest on the Class or Classes of Rated Notes being refinanced or redeemed on the next subsequent Payment Date (or in the case of a Partial Redemption Date that is occurring on a Payment
Date, on such date) if such Notes had not been refinanced or redeemed plus (y) if the Partial Redemption Date is not otherwise a Payment Date, an amount equal to the amount the Collateral Manager reasonably determines would have been available for distribution under the Interest Proceeds Priority of Payments for the payment of Trustee Fees and Expenses and Administrative Expenses, in each case, to the extent incurred in connection with the related Optional Redemption in part, on the next subsequent Payment Date.

"Partial Redemption Priority of Payments" means the priority of payments in respect of Partial Redemption Interest Proceeds set out in Condition 3(k) (Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date).

"Participation" means an interest in a Collateral Debt Obligation taken indirectly by the Issuer by way of sub-participation from a Selling Institution which shall include, for the purposes of the Bivariate Risk Table set forth in the Collateral Management Agreement, Intermediary Obligations.

"Participation Agreement" means an agreement between the Issuer and a Selling Institution in relation to the purchase by the Issuer of a Participation.

"Paying Agent" means each of the Principal Paying Agent and any additional or further paying agent appointed under the Agency Agreement.

"Payment Account" means the account described as such in the name of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland.

"Payment Date" means:

(a) 21 January, 21 April, 21 July and 21 October at any time prior to the occurrence of a Frequency Switch Event; and

(b) 21 January and 21 July (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either January or July) or 21 April and 21 October (where the Payment Date immediately prior to the occurrence of a Frequency Switch Event falls in either April or October), following the occurrence of a Frequency Switch Event,

in each year commencing after the Issue Date on 21 October 2017, up to and including the Maturity Date and any Redemption Date, provided that if any Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day that is a Business Day (unless it would thereby fall in the following month, in which case it shall be brought forward to the immediately preceding Business Day).

"Payment Date Report" means the report defined as such in the Collateral Management Agreement which is prepared by the Collateral Administrator (in consultation with the Collateral Manager) on behalf of the Issuer and made available via a secured website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Collateral Manager, the Hedge Counterparties, the Rating Agencies, the Liquidity Facility Provider and the Noteholders from time to time) which shall be accessible to the Issuer, the Trustee, the Collateral Manager, the Hedge Counterparties, the Placement Agent, the Registrar, each Hedge Counterparty, the Liquidity Facility Provider, any Noteholder and the Rating Agencies by way of a unique password which, in the case of each Noteholder, may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification (upon which certification the Collateral Administrator may rely absolutely and without further enquiry or liability) that such holder is a holder of a beneficial interest in any Notes, not later than the Business Day preceding the related Payment Date.
"Permitted Use" means, with respect to: (a) any Contribution received into the Contributions Account; or (b) proceeds from the issue of additional Subordinated Notes in accordance with Condition 17 (Additional Issuance), any of the following uses: (i) the transfer of the applicable portion of such amount to the Interest Account for application as Interest Proceeds; (ii) the transfer of the application portion of such amount to the Principal Account for application as Principal Proceeds; (iii) the repurchase of Rated Notes of any Class in accordance with Condition 7(j) (Purchase) (in each case, subject to applicable law); and (iv) subject to the limitations in the Transaction Documents with respect to Margin Stock, the purchase of one or more Collateral Enhancement Debt Obligations, in each case subject to the limitations set forth in the Transaction Documents.

"Person" means an individual, corporation (including a business trust), partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"PIK Obligation" means any Collateral Debt Obligation (other than a Partial PIK Obligation) which is a security (or other debt obligation), the terms of which permit the deferral of the payment of interest thereon, including without limitation by way of capitalising interest thereon provided that, for the avoidance of doubt, Mezzanine Obligations shall not constitute PIK Obligations.

"Placement Agency Agreement" means the placement agency agreement between the Issuer and the Placement Agent dated on or about the Issue Date.

"Portfolio" means the Collateral Debt Obligations, Collateral Enhancement Debt Obligations, Exchanged Security, Eligible Investments and other similar obligations or securities held by or on behalf of the Issuer from time to time.

"Portfolio Profile Tests" means the Portfolio Profile Tests each as defined in the Collateral Management Agreement.

"Post-Acceleration Priority of Payments" means the priority of payments set out in Condition 11 (Enforcement).

"Presentation Date" means a day which (subject to Condition 12 (Prescription)):

(i) is a Business Day;

(ii) is or falls after the relevant due date or, if the due date is not or was not a Business Day in the place of presentation, is or falls after the next following Business Day which is a Business Day in the place of presentation; and

(iii) is a Business Day in which the account specified by the payee is open.

"Primary Market" means, in respect of a Collateral Debt Obligation, the Issuer (or the Collateral Manager on the Issuer’s behalf) entered into a binding commitment to purchase such Collateral Debt Obligation within six months of the date of issue of such Collateral Debt Obligation and in the case of a Collateral Debt Obligation which is a Restructured Obligation, within six months of the relevant Restructuring Date.

"Principal Account" means the account described as such in the name of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland.
"Principal Amount Outstanding" means in relation to any Class of Notes and at any time, the aggregate principal amount outstanding under such Class of Notes at that time, which, in the case of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, shall include Deferred Interest which has been capitalised pursuant to Condition 6(c) (Deferral of Interest) save that Deferred Interest shall not be included for the purposes of determining voting rights or the right to give directions or instructions attributable to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, as applicable, and the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (Meetings of Noteholders, Modification, Waiver and Substitution).

"Principal Balance" means, with respect to any Collateral Debt Obligation, Eligible Investment, Collateral Enhancement Debt Obligation or Exchanged Security, as of any date of determination, the outstanding principal amount thereof (excluding any interest capitalised pursuant to the terms of such instrument other than, with respect to a Mezzanine Obligation and a PIK Obligation, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Obligation), provided however that:

(i) the Principal Balance of any Revolving Obligation and Delayed Drawdown Collateral Debt Obligation as of any date of determination, shall be the outstanding principal amount of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, plus any undrawn commitments that have not been irrevocably cancelled with respect to such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation;

(ii) the Principal Balance of each Exchanged Security and each Collateral Enhancement Debt Obligation, shall be deemed to be zero;

(iii) the Principal Balance of any Non-Euro Obligation shall be:

(A) in the case of an Asset Swap Obligation, the Euro notional amount of the Asset Swap Transaction entered into in respect thereof; or

(B) in the case of an Unhedged Collateral Debt Obligation:

(1) if such Unhedged Collateral Debt Obligation was purchased on the Primary Market, is denominated in a Qualifying Unhedged Obligation Currency and has been an Unhedged Collateral Debt Obligation for less than 90 calendar days since the settlement date thereof, the product of (i) prior to the settlement date, 100 per cent. or after the settlement date, 50 per cent. of the principal amount of such Unhedged Collateral Debt Obligation and (ii) the Applicable Exchange Rate; and

(2) in respect of any other Unhedged Collateral Debt Obligation, zero;

(C) provided that, in respect of clause (iii)(B)(1) above,

(1) if the Unhedged Aggregate Principal Balance is greater than 2.5 per cent. of the Aggregate Collateral Balance, the Principal Balance of all Unhedged Collateral Debt Obligations calculated in accordance with (iii)(B)(1) above shall be multiplied by 2.5 per cent. of the Aggregate Collateral Balance and divided by the Unhedged Aggregate Principal Balance; and

(2) the Principal Balance of each Unhedged Collateral Debt Obligation shall be deemed to be zero if (after giving effect to the purchase of any unsettled
Unhedged Collateral Debt Obligation and calculating the principal balance thereof in accordance with the provisions of the Principal Balance for Unhedged Collateral Debt Obligations) the Aggregate Collateral Balance is lower than the Reinvestment Target Par Amount;

(iv) the Principal Balance of any cash shall be the amount of such cash, provided that if such cash amount is in a currency other than Euro, the cash amount shall be the amount in Euro calculated by reference to the Applicable Exchange Rate; and

(v) if in respect of any Corporate Rescue Loan either (A) (x) no Moody’s Rating is available or (y) no credit estimate assigned to it by Moody’s, in each case, within 90 days following the Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, then the Principal Balance of such Corporate Rescue Loan shall be its Moody’s Collateral Value unless and until a Moody’s Rating or credit estimate is available or assigned by Moody’s or (B) (x) no S&P Rating is available or (y) no credit estimate assigned to it by S&P, in each case, within 90 days following the Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, then the Principal Balance of such Corporate Rescue Loan shall be zero unless and until an S&P Issuer Credit Rating or credit estimate is available or assigned by S&P, provided that if both paragraphs (A) and (B) apply then the Principal Balance of such Corporate Rescue Loan shall be the lower of the two; and

(vi) so long as S&P is rating any securities, in respect of a Collateral Debt Obligation: (i) the S&P Rating of which has been determined pursuant to paragraph (e)(ii) of the definition of S&P Rating for a consecutive period of ninety calendar days during which S&P has not provided a credit estimate in respect of such Collateral Debt Obligation; and (ii) that has not had a public rating by S&P withdrawn or suspended within six months prior to the date of application for a credit estimate in respect of such Collateral Debt Obligation, following the earlier of (x) S&P notifying the Collateral Manager that no credit estimate will be provided for such Collateral Debt Obligation after the expiry of the ninety calendar day period during which S&P has not provided a credit estimate and (y) the expiry of a period of six months during which the S&P Rating of such Collateral Debt Obligation has been continuously determined in accordance with paragraph (e)(ii) of the S&P Rating definition without a credit estimate having been assigned to it during such period, the Principal Balance of such Collateral Debt Obligation shall be zero, unless S&P has agreed to extend such period, and until an S&P Rating can be determined in respect of such Collateral Debt Obligation pursuant to paragraphs (a), (b) or (e)(i) of the definition of S&P Rating, a credit estimate being assigned by S&P in respect of such Collateral Debt Obligation or such other treatment being applied to such Collateral Debt Obligation as may be advised by S&P.

"Principal Proceeds" means all amounts paid or payable into the Principal Account from time to time and, with respect to any Payment Date, means Principal Proceeds received or receivable by the Issuer during the related Due Period and any other amounts to be disbursed as Principal Proceeds on such Payment Date pursuant to Condition 3(c)(ii) (Application of Principal Proceeds) or Condition 11(b) (Enforcement).

"Principal Proceeds Priority of Payments" means the priority of payments in respect of Principal Proceeds set out in Condition 3(c)(ii) (Application of Principal Proceeds).

"Priorities of Payments" means:

(i) save for (i) in connection with any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (Optional Redemption), (ii) in connection with a redemption in whole pursuant to Condition 7(f) (Redemption following Note Tax Event) or (iii) following the
acceleration of the Notes pursuant to Condition 10(b) (Acceleration), which, if such acceleration is by way of the delivery of an Acceleration Notice (actual or deemed), such Acceleration Notice has not subsequently been rescinded and annulled in accordance with Condition 10(c) (Curing of Default), in the case of Interest Proceeds, the Interest Proceeds Priority of Payments and in the case of Principal Proceeds, the Principal Proceeds Priority of Payments;

(ii) in the event of any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (Optional Redemption) or Condition 7(f) (Redemption following Note Tax Event) or following the acceleration of the Notes pursuant to Condition 10(b) (Acceleration), which, if such acceleration is by way of the delivery of an Acceleration Notice (actual or deemed), such Acceleration Notice has not subsequently been rescinded and annulled in accordance with Condition 10(c) (Curing of Default), the Post-Acceleration Priority of Payments and

(iii) in connection with any optional redemption of the Notes in part but not in whole pursuant to Condition 7(b)(ii) (Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders) and the Refinancing Proceeds and Partial Redemption Interest Proceeds in relation thereto, the Partial Redemption Priority of Payments.

"Project Finance Loan" means a loan obligation under which the obligor is obliged to make payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of payments) on revenues arising from infrastructure assets, including, without limitation:

(i) the sale of products, such as electricity, water, gas or oil, generated by one or more infrastructure assets in the utility industry by a special purpose entity; and

(ii) fees charged in respect of one or more highways, bridges, tunnels, pipelines or other infrastructure assets by a special purpose entity, and

in each case, the sole activity of such special purpose entity is the ownership and/or management of such asset or assets and the acquisition and/or development of such asset by the special purpose entity was effected primarily with the proceeds of debt financing made available to it on a limited recourse basis.

"Purchased Accrued Interest" means, with respect to any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Debt Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Debt Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was either (a) purchased at the time of the acquisition thereof with Principal Proceeds or (b) accrued prior to the Issue Date.

"QIB" means a Person who is a "qualified institutional buyer" as defined in Rule 144A.

"QIB/QP" means a Person who is both a QIB and a QP.

"Qualified Purchaser" and "QP" mean a Person who is a "qualified purchaser" as defined in Section 2(a)(51)(A) of the Investment Company Act.

"Qualifying Country" means each of Austria, Belgium, Bermuda, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Liechtenstein, Luxembourg, Ireland, Norway, Portugal, Spain, Sweden, Switzerland, the United States or the United Kingdom having, at the time of acquisition of the relevant Eligible Investment, a local currency country risk ceiling of at least "A3" by Moody’s and a foreign currency issuer credit rating of at least "BBB-" by S&P, or any other country which has been approved, at
the time of acquisition of the relevant Eligible Investment, as a Qualifying Country by the Rating Agencies in writing.

"Qualifying Currency" means Euro, Sterling, U.S. Dollars, Czech Koruna, Danish Krone, Norwegian Krone, Swedish Krona, Canadian Dollars, Australian Dollars, New Zealand Dollars, Swiss Francs, Japanese Yen, Polish Zloty or any other currency in respect of which Rating Agency Confirmation has been received.


"Rating Agencies" means S&P and Moody’s, provided that if at any time S&P and/or Moody’s ceases to provide rating services, "Rating Agencies" shall mean any other nationally recognised investment rating agency or rating agencies (as applicable) selected by the Issuer (a "Replacement Rating Agency") and "Rating Agency" means any such rating agency. In the event that at any time a Rating Agency is replaced by a Replacement Rating Agency, references to rating categories of the original Rating Agency in these Conditions, the Trust Deed and the Collateral Management Agreement shall be deemed instead to be references to the equivalent categories of the relevant Replacement Rating Agency as of the most recent date on which such other rating agency published ratings for the type of security in respect of which such Replacement Rating Agency is used and all references herein to "Rating Agencies" shall be construed accordingly. Any rating agency shall cease to be a Rating Agency if, at any time, it ceases to assign a rating in respect of any Class of Rated Notes.

"Rating Agency Confirmation" means, with respect to any specified action, determination or appointment, receipt by the Issuer and/or the Trustee of written confirmation (which may take the form of a bulletin, press release, email or other written communication) by each Rating Agency which has, as at the relevant date assigned ratings to any Class of the Rated Notes that are Outstanding (or, if applicable, the Rating Agency specified in respect of any such action or determination, provided that such Rating Agency has, as at the relevant date assigned ratings to any Class of the Rated Notes) that such specified action, determination or appointment will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency. Notwithstanding anything to the contrary in any Transaction Document and these Conditions, no Rating Agency Confirmation shall be required from a Rating Agency in respect of any action or determination if such Rating Agency has declined a request from the Trustee, the Collateral Manager or the Issuer to review the effect of such action, determination or appointment or if such Rating Agency announces or confirms in writing to the Trustee, the Collateral Manager or the Issuer that Rating Agency Confirmation from such Rating Agency is not required, or that its practice is to not give such confirmations for such type of action, determination or appointment or such Rating Agency has ceased to engage in the business of providing ratings or has made a public statement to the effect that it will no longer review events or circumstances of the type requiring Rating Agency Confirmation under any Transaction Documents or these Conditions for purposes of evaluating whether to confirm the then-current ratings (or initial ratings) of obligations rated by such Rating Agency.

"Rating Confirmation Plan" means a plan provided by the Collateral Manager (acting on behalf of the Issuer) to the Rating Agencies setting forth the intended timing and manner of acquisition of additional Collateral Debt Obligations and/or any other intended action which will cause confirmation of the Initial Ratings, pursuant to and in accordance with the Collateral Management Agreement.

"Rating Requirement" means:

(i) in the case of the Account Bank:
(A) a long-term issuer default rating of at least "A" and a short-term issuer default rating of at least "A-1" by S&P, or if it does not have such short-term rating, a long-term rating of at least "A+" by S&P; and
(B) a long-term senior unsecured issuer credit rating of at least "A3" and a short-term issuer default rating of at least "P-1" by Moody’s; and

(ii) in the case of the Custodian or any sub-custodian:

(A) a long-term issuer default rating of at least "A" and a short-term issuer default rating of at least "A-1" by S&P, or if it does not have such short-term rating, a long-term rating of at least "A+" by S&P; and
(B) a long-term senior unsecured issuer credit rating of at least "A3" by Moody’s;

(iii) in the case of any Hedge Counterparty, the ratings requirement(s) as set out in the relevant Hedge Agreement; and

(iv) in the case of a Selling Institution with regards to a Participation only, a counterparty which satisfies the ratings set out in the Bivariate Risk Table; or

in each case, (x) such other rating or ratings as may be agreed by the relevant Rating Agency as would maintain the then rating of the Rated Notes, and (y) if any of the requirements are not satisfied, by any of the parties referred to herein, Rating Agency Confirmation from the relevant Rating Agency is received in respect of such party.

"Recalcitrant Noteholder" means a Noteholder (which may include a nominee or beneficial owner of a Note for these purposes) who does not comply with the Issuer’s request for information or a waiver of law prohibiting disclosure of such information to a taxing authority to enable the Issuer to achieve FATCA Compliance.

"Receiver" has the meaning given thereto in Condition 10(a)(vi) (Insolvency Proceedings).

"Record Date" means:

(a) in respect of Notes represented by a Definitive Certificate, the fifteenth day before the relevant due date for payment of principal and interest in respect of such Note; and

(b) in respect of Notes represented by a Global Certificate, the close of business on the Clearing System business day before the relevant due date for payment of principal and interest in respect of such Note.

"Redemption Date" means each date specified for a redemption of the Notes of a Class pursuant to Condition 7 (Redemption and Purchase) or, if such day is not a Business Day, the next following Business Day or the date on which the Notes of such Class are accelerated pursuant to Condition 10(a) (Note Events of Default).

"Redemption Determination Date" has the meaning given thereto in Condition 7(b)(vi) (Optional Redemption in whole of all Classes of Notes effected through Liquidation only).
"Redemption Notice" means a redemption notice in the form available from any of the Transfer Agents which has been duly completed by a Noteholder and which specifies, amongst other things, the applicable Redemption Date.

"Redemption Price" means, when used with respect to:

(i) any Subordinated Note, such Subordinated Note’s pro rata share (calculated in accordance with paragraph (DD) of Condition 3(c)(i) (Application of Interest Proceeds), paragraph (S) of Condition 3(c)(ii) (Application of Principal Proceeds) and paragraph (AA) of the Post-Acceleration Priority of Payments of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application thereof in accordance with the Priorities of Payments; and

(ii) any Class X Note, Class A Note, Class B Note, Class C Note, Class D Note, Class E Note or Class F Note, 100 per cent. of the Principal Amount Outstanding thereof (if any), together with any accrued and unpaid interest in respect thereof to the relevant day of redemption and in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, any Deferred Interest and any interest accrued thereon,

provided that, in each case, the Redemption Price for a Class may be such lower amount as may be agreed by the Noteholders of such affected Class acting by way of a Unanimous Resolution.

"Redemption Threshold Amount" means the aggregate of all amounts which would be due and payable on redemption of the Rated Notes on the scheduled Redemption Date pursuant to Condition 11(b) (Enforcement) which rank in priority to payments in respect of the Subordinated Notes in accordance with the Post-Acceleration Priority of Payments.

"Reference Banks" has the meaning given thereto in paragraph (B) of Condition 6(e)(i) (Floating Rate of Interest).

"Refinancing" has the meaning given to it in Condition 7(b)(v) (Optional Redemption effected in whole or in part through Refinancing).

"Refinancing Costs" means the fees, costs, charges and expenses incurred by or on behalf of the Issuer in respect of a Refinancing, provided that such fees, costs, charges and expenses have been incurred as a direct result of a Refinancing, as determined by the Collateral Manager.

"Refinancing Proceeds" means the cash proceeds from a Refinancing.

"Register" means the register of holders of the legal title to the Notes kept by the Registrar pursuant to the terms of the Agency Agreement.

"Regulation S" means Regulation S under the Securities Act.

"Regulation S Notes" means the Notes offered for sale to non-U.S. Persons in offshore transactions outside of the United States in reliance on Regulation S.

"Reinvestment Criteria" has the meaning given to it in the Collateral Management Agreement.

"Reinvestment Period" means the period from and including the Original Issue Date up to and including the earliest of: (i) 21 July 2021 or, if such day is not a Business Day, then the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding
Business Day; (ii) the date of the acceleration of the Notes pursuant to Condition 10(b) (Acceleration) (provided that, if such acceleration is by way of delivery of an Acceleration Notice (actual or deemed), such Acceleration Notice has not been rescinded or annulled in accordance with Condition 10(c) (Curing of Default)); and (iii) the date on which the Collateral Manager reasonably believes and certifies to the Issuer, the Collateral Administrator, the Rating Agencies and the Trustee that it can no longer reinvest in additional Collateral Debt Obligations in accordance with the Reinvestment Criteria.

"Reinvestment Target Par Amount" means, as of any date of determination, the Target Par Amount minus: (i) the amount of any reduction in the Principal Amount Outstanding of the Notes (other than repayment of any Deferred Interest and the Principal Amount Outstanding in respect of the Class X Notes) and plus (ii) the Principal Amount Outstanding of any additional Notes issued pursuant to Condition 17 (Additional Issuance), or, if greater, the aggregate amount of Principal Proceeds that result from the issuance of such additional Notes.

"Replacement Asset Swap Transaction" means any Asset Swap Transaction entered into by the Issuer, or the Collateral Manager on its behalf, in accordance with the provisions of the Collateral Management Agreement upon termination of an existing Asset Swap Transaction on substantially the same terms as such terminated Asset Swap Transaction, that preserves for the Issuer the economic effect of the terminated Asset Swap Transaction, subject to such amendments thereto as may be agreed by the Collateral Manager, acting on behalf of the Issuer.

"Replacement Interest Rate Hedge Transaction" means any Interest Rate Hedge Transaction entered into by the Issuer, or the Collateral Manager on its behalf, in accordance with the provisions of the Collateral Management Agreement upon termination of an existing Interest Rate Hedge Transaction on substantially the same terms as such terminated Interest Rate Hedge Transaction, that preserves for the Issuer the economic effect of the terminated Interest Rate Hedge Transaction, subject to such amendments thereto as may be agreed by the Collateral Manager, acting on behalf of the Issuer.

"Replacement Liquidity Facility" means a replacement liquidity facility granted pursuant to a liquidity facility agreement in, or substantially in, the same form as the Liquidity Facility Agreement entered into at any time following the Liquidity Facility Commitment Period End Date between, amongst others, the Issuer, the Collateral Manager and a liquidity facility provider.

"Report" means each Monthly Report and Payment Date Report.

"Reporting Delegate" means a Hedge Counterparty or third party that undertakes to provide delegated reporting in connection with certain derivative transaction reporting obligations of the Issuer.

"Reporting Delegation Agreement" means an agreement in a form approved by the Rating Agencies for the delegation by the Issuer of certain derivative transaction reporting obligations to one or more Reporting Delegates.

"Resolution" means any Ordinary Resolution, Extraordinary Resolution or Unanimous Resolution, as the context may require.

"Restricted Period" means the period from the Issue Date to (and including) the date falling 40 calendar days after the Issue Date.

"Restricted Trading Period" means the period during which: (a) the S&P Rating or the Moody’s Rating of the Class A Notes is withdrawn (and not reinstated) or is one or more sub-categories below its rating on the Issue Date; or (b) the S&P Rating or the Moody’s Rating of the Class B Notes is withdrawn (and not reinstated) or is two or more sub-categories below its rating on the Issue Date; provided that in each case
that such period shall not constitute a Restricted Trading Period if the relevant Class(es) of Notes are no longer outstanding; provided that such period (1) will not be a Restricted Trading Period if (a) the Aggregate Principal Balance of all Collateral Debt Obligations and Eligible Investments representing Principal Proceeds is at least equal to the Reinvestment Target Par Amount, (b) each Collateral Quality Test is satisfied and (c) each of the Coverage Tests is satisfied; (2) such period will not be a Restricted Trading Period (so long as such Moody’s Rating or S&P Rating, as applicable, has not been further downgraded, withdrawn or put on watch for potential downgrade) upon the direction of the Issuer with the consent of the Controlling Class acting by way of an Ordinary Resolution, which direction shall remain in effect until the earlier of (i) a further downgrade or withdrawal of such Moody’s Rating or S&P Rating, as applicable, that, disregarding such direction, would cause the conditions set forth above to be true and (ii) a subsequent direction to the Issuer (with a copy to the Trustee and the Collateral Administrator) by the Controlling Class acting by way of Ordinary Resolution declaring the beginning of a Restricted Trading Period; and (3) no Restricted Trading Period will restrict any sale of a Collateral Debt 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.

"Restructured Obligation" means a Collateral Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of the Obligor) and which satisfies the Restructured Obligation Criteria as at its applicable Restructuring Date provided that the failure of a Restructured Obligation to satisfy the Restructured Obligation Criteria at any time after the applicable Restructuring Date shall not cause such obligation to cease to constitute a Restructured Obligation unless it is subsequently restructured again, in which case such obligation shall constitute a Restructured Obligation provided it satisfies the Restructured Obligation Criteria as at its subsequent Restructuring Date.

"Restructured Obligation Criteria" means the restructured obligation criteria specified in the Collateral Management Agreement which are required to be satisfied in respect of each Restructured Obligation at the applicable Restructuring Date.

"Restructuring Date" means the date a restructuring of a Collateral Debt Obligation becomes binding on the holders thereof provided if an obligation satisfies the Restructured Obligation Criteria at a later date, such later date shall be deemed to be the Restructuring Date for the purposes of determining whether such obligation shall constitute a Restructured Obligation.

"Retention Event" means an event which occurs if at any time the Retention Holder sells, hedges or otherwise mitigates its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except to the extent permitted (a) under the Retention Letter, to a successor collateral manager upon a removal of the Retention Holder as the Collateral Manager or (b) in accordance with the EU Retention Requirements.

"Retention Holder" means CVC Credit Partners Group Limited in its capacity as retention holder and any successor, assign or transferee to the extent permitted under, the Retention Letter and the EU Retention Requirements and notified in writing to the Trustee, the Collateral Administrator and the Issuer.

"Retention Letter" means the letter entered into between the Issuer, the Retention Holder, the Collateral Administrator, the Trustee, the Arranger and the Placement Agent dated 21 May 2017, as amended or restated on the Issue Date (as may be amended, supplemented or replaced in accordance with the EU Retention Requirements) and notified in writing to the Trustee, the Collateral Administrator and the Issuer.
"Retention Notes" means the Notes of each Class subscribed for by the Retention Holder on the Issue Date and comprising as at the Issue Date, five per cent of the Principal Amount Outstanding of each such Class.

"Retention Requirements" means together, the EU Retention Requirements and the U.S. Risk Retention Rules.

"Revolving Obligation" means any Collateral Debt Obligation (other than a Delayed Drawdown Collateral Debt Obligation) that is a loan (including, without limitation, revolving loans, funded and unfunded portions of revolving credit lines and letter of credit facilities, unfunded commitments under specific facilities and other similar loans and investments) that pursuant to the terms of its Underlying Instruments may require one or more future advances to be made to the borrower by the Issuer; but any such Collateral Debt Obligation will be a Revolving Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"Risk Retention U.S. Persons" means persons that are "U.S. persons" as defined in the U.S. Risk Retention Rules.

"Rule 144A" means Rule 144A under the Securities Act.

"Rule 144A Notes" means Notes offered for sale within the United States or to U.S. Persons in reliance on Rule 144A.

"Rule 17g-5" means Rule 17g-5 under the Exchange Act as may be amended or replaced.

"S&P" means S&P Global Ratings, a division of Standard & Poor's Credit Market Services Europe Limited.

"S&P CCC Obligations" means all Collateral Debt Obligations, excluding Defaulted Obligations, with an S&P Rating of "CCC+" or lower.

"S&P CDO Input Files" has the meaning given to it in the Collateral Management Agreement.

"S&P CDO Monitor Test" has the meaning given to it in the Collateral Management Agreement.

"S&P Collateral Value" means:

(i) for each Defaulted Obligation and Deferring Security the lower of:

(A) its prevailing Market Value; and

(B) the relevant S&P Recovery Rate, multiplied by its Principal Balance; or

(ii) in the case of any other applicable Collateral Debt Obligation of the relevant S&P Recovery Rate multiplied by its Principal Balance.

"S&P Issuer Credit Rating" has the meaning given to it in the Collateral Management Agreement.

"S&P Rating" has the meaning given to it in the Collateral Management Agreement.
"S&P Recovery Rate" means, in respect of each Collateral Debt Obligation, the recovery rate determined in accordance with the Collateral Management Agreement or as so advised by S&P.

"S&P Test Matrix" has the meaning given to it in the Collateral Management Agreement.

"Sale Proceeds" means:

(i) all proceeds received upon the sale of any Collateral Debt Obligation (save for any Asset Swap Obligation), including proceeds received upon the sale of any Unhedged Collateral Debt Obligation converted into Euro at the Applicable Exchange Rate, but excluding any sale proceeds representing accrued interest designated as Interest Proceeds, by the Collateral Manager provided that no such designation may be made in respect of: (1) Purchased Accrued Interest; or (2) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; or (3) proceeds that represent deferred interest accrued in respect of any PIK Obligation; or (4) proceeds representing accrued interest received in respect of any Defaulted Obligation unless and until (x) such amounts represent Defaulted Obligation Excess Amounts and (y) any Purchased Accrued Interest in relation to such Defaulted Obligation has been paid, together with all proceeds received upon the sale of any Collateral Enhancement Debt Obligation or Exchanged Security;

(ii) in the case of any Asset Swap Obligation, all amounts in Euro (or other currencies if applicable) payable to the Issuer by the applicable Asset Swap Counterparty in exchange for payment by the Issuer of the sale proceeds of any Collateral Debt Obligation as described in paragraph (i) above but amended to apply to such Asset Swap Obligation, under the related Asset Swap Transaction (after netting against any Asset Swap Termination Payment (determined without regard to the exclusions of unpaid amounts and Asset Swap Issuer Principal Exchange Amounts set forth in the definition thereof) payable by the Issuer in such circumstances); and

(iii) in the case of any Collateral Enhancement Debt Obligation, all proceeds and any fees received upon the sale of such Collateral Enhancement Debt Obligation,

in each case net of any amounts expended by or payable by the Issuer or the Collateral Administrator (on behalf of the Issuer) in connection with sale, disposition or termination of such Collateral Debt Obligation.

"Sanctioned Country" means any country or other territory subject to a general export, import, financial or investment embargo under any Sanctions, which, as of the date of this Deed, include Cuba, Iran, North Korea, Sudan and Syria.

"Sanctions" means economic or financial sanctions, trade embargoes or other comprehensive prohibitions against transaction activity pursuant to anti-terrorism laws or export control laws imposed, administered or enforced from time to time by any Sanctions Authority.

"Sanctions Authority" means (i) the United States, (ii) the United Nations Security Council, (iii) the European Union, (iv) the United Kingdom or (v) the respective governmental institutions of any of the foregoing including, without limitation, Her Majesty’s Treasury, the Office of Foreign Assets Control of the US Department of the Treasury, the US Department of Commerce, the US Department of State and any other agency of the US government.

"Sanctions List" means any of the lists of specifically designated nationals or designated or sanctioned individuals or entities (or equivalent) issued by any Sanctions Authority, each as amended, supplemented or substituted from time to time.
"Scheduled Periodic Asset Swap Counterparty Payment" means, with respect to any Asset Swap Transaction, the periodic amounts in the nature of coupon (and not principal) scheduled to be paid to the Issuer by the applicable Asset Swap Counterparty pursuant to the terms of such Asset Swap Transaction, excluding any Asset Swap Termination Receipts, any Asset Swap Replacement Receipts and any Asset Swap Counterparty Principal Exchange Amounts.

"Scheduled Periodic Asset Swap Issuer Payment" means, with respect to any Asset Swap Transaction, the periodic amounts in the nature of coupon (and not principal) scheduled to be paid to the applicable Asset Swap Counterparty by the Issuer pursuant to the terms of such Asset Swap Transaction, excluding any Asset Swap Termination Payments, any Asset Swap Replacement Payments and any Asset Swap Issuer Principal Exchange Amounts.

"Scheduled Periodic Interest Rate Hedge Counterparty Payment" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Interest Rate Hedge Counterparty to the Issuer pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Interest Rate Hedge Termination Receipt.

"Scheduled Periodic Interest Rate Hedge Issuer Payment" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Issuer to the applicable Interest Rate Hedge Counterparty pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Interest Rate Hedge Termination Payment.

"Scheduled Principal Proceeds" means:

(i) in the case of any Collateral Debt Obligation (other than Non-Euro Obligations with a related Asset Swap Transaction), scheduled principal repayments received by the Issuer (including scheduled amortisation, instalment or sinking fund payments);

(ii) in the case of any Non-Euro Obligation with a related Asset Swap Transaction, scheduled final and interim payments in the nature of principal payable to the Issuer by the applicable Asset Swap Counterparty under the related Asset Swap Transaction; and

(iii) in the case of any Hedge Agreements, any Hedge Replacement Receipts and Hedge Termination Payments transferred from the Hedge Termination Account into the Principal Account.

"Second Lien Loan" means an obligation (other than a Senior Secured Loan) with a junior contractual claim on tangible or intangible property (which property is subject to a prior lien (other than customary permitted liens, such as, but not limited to, any tax liens)) to secure payment of a debt or the fulfillment of a contractual obligation.

"Secured Party" means each of the Class X Noteholders, the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, the Placement Agent, the Collateral Manager, the Trustee, any Receiver or other Appointee, the Agents, each Hedge Counterparty, the Corporate Services Provider and the Liquidity Facility Provider and "Secured Parties" means any two or more of them as the context so requires.

"Secured Senior RCF Percentage" means in relation to a Senior Secured Bond or a Senior Secured Loan, 20 per cent. (or, solely for the purposes of the S&P Recovery Rate, 15 per cent.), or such higher percentage in respect of which Rating Agency Confirmation is obtained.
"Securitisation Regulation" means the proposed regulation of the European Union relating to a European framework for simple, transparent and standardised securitisation including any implementing regulation, technical standards and official guidance related thereto.

"Securities Act" means the United States Securities Act of 1933, as amended.

"Selling Institution" means an institution from whom (i) a Participation is taken and satisfies the applicable Rating Requirement; or (ii) an Assignment is acquired.

"Semi-Annual Obligations" means Collateral Debt Obligations which, at the relevant date of measurement, pay interest less frequently than quarterly but which are not Annual Obligations.

"Senior Collateral Management Fee" means the fee payable to the Collateral Manager in arrear on each Payment Date in respect of each Due Period pursuant to the Collateral Management Agreement in an amount, as determined by the Collateral Administrator, equal to 0.20 per cent. per annum of the Fee Basis Amount in respect of the related Due Period (exclusive of any VAT) immediately preceding such Payment Date as determined by the Collateral Administrator (calculated on the basis of a 360-day year consisting of twelve 30-day months).

"Senior Expenses Cap" means, in respect of each Payment Date and the Due Period in respect of each Payment Date, the sum of:

(i) €350,000 per annum (pro-rated for the Due Period relating to such Payment Date on the basis of a 360 day year comprised of twelve 30-day months); and

(ii) 0.03 per cent. per annum (pro-rated for the Due Period relating to such Payment Date on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the Determination Date immediately preceding such Payment Date,

provided however that (a) the amount of any Trustee Fees and Expenses and Administrative Expenses paid pursuant to Condition 3(k) (Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date) shall be subtracted from the Senior Expenses Cap (subject to a floor of zero) with respect to the Payment Date immediately following the relevant Partial Redemption Date; and (b) if the amount of Trustee Fees and Expenses and Administrative Expenses paid prior to the occurrence of a Frequency Switch Event on the three immediately preceding Payment Dates or, following the occurrence of a Frequency Switch Event, the immediately preceding Payment Date or during the related Due Period(s) (including the Due Period relating to the current Payment Date) is less than the stated Senior Expenses Cap, the amount of each such shortfall (if any) shall be added to the Senior Expenses Cap with respect to the then current Payment Date. For the avoidance of doubt, any such shortfall may not at any time result in an increase of the Senior Expenses Cap on a per annum basis.

"Senior Loan" means a Collateral Debt Obligation that is a Senior Secured Loan, an Senior Unsecured Obligation or a Second Lien Loan.

"Senior Secured Bond" means a Collateral Debt Obligation that is a senior secured debt security in the form of, or represented by, a bond, note, certificated debt security or other debt security (that is not a Senior Secured Loan) as determined by the Collateral Manager in its reasonable judgment, or a Participation therein, provided that:

(i) it is secured by a valid and perfected security interest over (x) assets (including any intellectual property rights) of the Obligor and/or the Obligor’s group thereof if and to the extent that the
provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices), and otherwise (y) at least 80.00 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(ii) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in paragraph (i) above provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares in the event of an enforcement in respect of such loan representing up to the Secured Senior RCF Percentage of the Obligor’s senior debt.

"Senior Secured Loan" means a Collateral Debt Obligation (which may be a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation) that is a senior secured loan obligation as determined by the Collateral Manager in its reasonable judgment or a Participation therein, provided that:

(i) it is secured by a valid and perfected security interest over (x) assets (including any intellectual property rights) of the Obligor and/or the Obligor’s group thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices), and otherwise (y) at least 80.00 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(ii) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in paragraph (i) above provided that (x) a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the Obligor may have a higher priority security interest in such assets or shares in the event of an enforcement in respect of such loan representing up to the Secured Senior RCF Percentage of the Obligor’s senior debt and (y) the limitation set forth in this paragraph (ii) shall (save with respect to determining the S&P Recovery Rate) not apply with respect to capitalised leases or similar obligations.

"Senior Unsecured Obligation" means a Collateral Debt Obligation that:

(i) is a loan obligation senior to any unsecured, subordinated obligation of the Obligor as determined by the Collateral Manager in its reasonable judgment; and

(ii) is not secured (x) by assets of the Obligor or guarantor thereof if and to the extent that the granting of security over assets is permissible under applicable law or (y) by 80.00 per cent. of the equity interests in the shares of an entity owning such fixed assets.

"Similar Law" means any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer’s assets) to any federal, state, local non-U.S. or other law that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

"Solvency II" means Directive 2009/138/EC including any implementing and/or delegated regulation, technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.
"Solvency II Retention Requirements" means the risk retention requirements and due diligence requirements set out in Article 254 and Article 256 of Commission Delegated Regulation (EU) 2015/35 as amended from time to time.

"Special Redemption" has the meaning given to it in Condition 7(d) (Special Redemption).

"Special Redemption Amount" has the meaning given to it in Condition 7(d) (Special Redemption).

"Special Redemption Date" has the meaning given to it in Condition 7(d) (Special Redemption).

"Spot Rate" means with respect to any conversion of any currency into Euro or, as the case may be, of Euro into any other relevant currency, the relevant spot rate of exchange quoted by the Collateral Administrator in consultation and agreement with the Collateral Manager on the date of calculation.

"Step-Down Coupon Security" means a security: (i) which does not pay interest over a specified period of time ending on its maturity, but which does provide for the payment of interest before such specified period; or (ii) the interest rate of which decreases over a specified period of time other than due to the decrease of the floating rate index applicable to such security.

"Step-Up Coupon Security" means a security: (i) which does not pay interest over a specified period of time ending prior to its maturity, but which does provide for the payment of interest after the expiration of such specified period; or (ii) the interest rate of which increases over a specified period of time other than due to the increase of the floating rate index applicable to such security.

"Sterling", or "GBP" means pounds sterling, being the lawful currency of the United Kingdom.

"Structured Finance Security" means any debt security which is secured directly, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar security.

"Subordinated Collateral Management Fee" means the fee payable to the Collateral Manager in arrear on each Payment Date in respect of each Due Period pursuant to the Collateral Management Agreement in an amount, as determined by the Collateral Administrator, equal to 0.30 per cent. per annum of the Fee Basis Amount in respect of the related Due Period (exclusive of any VAT) immediately preceding such Payment Date as determined by the Collateral Administrator (calculated on the basis of a 360-day year consisting of twelve 30-day months).

"Subordinated Noteholders" means the holders of any Subordinated Notes from time to time.

"Subordinated Notes Initial Offer Price Percentage" means 100.00 per cent.

"Sub-Registrar" means CVC Credit Partners Group Limited.

"Subsequent Drawdown" means the amounts that the Issuer has drawn in accordance with the terms of the Liquidity Facility to refinance any Initial Drawdown or Subsequent Drawdown.

"Substitute Collateral Debt Obligation" means a Collateral Debt Obligation purchased in substitution for a whole or part of a previously held Collateral Debt Obligation pursuant to the terms of the Collateral Management Agreement and which satisfies the Eligibility Criteria and the purchase of which satisfies the Reinvestment Criteria.
"Swap Tax Credit" means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Hedge Counterparty to the Issuer or a reduced payment from the Issuer to the Hedge Counterparty pursuant to the relevant Hedge Agreement.

"Swapped Non-Discount Obligation" means any Collateral Debt Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the Sale Proceeds of a Collateral Debt Obligation (the "Original Obligation") that was not a Discount Obligation at the time of its purchase and which will not be considered a Discount Obligation so long as such purchased Collateral Debt Obligation:

(i) is purchased or committed to be purchased within 20 Business Days of such sale of the Original Obligation;

(ii) has a Moody’s Rating no lower than the Moody’s Rating of the Original Obligation;

(iii) is purchased at a price (as a percentage of par) equal to or greater than the sale price of the Original Obligation; and

(iv) is purchased at a price not less than 65 per cent. of (x) in the case of any Collateral Debt Obligation other than an Unhedged Collateral Debt Obligation, the Principal Balance thereof, or (y) in the case of any Unhedged Collateral Debt Obligation, the Unhedged Principal Balance thereof,

provided however that:

(i) to the extent the Aggregate Principal Balance of all Swapped Non-Discount Obligations held by the Issuer as of the relevant date of determination exceeds 5.0 per cent. of the Aggregate Collateral Balance (excluding the Principal Balance of each Defaulted Obligation), such excess will constitute Discount Obligations;

(ii) to the extent the cumulative aggregate Principal Balance of all Swapped Non-Discount Obligations acquired by the Issuer on or after the Issue Date (for the avoidance of doubt, whether or not each such Swapped Non-Discount Obligation is currently held by the Issuer) exceeds 10.0 per cent. of the Target Par Amount, such excess will constitute Discount Obligations;

(iii) in the case of a Collateral Debt Obligation that is an interest (including a Participation) in a Floating Rate Collateral Debt Obligation, such Collateral Debt Obligation will cease to be a Swapped Non-Discount Obligation at such time as the Market Value (expressed as a percentage of its Principal Balance) for such Collateral Debt Obligation on each day during any period of 30 consecutive days since the acquisition of such Collateral Debt Obligation equals or exceeds 90 per cent.;

(iv) in the case of any Collateral Debt Obligation that is not an interest in a Floating Rate Collateral Debt Obligation, such Collateral Debt Obligation will cease to be a Swapped Non-Discount Obligation at such time as the Market Value (expressed as a percentage of its Principal Balance) for such Collateral Debt Obligation on each day during any period of 30 consecutive days since the acquisition of such Collateral Debt Obligation equals or exceeds 85 per cent.; and

(v) in determining which of the Swapped Non-Discount Obligations shall be included in the excess pursuant to sub-paragraphs (i) or (ii) above, Swapped Non-Discount Obligations in respect of which the Issuer entered into a binding commitment to purchase earlier in time shall be deemed to constitute the excess.
"Synthetic Security" means a security or swap transaction (other than a letter of credit or a Participation) on which payments of interest or principal reference an obligation or the credit performance of a reference obligation.

"Target Par Amount" means €452,000,000.

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer system (or, if such system ceases to be operative, such other system (if any) determined by the Trustee to be a suitable replacement).

"Third Party Indemnity Receipts" has the meaning given to it in Condition 3(j)(x) (Expense Reserve Account).

"Trading Gains" means, in respect of any Collateral Debt Obligation which is repaid, prepaid, redeemed or sold, any excess of (a) the Principal Proceeds or Sale Proceeds received in respect thereof over (b) the greater of (x) the Principal Balance thereof and (y) the product of the purchase price (expressed as a percentage) and the Principal Balance thereof, in each case net of (i) any expenses incurred in connection with any repayment, prepayment, redemption or sale thereof, and (ii) in the case of a sale of such Collateral Debt Obligation, any interest accrued but not paid thereon which has not been capitalised as principal and included in the sale price thereof.

"Transaction Documents" means the Trust Deed (including these Conditions), the Agency Agreement, the Placement Agency Agreement, the Collateral Management Agreement, the Collateral Sub-Management Agreement, any Hedge Agreements, the Retention Letter, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement, the Liquidity Facility Agreement, the Warehouse Termination Agreement, any Reporting Delegation Agreement and any document supplemental thereto or issued in connection therewith.

"Trustee Fees and Expenses" means the costs, fees and expenses and all other liabilities (including by way of indemnity and including, without limitation, legal fees and expenses) and all other amounts payable to the Trustee or any Appointee or Receiver pursuant to the Trust Deed or any other Transaction Document from time to time plus any applicable VAT thereon payable under the Trust Deed or any other Transaction Document, including indemnity payments and any fees, costs, charges and expenses properly incurred by the Trustee in respect of any Refinancing.

"UCITS Directive" means Directive 2009/65/EC on Undertakings for Collective Investment in Transferable Securities (as amended from time to time) including any implementing and/or delegated regulations, technical standards and guidance related thereto.

"Unanimous Resolution" means a unanimous resolution as described in Condition 14 (Meetings of Noteholders, Modification, Waiver and Substitution).

"Underlying Instrument" means the agreements or instruments pursuant to which a Collateral Debt Obligation has been issued or created and each other agreement that governs the terms of, or secures the obligations represented by, such Collateral Debt Obligation or under which the holders or creditors under such Collateral Debt Obligation are the beneficiaries.

"Unfunded Amount" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, the excess, if any, of (i) the Commitment Amount under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, as the case may be, at such time over (ii) the Funded Amount thereof at such time.
"Unfunded Revolver Reserve Account" means the account described as such in the name of the Issuer held with the Account Bank in the United Kingdom and in any event outside Ireland.

"Unhedged Aggregate Principal Balance" means the sum of the principal amount, converted into Euros at the Spot Rate, of each Unhedged Collateral Debt Obligation which (i) was purchased on the Primary Market and (ii) has been an Unhedged Collateral Debt Obligation for less than 90 calendar days since the settlement date thereof.

"Unhedged Collateral Debt Obligation" means a Non-Euro Obligation which is not an Asset Swap Obligation.

"Unhedged Principal Balance" means, in respect of an Unhedged Collateral Debt Obligation, its principal amount converted into Euros at the Spot Rate.

"Unpaid Class X Principal Amortisation Amount" means, for any Payment Date, the aggregate amount of all or any portion of the Class X Principal Amortisation Amount for any prior Payment Dates that were not paid on such prior Payment Dates.

"Unsaleable Asset" means any (a) (i) Defaulted Obligation, (ii) Exchanged Security, (iii) obligation received in connection with an Offer, (iv) or other security or debt obligation that is part of the Collateral in respect of which the Issuer has not received a payment in cash during the preceding 12 months or (b) asset, claim or other property identified by the Collateral Manager as having a market value of less than €1,000, if in the case of (a) or (b) the Collateral Manager certifies to the Trustee that it has made reasonable efforts to dispose of such obligation for at least 90 days and, in its commercially reasonable judgement, such obligation is not expected to be saleable for the foreseeable future.

" Unscheduled Principal Proceeds" means (a) with respect to any Collateral Debt Obligation (other than an Asset Swap Obligation), principal proceeds (in the case of any Unhedged Collateral Debt Obligations converted into Euro at the Applicable Exchange Rate) received by the Issuer prior to the Collateral Debt Obligation Stated Maturity thereof as a result of optional redemptions, prepayments (including any acceleration) or Offers (excluding any premiums or make whole amounts in excess of the principal amount of such Collateral Debt Obligation) and (b) in the case of any Asset Swap Obligation, the Asset Swap Counterparty Principal Exchange Amount payable in respect of the amounts referred to in (a) above pursuant to the related Asset Swap Transaction, together with (i) any related Asset Swap Termination Receipts but less any related Asset Swap Termination Payment (to the extent any are payable and in each case determined without regard to the exclusions of unpaid amounts and Asset Swap Counterparty Principal Exchange Amounts or (as applicable) Asset Swap Issuer Principal Exchange Amounts set forth in the definitions thereof) and only to the extent not required for application towards the cost of entry into a Replacement Asset Swap Transaction and (ii) any related Asset Swap Replacement Receipts but only to the extent not required for application towards any related Asset Swap Termination Payments.

"U.S. Dollars", or "U.S.$", means United States dollars, being the lawful currency of the United States of America.

"U.S. Investment Restrictions" means the restrictions set out in Schedule 11 to the Collateral Management Agreement.

"U.S. Person" means a "U.S. person" as such term is defined under Regulation S.

"U.S. Risk Retention Transfer Restriction" means the condition that (a) on the Issue Date the Refinancing Notes may not be purchased by any person except for (i) persons that are not Risk Retention U.S. Persons or (ii) persons that have obtained a U.S. Risk Retention Waiver from the Collateral Manager, and (b) during the Restricted Period, the Notes may not be transferred to any person except for (i) persons that are not Risk Retention U.S. Persons, or (ii) persons that have obtained a U.S. Risk Retention Waiver from the Collateral Manager.

"U.S. Risk Retention Waiver" means a waiver provided by the Collateral Manager to any person that is a Risk Retention U.S. Person which permits such Risk Retention U.S. Person to purchase Notes.

"VAT" means any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) and any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, each tax referred to above, or imposed elsewhere.

"Warehouse Termination Agreement" means the termination agreement dated 21 May 2015 relating to the termination of the warehouse financing arrangement entered into by the Issuer prior to the Original Issue Date to, inter alia, finance the acquisition of Collateral Debt Obligations prior to the Original Issue Date and related arrangements.

"Weighted Average Floating Spread" has the meaning given to it in the Collateral Management Agreement.

"Weighted Average Life" has the meaning given to it in the Collateral Management Agreement.

"Weighted Average Life Test" has the meaning given to it in the Collateral Management Agreement.

"Written Resolution" means any Resolution of the Noteholders of the relevant Class in writing, as described in Condition 14 (Meetings of Noteholders, Modification, Waiver and Substitution) and as further described in, and as defined in, the Trust Deed.

"Zero Coupon Obligation" means any Collateral Debt Obligation the terms of which provide for repayment of a stated principal amount at a stated maturity date but which do not provide for periodic payments of interest in cash at any time while such security is outstanding.

2. Form and Denomination, Title, Transfer and Exchange

(a) Form and Denomination

The Notes of each Class may be issued in global or definitive form and shall be in certificated, fully registered form, without interest coupons, talons and principal receipts attached, in each case, in the applicable Minimum Denomination and integral multiples of any Authorised Integral Amount in excess thereof. Each Definitive Certificate and each Global Certificate will be numbered serially with an identifying number which will be recorded in the Register which the Issuer shall procure to be kept by the Registrar.

The Issuer shall procure that an up to date sub-register (the "Sub-Register") will be kept by the Sub-Registrar in Jersey. The Agency Agreement shall set out the information that will be recorded by the Sub-Registrar in the Sub-Register and will require that the Registrar provide such information to the Sub-Registrar.
Title to the Registered Notes

Title to the Notes passes upon registration of transfers in the Register in accordance with the provisions of the Agency Agreement and the Trust Deed. Notes will be transferable only on the books of the Issuer and its agents. The registered holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

Any interest in any Note represented by a Global Certificate shall be transferable in accordance with the rules and procedures for the time being of the relevant Clearing System.

Transfer

A Note represented by a Definitive Certificate may be transferred in whole or in part in nominal amounts of the applicable Authorised Denomination only upon the surrender, at the specified office of the Registrar or any Transfer Agent of the Definitive Certificate representing such Note to be transferred, with the form of transfer endorsed on such Definitive Certificate duly completed and executed and together with such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of any Note represented by any Definitive Certificate, a new Definitive Certificate will be issued to the transferee in respect of the part transferred and a further new Definitive Certificate in respect of the balance of the holding not transferred will be issued to the transferor.

The transfer of any Note, in whole or in part, represented by a Global Certificate shall be made in accordance with the rules and procedures for the time being of the relevant Clearing System.

Delivery of New Certificates

Each new Definitive Certificate to be issued pursuant to Condition 2(c) (Transfer) will be available for delivery within five Business Days of receipt of such form of transfer or of surrender of an existing certificate upon partial redemption. Delivery of new Definitive Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar, as the case may be, to whom delivery or surrender shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer or otherwise in writing, shall be mailed by pre-paid first class post, at the risk of the holder entitled to the new Definitive Certificate, to such address as may be so specified. In this Condition 2(d) (Delivery of New Certificates), "Business Day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified offices of the Transfer Agent and the Registrar.

Transfer Free of Charge

Transfer of any Global Certificate or Definitive Certificate representing Notes or any Note in accordance with these Conditions on registration or transfer will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, except that the Issuer may require payment of a sum to it (or the giving of such indemnity as the Issuer, Registrar or the relevant Transfer Agent may require in respect thereof) to cover any stamp duty tax or other governmental charges which may be imposed in relation to the registration.
(f) **Closed Periods**

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 calendar days ending on the due date for redemption (in full) of that Note or (ii) during the period of seven calendar days ending on (and including) any Record Date.

(g) **Regulations Concerning Transfer and Registration**

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes scheduled to the Trust Deed, including without limitation, that a transfer of Notes in breach of certain of such regulations will result in such transfer being void ab initio. The regulations may be changed by the Issuer in any manner which is reasonably required by the Issuer (after consultation with the Trustee) to reflect changes in legal or regulatory requirements or in any other manner which, in the opinion of the Issuer (subject to not less than 60 days’ notice of any such change having been given to the Noteholders in accordance with Condition 16 (Notices)), is not prejudicial to the interests of the holders of the relevant Class of Notes. A copy of the current regulations may be inspected at the offices of any Transfer Agent during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes and will be sent by the Registrar to any Noteholder who so requests.

(h) **Forced Transfer of Rule 144A Notes**

If the Issuer determines at any time that a holder of Rule 144A Notes (1) is a U.S. Person and (2) is not a QIB/QP (any such person, a "Non-Permitted Holder"), the Issuer shall, promptly after determination that such person is a Non-Permitted Holder by the Issuer, send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its Notes outside the United States to a non-U.S. Person or within the United States to a U.S. Person that is a QIB/QP within 30 days of the date of such notice. If such Non-Permitted Holder fails to effect the transfer within such 30 day period, (a) the Issuer shall cause such Notes to be transferred in a sale to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and (b) pending such transfer, no further payments will be made in respect of such beneficial interest. The Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Notes and selling such Notes to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion. Each Noteholder and each other person in the chain of title to the Non-Permitted Holder by its acceptance of an interest in the Notes agrees to cooperate with the Issuer to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the selling Noteholder. The terms and conditions of any sale hereunder shall be determined in the sole discretion of the Issuer, subject to the transfer restrictions set out herein, and the Issuer shall not be liable to any person having an interest in the Notes sold as a result of any such sale or the exercise of such discretion. The Issuer reserves the right to require any holder of Notes to submit a written certification substantiating that it is a QIB/QP or a non-U.S. Person. If such holder fails to submit any such requested written certification on a timely basis, the Issuer has the right to assume that the holder of the Notes from whom such a certification is requested is not a QIB/QP or a non-U.S. Person. Furthermore, the Issuer reserves the right to refuse to honour a transfer of beneficial interests in a Rule 144A Note to any Person who is not either a non-U.S. Person or a U.S. Person that is a QIB/QP.

(i) **Forced sale pursuant to FATCA**

Under FATCA, the Issuer and/or an Intermediary may be required to, among other things, provide certain information about the Noteholders (which may include a nominee or beneficial owner of a Note for these
purposes) to a taxing authority. Each Noteholder may be required to provide certifications and identifying information about itself and certain of its owners.

The Issuer may force the sale of a Noteholder’s Notes (other than the Retention Notes) in order to achieve FATCA Compliance, including Notes held by a Noteholder that fails to provide the required information or if the Issuer otherwise reasonably determines that a Noteholder’s acquisition or holding of an interest in such a Note would cause the Issuer to be unable to achieve FATCA Compliance (and such sale could be for less than its then fair market value). For these purposes, the Issuer shall have the right to sell a Noteholder’s interest in its Notes (other than the Retention Notes) in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to achieve FATCA Compliance. If the Issuer elects to force such sale, the Issuer shall require the Noteholder to sell such Notes to a purchaser selected by the Issuer on such terms as the Issuer may choose, subject to the transfer restrictions set out herein. The Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities and selling such Notes to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion. Each Noteholder and each other person in the chain of title to the Recalcitrant Noteholder or Noteholder that is a foreign financial institution as defined under FATCA and that is not in compliance with the applicable requirements under FATCA, by its acceptance of an interest in the Notes agrees to cooperate with the Issuer to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the selling Noteholder. The terms and conditions of any sale hereunder shall be determined in the sole discretion of the Issuer subject to the transfer restrictions set out herein, and none of the Issuer, the Trustee or the Registrar shall be liable to any person having an interest in the Notes sold as a result of any such sale or the exercise of such discretion. The Issuer reserves the right to require any holder of Notes to provide any information required under FATCA.

\( j \) \textit{Forced Transfer pursuant to ERISA}

If any Noteholder is determined by the Issuer to be a Noteholder who has made or is deemed to have made any prohibited transaction, Benefit Plan Investor, Controlling Person, Other Plan Law or Similar Law representation that is subsequently shown to be false or misleading, or whose beneficial ownership otherwise causes a violation of the 25 per cent. limitation set out in Title I of ERISA and Section 4975 of the Code (any such Noteholder a “Non-Permitted ERISA Holder”), the Non-Permitted ERISA Holder may be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser at a price to be agreed between the Issuer and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of an interest in such Notes, agrees to cooperate with the Issuer, to the extent required to effect such transfers. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non-Permitted ERISA Holder will receive the balance, if any.

\( k \) \textit{Forced transfer pursuant to U.S. Risk Retention Rules}

If any Noteholder is determined by the Issuer to be a Noteholder who has acquired its interest in any Notes in violation of the U.S. Risk Retention Transfer Restriction (any such Noteholder a “Non-Permitted U.S. Risk Retention Holder”), the Non-Permitted U.S. Risk Retention Holder will be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser (selected by the Issuer) at a price to be agreed between the Issuer (exercising its sole discretion) and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs incurred and any loss.
suffered by the Issuer as a result of such forced transfer. The Non-Permitted U.S. Risk Retention Holder will receive the balance, if any.

(i) **Contributions**

At any time during or after the Reinvestment Period, any Noteholder may (i) make a contribution of cash or (ii) if it is a Subordinated Noteholder, by notice in writing to the Issuer, the Trustee, the Collateral Administrator, the Collateral Manager, designate any portion of Interest Proceeds or Principal Proceeds that would otherwise be distributed on its Notes in accordance with the Priorities of Payments, to the Issuer (each, a "Contribution" and each such Noteholder, a "Contributor"). The Collateral Manager, on behalf of the Issuer, may accept or reject any Contribution in its reasonable discretion. If a Contribution is accepted, it will be received into the Contributions Account and applied by the Collateral Manager on behalf of the Issuer as directed by the Contributor at the time such Contribution is made or, if no direction is given by the Contributor, at the Collateral Manager’s reasonable discretion, provided in each case that such application is a Permitted Use in accordance with Condition 3(j)(vii) (Contributions Account). No Contribution or portion thereof will be returned to the Contributor at any time other than by operation of the Priorities of Payments.

(m) **Exchange of Voting/Non-Voting Notes**

The Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes may be in the form of a CM Voting Note, a CM Non-Voting Exchangeable Note or a CM Non-Voting Note.

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

CM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into CM Non-Voting Exchangeable Notes or CM Non-Voting Notes. CM Non-Voting Exchangeable Notes shall be exchangeable (a) upon request by the relevant Noteholder at any time into CM Non-Voting Notes or (b) into CM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance. CM Non-Voting Notes shall not be exchangeable at any time into CM Voting Notes or CM Non-Voting Exchangeable Notes.

Any such right to exchange a Note, as described and subject to the limitations set out in the immediately prior paragraph, may be exercised by a Noteholder holding a Definitive Certificate or a beneficial interest in a Global Certificate delivering to the Registrar and the Transfer Agent a duly completed exchange request substantially in the form provided in the Trust Deed, or in such other form as the Trustee, upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Trustee as applicable) given by the proposed transferee.

3. **Status**

(a) **Status**

The Notes of each Class constitute direct, general, secured, unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 4(c) (Limited Recourse and
The Notes of each Class are secured in the manner described in Condition 4(a) (Security) and, within each Class, shall at all times rank pari passu and without any preference amongst themselves.

(b) **Relationship Among the Classes**

The Notes of each Class are constituted by the Trust Deed and are secured on the Collateral as further described in the Trust Deed. Payments of interest on the Class X Notes and the Class A Notes will rank senior to payments of interest on each Payment Date in respect of each other Class; payment of interest on the Class B Notes will be subordinated in right of payment to payments of interest in respect of the Class X Notes and the Class A Notes, but senior in right of payment to payments of interest in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class C Notes will be subordinated in right of payment to payments of interest in respect of the Class X Notes, the Class A Notes and the Class B Notes, but senior in right of payment to payments of interest on the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class D Notes will be subordinated in right of payment to payments of interest in respect of the Class X Notes, the Class A Notes, the Class B Notes and the Class C Notes, but senior in right of payment to payments of interest on the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class E Notes will be subordinated in right of payment to payments of interest in respect of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, but senior in right of payment to payments of interest on the Subordinated Notes. Payment of interest on the Subordinated Notes will be subordinated in right of payment to payment of interest in respect of the Rated Notes. Interest on the Subordinated Notes shall be paid pari passu and without any preference amongst themselves.

No amount of principal in respect of the Class B Notes shall become due and payable until redemption and payment in full of the Class X Notes and the Class A Notes. No amount of principal in respect of the Class C Notes shall become due and payable until redemption and payment in full of the Class X Notes, the Class A Notes and the Class B Notes. No amount of principal in respect of the Class D Notes shall become due and payable until redemption and payment in full of the Class X Notes, the Class A Notes, the Class B Notes and the Class C Notes. No amount of principal in respect of the Class E Notes shall become due and payable until redemption and payment in full of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. No amount of principal in respect of the Class F Notes shall become due and payable until redemption and payment in full of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. Subject to the applicability of the Post-Acceleration Priority of Payments, the Subordinated Notes will be entitled to receive, out of Principal Proceeds, the amounts described under the Principal Proceeds Priority of Payments on a pari passu basis. Payments on the Subordinated Notes are subordinated to payments on the Rated Notes and other amounts described in the Priorities of Payments and no payments out of Principal Proceeds will be made on the Subordinated Notes until the Rated Notes and other payments ranking prior to the Subordinated Notes in accordance with the Priorities of Payments are paid in full. Payments of principal on the Class X Notes shall rank pari passu with payments of interest on the Class X Notes and the Class A Notes in accordance with the Interest Proceeds Priority of Payments.

(c) **Priorities of Payments**

The Collateral Administrator shall (on the basis of the Payment Date Report prepared by the Collateral Administrator in consultation with the Collateral Manager pursuant to the terms of the Collateral Management Agreement on each Determination Date), on behalf of the Issuer (i) on each Payment Date prior to the acceleration of the Notes in accordance with Condition 10(b) (Acceleration); (ii) following the
acceleration of the Notes pursuant to Condition 10(b) \((\textit{Acceleration})\), which, if such acceleration is by way of the delivery of an Acceleration Notice (actual or deemed), such Acceleration Notice has subsequently been rescinded and annulled in accordance with Condition 10(c) \((\textit{Curing of Default})\); and (iii) other than in connection with an optional redemption in whole under Condition 7(b) \((\textit{Optional Redemption})\) or in accordance with Condition 7(f) \((\textit{Redemption following Note Tax Event})\) (in which event the Post-Acceleration Priority of Payments shall apply to Interest Proceeds and Principal Proceeds), instruct the Account Bank to disburse Interest Proceeds and Principal Proceeds transferred to the Payment Account, in each case, in accordance with the following Priorities of Payments:

(i) \textit{Application of Interest Proceeds}

Subject as further provided below, Interest Proceeds in respect of a Due Period shall be paid on the Payment Date immediately following such Due Period in the following order of priority (and in the case of any Payment Date that is a Partial Redemption Date, only after the application of Refinancing Proceeds and Partial Redemption Interest Proceeds in accordance with Condition 3(k) \((\textit{Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date})\)):

(A) to the payment of: (i) firstly taxes owing by the Issuer accrued in respect of the related or any earlier/other Due Period (including any Irish tax payable in relation to the amounts equal to the minimum profit referred to in paragraph (ii) below), as certified by an Authorised Officer of the Issuer to the Collateral Administrator, if any (save for any VAT payable in respect of any Collateral Management Fee or any other tax payable in relation to any other amount payable to the Secured Parties or to any other party in accordance with the Priorities of Payment); and (ii) secondly the Issuer Profit Amount to be retained by the Issuer, for deposit into the Issuer Irish Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, provided that, following the occurrence of an Event of Default which is continuing, the Senior Expenses Cap shall not apply in respect of this paragraph;

(C) to the payment of accrued and unpaid Administrative Expenses in respect of such Due Period in the priority stated in the definition thereof, up to an amount equal to the Senior Expenses Cap less any amounts paid pursuant to item (B) above, provided that, following the occurrence of an Event of Default which is continuing the Senior Expenses Cap shall not apply in respect of this paragraph;

(D) to the Expense Reserve Account, of an amount equal to the Ongoing Expense Reserve Amount;

(E) to the payment of any Liquidity Payments due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(F) to the payment:

(1) firstly, on a pro rata and pari passu basis \((x)\) to the Collateral Manager of the Senior Collateral Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority) (save for any Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts) except that the Collateral Manager may, in its sole
discretion, elect to (x) designate for reinvestment or (y) defer payment of some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (F) (any such amounts, being "Deferred Senior Collateral Management Amount") on any Payment Date, provided that any such amount in the case of (x) shall (a)(i) be used to purchase Substitute Collateral Debt Obligations or to purchase Rated Notes in accordance with Condition 7(j) (Purchase) or (ii) be deposited in the Principal Account pending reinvestment in Substitute Collateral Debt Obligations and (b) not be treated as unpaid for the purposes of this paragraph (F) or paragraph (X) below or in the case of (y), shall be applied to the payment of amounts in accordance with paragraphs (G) through (W) and (Y) through (DD) below, subject to the Collateral Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied;

(2) secondly, to the Collateral Manager, any previously due and unpaid Senior Collateral Management Fees (other than Deferred Senior Collateral Management Amounts) and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority),

(G) to the payment on a pro rata and pari passu basis, of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid or provided for out of the Interest Account), Scheduled Periodic Asset Swap Issuer Payments (to the extent not paid or provided for out of the relevant Non-Euro Hedge Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments) (to the extent not paid out of the Hedge Termination Account);

(H) to the payment on a pro rata and pari passu basis of (1)(a) the Interest Amounts due and payable on the Class X Note in respect of the Accrual Period ending on such Payment Date, (b) the Class X Principal Amortisation Amount due and payable on such Payment Date and (c) any Unpaid Class X Principal Amortisation Amount as of such Payment Date, and (2) all Interest Amounts due and payable on the Class A Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class A Notes;

(I) to the payment on a pro rata and pari passu basis of the Interest Amounts due and payable on the Class B Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class B Notes;

(J) if either of the Class A/B Coverage Tests is not satisfied on any Determination Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class A/B Coverage Test to be satisfied (if applicable) if recalculated following such redemption on a proforma basis after giving effect to all payments pursuant to this paragraph (J);

(K) to the payment on a pro rata and pari passu basis of the Interest Amounts due and payable on the Class C Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(L) to the payment on a pro rata and pari passu basis of any Deferred Interest on the Class C Notes which is due and payable pursuant to Condition 6(c) (Deferral of Interest);
if either of the Class C Coverage Tests is not satisfied on any Determination Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class C Coverage Test (if applicable) to be met if recalculated following such redemption on a proforma basis after giving effect to all payments pursuant to this paragraph (M);

(N) to the payment on a pro rata and pari passu basis of the Interest Amounts due and payable on the Class D Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(O) to the payment on a pro rata and pari passu basis of any Deferred Interest on the Class D Notes which is due and payable pursuant to Condition 6(c) (Deferral of Interest);

(P) if either of the Class D Coverage Tests is not satisfied on any Determination Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class D Coverage Test (if applicable) to be met if recalculated following such redemption on a proforma basis after giving effect to all payments in priority to this paragraph (P);

(Q) to the payment on a pro rata and pari passu basis of the Interest Amounts due and payable on the Class E Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(R) to the payment on a pro rata and pari passu basis of any Deferred Interest on the Class E Notes which is due and payable pursuant to Condition 6(c) (Deferral of Interest);

(S) if the Class E Par Value Test is not satisfied on any Determination Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Class E Par Value Test to be met if recalculated following such redemption on a proforma basis after giving effect to all payments in priority to this paragraph (S);

(T) to the payment on a pro rata and pari passu basis of the Interest Amounts due and payable on the Class F Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(U) to the payment on a pro rata and pari passu basis of any Deferred Interest on the Class F Notes which is due and payable pursuant to Condition 6(c) (Deferral of Interest);

(V) if the Class F Par Value Test is not satisfied on any Determination Date, to the redemption of the Rated Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Class F Par Value Test to be met if recalculated following such redemption on a proforma basis after giving effect to all payments in priority to this paragraph (V);

(W) if, on any Payment Date during the Reinvestment Period only, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (V) (inclusive) above, the Interest Diversion Test has not been met, to the payment to the Principal Account as Principal Proceeds, for the acquisition of additional Collateral Debt
Obligations in an amount (such amount, the "Required Diversion Amount") equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment and (2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (V) (inclusive) above, would be sufficient to cause the Interest Diversion Test to be met;

(X) to the payment:

(1) firstly, to the Collateral Manager of the Subordinated Collateral Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority) until such amount has been paid in full except that the Collateral Manager may, in its sole discretion, elect to (x) designate for reinvestment or (y) defer payment of some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (X) (any such amounts, being "Deferred Subordinated Collateral Management Amounts") on any Payment Date, provided that any such amount in the case of (x) shall (a)(i) be used to purchase Substitute Collateral Debt Obligations or to purchase Rated Notes in accordance with Condition 7(j) (Purchase) or (ii) be deposited in the Principal Account pending reinvestment in Substitute Collateral Debt Obligations or the purchase of Rated Notes in accordance with Condition 7(j) (Purchase) and (b) not be treated as unpaid for the purposes of paragraph (G) above or this paragraph (X) or in the case of (y), shall be applied to the payment of amounts in accordance with paragraphs (Y) through (DD) below, subject to the Collateral Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied;

(2) secondly, to the Collateral Manager of any previously due and unpaid Subordinated Collateral Management Fee (other than Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts) and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(3) thirdly, at the election of the Collateral Manager (at its sole discretion) to the Collateral Manager in payment of any previously Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority);

(Y) to the payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap;

(Z) to the payment of Administrative Expenses (if any) in relation to each item thereof in the order of priority stated in the definition thereof not paid by reason of the Senior Expenses Cap;

(AA) to the payment on a pro rata and pari passu basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty;

(BB) to the repayment of any Collateral Manager Advances and any interest thereon;
during the Reinvestment Period at the direction and in the discretion of the Collateral Manager, to transfer to the Collateral Enhancement Account, any Collateral Enhancement Amounts;

(DD) (1) if the Incentive Collateral Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds to the payment of interest on the Subordinated Notes on a pro rata basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Incentive Collateral Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date in accordance with the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments, the Incentive Collateral Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) firstly, 20 per cent. of any remaining Interest Proceeds, to the payment to the Collateral Manager as an Incentive Collateral Management Fee;

(b) secondly, any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant tax authority); and

(c) thirdly, any remaining Interest Proceeds, to the payment of interest on the Subordinated Notes on a pro rata basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

(ii) Application of Principal Proceeds

Principal Proceeds in respect of a Due Period shall be paid on the Payment Date immediately following such Due Period in the following order of priority (and in the case of any Payment Date that is a Partial Redemption Date, only after the application of Refinancing Proceeds and Partial Redemption Interest Proceeds in accordance with Condition 3(k) (Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date)):

(A) to the payment on a sequential basis of the amounts referred to in paragraphs (A) through (J) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(B) to the payment of the amounts referred to in paragraph (K) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes and the Class B Notes have been redeemed in full;

(C) to the payment of the amounts referred to in paragraph (L) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes and the Class B Notes have been redeemed in full;
(D) to the payment of the amounts referred to in paragraph (M) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class C Coverage Tests that are applicable on such Payment Date with respect to the Class C Notes to be met as of the related Determination Date;

(E) to the payment of the amounts referred to in paragraph (N) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes and the Class C Notes have been redeemed in full;

(F) to the payment of the amounts referred to in paragraph (O) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes and the Class C Notes have been redeemed in full;

(G) to the payment of the amounts referred to in paragraph (P) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class D Coverage Tests that are applicable on such Payment Date with respect to the Class D Notes to be met as of the related Determination Date;

(H) to the payment of the amounts referred to in paragraph (Q) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes have been redeemed in full;

(I) to the payment of the amounts referred to in paragraph (R) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes have been redeemed in full;

(J) to the payment of the amounts referred to in paragraph (S) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class E Par Value Test that is applicable on such Payment Date with respect to the Class E Notes to be met as of the related Determination Date;

(K) to the payment of the amounts referred to in paragraph (T) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes have been redeemed in full;

(L) to the payment of the amounts referred to in paragraph (U) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes have been redeemed in full;

(M) to the payment of the amounts referred to in paragraph (V) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class F Par Value Test that is applicable on such Payment Date with respect to the Class F Notes to be met as of the related Determination Date;
if such Payment Date is a Special Redemption Date, at the election of the Collateral Manager, to make payments in an amount equal to the Special Redemption Amount (if any) applicable to such Payment Date in accordance with the Note Payment Sequence;

during the Reinvestment Period, at the discretion of the Collateral Manager, either to the purchase of Substitute Collateral Debt Obligations or to the Principal Account pending reinvestment in Substitute Collateral Debt Obligations at a later date in each case subject to and in accordance with the Collateral Management Agreement;

after the Reinvestment Period in the case of Principal Proceeds representing Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Improved Obligations and Credit Impaired Obligations at the discretion of the Collateral Manager, either to the purchase of Substitute Collateral Debt Obligations or to the Principal Account pending reinvestment in Substitute Collateral Debt Obligations at a later date in each case subject to and in accordance with the Collateral Management Agreement;

after the Reinvestment Period, to redeem the Notes in accordance with the Note Payment Sequence;

to the payment on a sequential basis of the amounts referred to in paragraphs (X) through (BB) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

if the Incentive Collateral Management Fee IRR Threshold has not been reached, any remaining Principal Proceeds to the payment on the Subordinated Notes on a pro rata basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes and immediately prior to such redemption), until the Incentive Collateral Management Fee IRR Threshold is reached; and

if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including in accordance with the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments, the Incentive Collateral Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

firstly, 20 per cent. of any remaining Principal Proceeds, to the payment to the Collateral Manager as an Incentive Collateral Management Fee;

secondly, any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant tax authority); and

thirdly, any remaining Principal Proceeds, to the payment of principal on the Subordinated Notes on a pro rata basis and thereafter to the payment of interest on a pro rata basis on the Subordinated Notes (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount.
Outstanding of the Subordinated Notes and immediately prior to such redemption).

Subject to the specific provision that is made pursuant to paragraphs (A) and (DD)(2) of the Interest Priority of Payments and paragraph (S)(2) of the Principal Priority of Payments, where the payment of any amount in accordance with the Priorities of Payment set out above is subject to any deduction or withholding for or on account of any tax or any other tax is payable by or on behalf of the Issuer in respect of any such amount, payment of the amounts so deducted or withheld or of the tax so due shall be made to the relevant taxing authority pari passu with and, so far as possible, at the same time as the payment of the amount in respect of which the relevant deduction or withholding or other liability to tax has arisen.

(d) **Non payment of Interest Amounts**

Failure on the part of the Issuer to pay the Interest Amounts on the Class X Notes, the Class A Notes and the Class B Notes pursuant to Condition 6 (Interest) in accordance with the Priorities of Payments shall not be a Note Event of Default unless and until such failure continues for a period of at least five Business Days (or seven Business Days in the case of an administrative error or omission. Pursuant to the terms of Condition 6(c) (Deferral of Interest), non-payment of interest on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes as a result of the insufficiency of available Interest Proceeds will not constitute a Note Event of Default.

Subject always, in the case of Interest Amounts payable in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes to Condition 6(c) (Deferral of Interest) and save as otherwise provided in respect of any unpaid Collateral Management Fees (and VAT payable in respect thereof), in the event of non-payment of any amounts referred to in the Interest Proceeds Priority of Payments or the Principal Proceeds Priority of Payments on any Payment Date, such amounts shall remain due and shall be payable on each subsequent Payment Date in the orders of priority provided for in this Condition 3 (Status). References to the amounts referred to in the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments of this Condition 3 (Status) shall include any amounts thereof not paid when due in accordance with this Condition 3 (Status) on any preceding Payment Date.

(e) **Determination and Payment of Amounts**

The Collateral Administrator will, in consultation with the Collateral Manager, on each Determination Date, calculate the amounts payable on the applicable Payment Date pursuant to the Priorities of Payments and will notify the Issuer and the Trustee of such amounts. The Account Bank (acting in accordance with the Payment Date Report compiled by the Collateral Administrator on behalf of the Issuer) shall, on behalf of the Issuer not later than 12.00 noon (London time) on the Business Day preceding each Payment Date, cause the amounts standing to the credit of the Principal Account and if applicable the Interest Account, the Expense Reserve Account and the Collateral Enhancement Account (together with, to the extent applicable, amounts standing to the credit of any other Account) to the extent required to pay the amounts referred to in the Interest Proceeds Priority of Payments, the Principal Proceeds Priority of Payments, and the Post-Acceleration Priority of Payments which are payable on such Payment Date, to be transferred to the Payment Account in accordance with Condition 3(j) (Payments to and from the Accounts).

(f) **De Minimis Amounts**

The Collateral Administrator may, in consultation with the Collateral Manager, adjust the amounts required to be applied in payment of principal on any Class of Notes from time to time pursuant to the Priorities of Payments so that the amount to be so applied in respect of each such Note is a whole amount,
not involving any fraction of a Euro cent or, at the discretion of the Collateral Administrator, any fraction of a Euro.

(g) **Publication of Amounts**

The Collateral Administrator will, on behalf of and at the expense of the Issuer, cause details of the amounts of interest and principal to be paid, and any amounts of interest payable but not paid, on each Payment Date in respect of the Notes to be notified at the expense of the Issuer to the Issuer, the Trustee, the Principal Paying Agent, the Registrar and the Irish Stock Exchange by no later than 11.00 a.m. (London time) on the Business Day prior to the applicable Payment Date in the Payment Date Report and the Registrar shall procure that details of such amounts are notified at the expense of the Issuer to the Noteholders of each Class in accordance with Condition 16 (Notices) as soon as possible after notification thereof to the Registrar in accordance with the above but in no event later than (to the extent applicable) the third Business Day after the last day of the applicable Due Period.

(h) **Notifications to be Final**

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained or discretions exercised for the purposes of the provisions of this Condition 3 (Status) will (in the absence of manifest error) be binding on the Issuer, the Collateral Administrator, the Collateral Manager, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence of negligence, fraud or wilful misconduct of the Collateral Administrator) no liability to the Issuer or the Noteholders shall attach to the Collateral Administrator in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition 3 (Status).

(i) **Accounts**

The Issuer shall, prior to the Issue Date (or, in respect of the Counterparty Downgrade Collateral Accounts, on or about the date of entry by the Issuer into a Hedge Agreement with a new Hedge Counterparty), have established the following accounts with the Account Bank or (as the case may be) with the Custodian:

(i) the Principal Account;

(ii) the Interest Account;

(iii) the Payment Account;

(iv) the Collateral Enhancement Account;

(v) the Expense Reserve Account;

(vi) the Unfunded Revolver Reserve Account;

(vii) the Contributions Account;

(viii) each Counterparty Downgrade Collateral Account;

(ix) the Hedge Termination Account(s);

(x) the Non-Euro Hedge Account(s);

(xi) the Collection Account;
(xii) the Custody Account; and

(xiii) the Interest Smoothing Account.

The Account Bank and the Custodian shall at all times be a financial institution meeting the Rating Requirement applicable thereto, which has the necessary regulatory capacity and licences to perform the services required by it. If the Account Bank or the Custodian at any time fails to satisfy the Rating Requirement, the Issuer shall use reasonable endeavours to procure that a replacement Account Bank or Custodian, as applicable, acceptable to the Trustee, which satisfies the Rating Requirement is appointed in accordance with the provisions of the Agency Agreement.

Amounts standing to the credit of the Accounts (other than the Unfunded Revolver Reserve Account, each Counterparty Downgrade Collateral Account, the Payment Account and the Collection Account) from time to time may be invested by the Collateral Manager on behalf of the Issuer in Eligible Investments.

All interest accrued on any of the Accounts (save for each Counterparty Downgrade Collateral Account) from time to time shall be paid into the Interest Account, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All principal amounts received in respect of Eligible Investments standing to the credit of any Account from time to time shall be credited to that Account upon maturity, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All interest accrued on such Eligible Investments (including capitalised interest received upon the sale, maturity or termination of any such investment) shall be paid to the Interest Account as, and to the extent provided, above.

Save for the Counterparty Downgrade Collateral Account and any Non-Euro Hedge Accounts, to the extent that any amounts required to be paid into any Account pursuant to the provisions of this Condition 3 (Status) are denominated in a currency other than Euro, the Collateral Manager, acting on behalf of the Issuer, may convert such amounts into the currency of the Account at the Spot Rate as determined by the Collateral Administrator at the direction of and in consultation with the Collateral Manager.

Notwithstanding any other provisions of this Condition 3(i) (Accounts), all amounts standing to the credit of each of the Accounts (other than (i) the Interest Account, (ii) the Payment Account, (iii) the Contributions Account, (iv) the Expense Reserve Account, (v) the Collateral Enhancement Account, (vi) all interest accrued on the Accounts, (vii) the Counterparty Downgrade Collateral Accounts, (ix) each Non-Euro Hedge Account and (x) the Interest Smoothing Account) shall be transferred to the Payment Account and shall constitute Principal Proceeds on the Business Day prior to any redemption of the Notes in full; all amounts standing to the credit of each of the Interest Account, the Contributions Account, the Expense Reserve Account, the Collateral Enhancement Account, the Interest Smoothing Account, a Counterparty Downgrade Collateral Account, to the extent not required to be repaid to any Hedge Counterparty (or representing unpaid amounts under a terminated Hedge Transaction which constitute Principal Proceeds) shall be transferred to the Payment Account and shall constitute Interest Proceeds on the Business Day prior to the redemption of the Notes in full.

For the avoidance of doubt, application of amounts in respect of Swap Tax Credits received by the Issuer shall be paid out of the Interest Account to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement, without regard to the Priorities of Payments.
Payments to and from the Accounts

(i) Principal Account

The Issuer will procure that the following Principal Proceeds are paid into the Principal Account promptly upon receipt thereof (save for those in respect of any Asset Swap Obligations and amounts deposited into the Interest Account pursuant to Condition 3(jj)(ii)(Q) (Interest Account)) provided that, in the case of receipts on any Unhedged Collateral Debt Obligation, such amounts shall be converted into Euro at the Applicable Exchange Rate prior to such payment into the Principal Account:

(A) all principal payments received in respect of any Collateral Debt Obligation including, without limitation:

(1) Scheduled Principal Proceeds, other than any Interest Rate Hedge Replacement Receipts or Interest Rate Hedge Termination Receipts;

(2) amounts received in respect of any maturity, scheduled amortisation, mandatory prepayment or mandatory sinking fund payment on a Collateral Debt Obligation;

(3) Unscheduled Principal Proceeds; and

(4) any other principal payments with respect to Collateral Debt Obligations or Eligible Investments (to the extent not included in the Sale Proceeds), but excluding (i) any such payments received in respect of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, to the extent required to be paid into the Unfunded Revolver Reserve Account and (ii) any amounts that relate to Asset Swap Obligations;

(B) any Asset Swap Counterparty Principal Exchange Amount (other than any payments from an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction, which shall be paid into the relevant Non-Euro Hedge Account) received by the Issuer under any Asset Swap Transactions;

(C) the Balance standing to the credit of the relevant Hedge Termination Account in the circumstances described under Condition 3(jj)(viii) (Hedge Termination Account) below;

(D) amounts received in respect of any Asset Swap Obligation which are not required to be paid to the applicableAsset Swap Counterparty, as the case may be, pursuant to the related Asset Swap Transaction but which are required, pursuant to the Collateral Management Agreement, to be paid into the Principal Account following conversion thereof into Euro at the Applicable Exchange Rate;

(E) all interest and other amounts received in respect of any Defaulted Obligation or any Mezzanine Obligation for so long as it is a Defaulted Obligation or a Defaulted Deferring Mezzanine Obligation (as applicable) (save for Defaulted Obligation Excess Amounts and Defaulted Mezzanine Excess Amounts) and amounts representing the element of deferred interest in any payments received in respect of any PIK Obligation;
all premiums (including prepayment premiums) receivable upon redemption of any Collateral Debt Obligation at maturity or otherwise or upon exercise of any put or call option in respect thereof which is above the outstanding principal amount of any Collateral Debt Obligation;

all fees and commissions received in connection with the purchase or sale of any Collateral Debt Obligations (including such fees received in relation to Corporate Rescue Loans) or Eligible Investments or work out or restructuring of any Defaulted Obligations or Collateral Debt Obligations as determined by the Collateral Manager in its reasonable discretion;

all Sale Proceeds received in respect of a Collateral Debt Obligation;

all Distributions and Sale Proceeds received in respect of Exchanged Security;

all Collateral Enhancement Debt Obligation Proceeds;

all Purchased Accrued Interest;

amounts transferred to the Principal Account from any other Account as required below;

all proceeds received from any additional issuance of the Notes that are not invested in Collateral Debt Obligations or required to be paid into the Interest Account;

any other amounts received in respect of the Collateral which are not required to be paid into another Account in accordance with this Condition 3(j) (Payments to and from the Accounts);

all amounts required to be transferred from the relevant Counterparty Downgrade Collateral Account in accordance with these Conditions;

all amounts transferred from the Expense Reserve Account;

all amounts payable into the Principal Account pursuant to paragraph (W) of the Interest Proceeds Priority of Payments upon the failure to meet the Interest Diversion Test during the Reinvestment Period;

all principal and interest payments (together with amounts received by way of gross up of such interest and in respect of a claim under any applicable double tax treaty) received in respect of any Non-Eligible Original Issue Date Collateral Debt Obligation or any other asset which did not satisfy the Eligibility Criteria on the date it was required to do so and which has not been sold by the Collateral Manager in accordance with Collateral Management Agreement;

all amounts transferrable to the Principal Account from the Non-Euro Hedge Account pursuant to paragraph (4) of Condition 3(j)(ix) (Non-Euro Hedge Account) following exchange of such amounts into Euros by the Collateral Administrator on behalf of the Issuer following consultation with the Collateral Manager;

all net Refinancing Proceeds;

all amounts transferred from the Contributions Account;
any other amounts which are not required to be paid into any other Account in accordance with this Condition 3(j) (Payments to and from the Accounts);

all amounts payable into the Principal Account pursuant to paragraph (V) of the Interest Proceeds Priority of Payments upon the failure to meet the Class F Par Value Test following the end of the Reinvestment Period; and

any Collateral Manager Advances designated for such purpose.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Principal Account, provided in each case that amounts deposited in the Principal Account pursuant to paragraph (T) above, shall only be applied in accordance with sub-paragraph (4) below unless, after such application on the relevant date, there is a surplus of such proceeds

(1) on the Business Day prior to each Payment Date, all Principal Proceeds standing to the credit of the Principal Account to the Payment Account to the extent required for disbursement pursuant to the Principal Proceeds Priority of Payments, save for: (a) amounts deposited after the end of the related Due Period; and (b) any Principal Proceeds deposited prior to the end of the related Due Period to the extent such Principal Proceeds are permitted to be and have been designated for reinvestment by the Collateral Manager (on behalf of the Issuer) pursuant to the Collateral Management Agreement (including any payments to an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction) for a period beyond such Payment Date, provided that (i) if the Coverage Tests are not satisfied, Principal Proceeds from Defaulted Obligations may not be designated for reinvestment by the Collateral Manager (on behalf of the Issuer) until after the following Payment Date and (ii) no such payment shall be made to the extent that such amounts are not required to be distributed pursuant to the Principal Proceeds Priority of Payments on such Payment Date;

(2) at any time at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with the terms of, and to the extent permitted under, the Collateral Management Agreement, in the acquisition of Collateral Debt Obligations (including amounts equal to the Unfunded Amounts of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations which are required to be deposited in the Unfunded Revolver Reserve Account) and any initial principal exchange amount denominated in Euro and due to an Asset Swap Counterparty pursuant to an Asset Swap Transaction;

(3) on any Payment Date, at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Collateral Management Agreement, in payment of the purchase price of any Notes purchased by the Issuer in accordance with Condition 7(j) (Purchase);

(4) on any date on which a Refinancing has occurred, all amounts credited to the Principal Account pursuant to paragraph (T) above, to be applied in the redemption of the Class or Classes of Notes that are the subject of such Refinancing subject to and in accordance with Condition 7(b) (Optional Redemption); and
on the Issue Date:

(a) to the Payment Account:

(I) to redeem the Refinanced Notes at their respective aggregate Redemption Prices;

(II) to pay certain Administrative Expenses (including Refinancing Costs) and/or Trustee Fees and Expenses, as applicable, in accordance with the Conditions; and

(III) to pay certain other amounts, including distributions to Subordinated Noteholders (at the sole discretion of the Collateral Manager and in an amount not to exceed the Excess Par Amount), in accordance with the Post-Acceleration Priority of Payments; and

(b) certain amounts payable into the Expense Reserve Account,

in each case as set out in the Payment Date Report prepared as of 20 July 2017, which will be filed with the Irish Stock Exchange and published on https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Placement Agent, the Trustee, the Collateral Manager, the Hedge Counterparties, the Rating Agencies and the Noteholders from time to time) on or after the date of this Offering Circular but prior to the Issue Date.

(ii) Interest Account

The Issuer will procure that the following Interest Proceeds are credited to the Interest Account promptly upon receipt thereof (and, in the case of receipts on any Unhedged Collateral Debt Obligation, provided that any amounts denominated in a currency other than Euro shall be converted into Euro at the Applicable Exchange Rate):

(A) all cash payments of interest in respect of the Collateral Debt Obligations (save for any Asset Swap Obligation) other than any Purchased Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty but excluding (i) interest proceeds on any Non-Euro Obligation to the extent required to be paid into the Non-Euro Hedge Account and (ii) any interest received in respect of any Defaulted Obligations and Mezzanine Obligation for so long as it is a Defaulted Obligation or Defaulted Deferring Mezzanine Obligation (as applicable) other than Defaulted Obligation Excess Amounts and Defaulted Mezzanine Excess Amounts (as applicable);

(B) all interest accrued on the Balance standing to the credit of the Interest Account from time to time and all interest accrued in respect of the Balances standing to the credit of the other Accounts (including interest on any Eligible Investments standing to the credit thereof) but excluding any interest on the Balance standing to the credit of the Counterparty Downgrade Collateral Accounts;

(C) all amendment and waiver fees, all late payment fees, all commitment fees, syndication fees, delayed compensation and all other fees and commissions received in connection
with any Collateral Debt Obligations and Eligible Investments as determined by the Collateral Manager in its reasonable discretion (other than fees and commissions received in connection with the purchase or sale of any Collateral Debt Obligations or Eligible Investments or work out or restructuring of any Defaulted Obligations or Collateral Debt Obligations which fees and commissions shall be payable into the Principal Account and shall constitute Principal Proceeds);

(D) all Scheduled Periodic Asset Swap Counterparty Payments received by the Issuer under an Asset Swap Transaction and all Scheduled Periodic Interest Rate Hedge Counterparty Payments received by the Issuer under an Interest Rate Hedge Transaction (including any amounts received by the Issuer in respect of any Issue Date Interest Rate Hedge Transactions including upon sale of any such Issue Date Interest Rate Hedge Transactions);

(E) all accrued interest included in the proceeds of sale of any other Collateral Debt Obligation that are designated by the Collateral Manager as Interest Proceeds pursuant to the Collateral Management Agreement (provided that no such designation may be made in respect of (i) any Purchased Accrued Interest, (ii) (1) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts or (2) a Defaulted Obligation save for Defaulted Obligation Excess Amounts);

(F) all proceeds received during the related Due Period from any additional issuance of Subordinated Notes that are not reinvested or retained for reinvestment in Collateral Debt Obligations;

(G) all amounts representing the element of deferred interest in any payments received in respect of any Mezzanine Obligation which is not a Defaulted Deferring Mezzanine Obligation which by its contractual terms provides for the deferral of interest;

(H) all scheduled commitment fees received by the Issuer in respect of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations;

(I) all amounts received by the Issuer in respect of interest paid in respect of any collateral deposited by the Issuer with a third party as security for any reimbursement or indemnification obligations to any other lender under a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation in an account established pursuant to an ancillary facility;

(J) all amounts transferred from the Expense Reserve Account;

(K) all amounts transferred from the Contributions Account;

(L) any Swap Tax Credit received by the Issuer;

(M) any reimbursements received by the Issuer in respect of any withholding tax which has been previously withheld;

(N) any Collateral Manager Advances designated for such purpose;

(O) any Interest Smoothing Amounts which are required to be transferred from the Interest Smoothing Account;
(P) any other amounts payable to the Issuer under any Hedge Transaction save for any Hedge Termination Receipts or Hedge Replacement Receipts; and

(Q) any Trading Gains realised in respect of any Collateral Debt Obligation that the Collateral Manager at its discretion elects to deposit into the Interest Account, provided that the Collateral Manager may make such election in respect of any Trading Gains if (1) after giving effect to such designation as Interest Proceeds and the distribution thereof in accordance with the Priorities of Payments, (i) the Aggregate Collateral Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be the lesser of its Moody's Collateral Value and its S&P Collateral Value) is greater than or equal to the Reinvestment Target Par Amount, (ii) the Aggregate Principal Balance of all Collateral Debt Obligations that have a Moody's Default Probability Rating of "Caa1" or below may not exceed 7.5 per cent. of the Aggregate Collateral Balance; and (iii) the Moody's Maximum Weighted Average Rating Factor Test is satisfied.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Interest Account:

1. on the Business Day prior to each Payment Date, all Interest Proceeds (save for Swap Tax Credits) standing to the credit of the Interest Account shall be transferred to the Payment Account to the extent required for disbursement pursuant to the Interest Proceeds Priority of Payments save for amounts deposited after the end of the related Due Period;

2. at any time, funds may be transferred to the relevant Non-Euro Hedge Account up to an amount equal to any shortfall in the Balance standing to the credit of such Account with respect to any payment obligation by the Issuer pursuant to Condition 3(j)(ix) (Non-Euro Hedge Account) at such time;

3. at any time, any amounts payable by the Issuer under any Interest Rate Hedge Transaction save for any Interest Rate Hedge Termination Payments that are Defaulted Hedge Termination Payments;

4. at any time in accordance with the terms of, and to the extent permitted under, the Collateral Management Agreement, in the acquisition of Collateral Debt Obligations to the extent that any such acquisition costs represent accrued interest;

5. at any time, any Swap Tax Credits shall be paid to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement;

6. on the Business Day following each Determination Date save for: (i) the first Determination Date following the Issue Date; (ii) a Determination Date following the occurrence of a Note Event of Default which is continuing; and (iii) the Determination Date immediately prior to any redemption of the Notes in full, any Interest Smoothing Amount required to be transferred to the Interest Smoothing Account;

7. if applicable, on a Business Day earlier than the Payment Date following the relevant Drawdown Date, any amounts required to repay any Liquidity
Drawing on a date earlier than such Payment Date, in accordance with the terms of the Liquidity Facility Agreement; and

(8) any amounts payable by the Issuer under any Hedge Transaction at any time, save for Hedge Termination Payments or Hedge Replacement Payments.

(iii) Payment Account

The Issuer will procure that the proceeds of any Initial Drawdown and any Subsequent Drawdowns shall be deposited into the Payment Account.

The Issuer will procure that, on the Business Day prior to each Payment Date, all amounts standing to the credit of each of the Accounts which are required to be transferred from the other Accounts to the Payment Account pursuant to Condition 3(i) (Accounts) and Condition 3(j) (Payments to and from the Accounts) are so transferred, and, on such Payment Date, the Collateral Administrator shall cause the Account Bank (acting on the basis of the Payment Date Report), to disburse such amounts in accordance with the Priorities of Payments. No amounts shall be transferred to or withdrawn from the Payment Account at any other time or in any other circumstances.

(iv) Counterparty Downgrade Collateral Accounts

The Issuer will procure that all Counterparty Downgrade Collateral transferred pursuant to a Hedge Agreement shall be deposited in a separate account in respect of each Hedge Counterparty. All Counterparty Downgrade Collateral deposited from time to time in any Counterparty Downgrade Collateral Account shall be held and released pursuant to the terms set out below.

The funds or securities credited to the applicable Counterparty Downgrade Collateral Account and any interest or distributions thereon or liquidation proceeds thereof are held separate from and do not form part of Principal Proceeds, Interest Proceeds or of Collateral Enhancement Debt Obligation Proceeds (other than in the circumstances set out below) and accordingly, are not available to fund general distributions of the Issuer (save as set out below and in the applicable Hedge Agreement). The cash amounts or securities standing to the credit of the applicable Counterparty Downgrade Collateral Account shall be segregated on the books and records of the Account Bank or the Custodian, as applicable, from cash amounts or securities from any other party.

Amounts standing to the credit of each Counterparty Downgrade Collateral Account will not be available for the Issuer to make payments to the Noteholders nor any other creditor of the Issuer (other than in the circumstances set out below). The Issuer will procure the payment of the following amounts (and shall ensure that no other payments are made, save to the extent required hereunder):

(A) prior to the occurrence or designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" (as defined in the relevant Hedge Agreement) entered into under the relevant Hedge Agreement pursuant to which all "Transactions" under and as defined in such Hedge Agreement are terminated early, solely in or towards payment or transfer of:

(1) any "Return Amounts" (as defined in the applicable "Credit Support Annex" of the applicable Hedge Agreement);
(2) any "Interest Amounts" and "Distributions" (each as defined in the applicable "Credit Support Annex" of the applicable Hedge Agreement) or such other equivalent amounts representing equivalent payments; and

(3) any return of collateral to the relevant Hedge Counterparty upon a novation of its obligations under such Hedge Agreement to a replacement Hedge Counterparty, directly to such Hedge Counterparty, in each case in accordance with the applicable Hedge Agreement;

(B) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in a Hedge Agreement pursuant to which all "Transactions" under and as defined in such Hedge Agreement are terminated early where (X) an "Event of Default" (as defined in such Hedge Agreement in respect of the relevant Hedge Counterparty or an "Additional Termination Event" (as defined in such Hedge Agreement) in relation to which the relevant Hedge Counterparty is the sole "Affected Party" (as defined in such Hedge Agreement) and (Y) the Issuer enters into a replacement Hedge Agreement or any novation of the relevant Hedge Counterparty’s obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Replacement Payment (in respect of replacement hedge transactions relating to such terminated "Transactions" (as defined in the relevant Hedge Agreement)) (to the extent not funded from the Hedge Termination Account);

(2) second, in or towards payment of any Hedge Termination Payment relating to such terminated "Transactions" (as defined in the relevant Hedge Agreement) (to the extent not funded from the Hedge Termination Account); and

(3) third, the surplus remaining (if any) standing to the credit of the applicable Counterparty Downgrade Collateral Account (the "Counterparty Downgrade Collateral Account Surplus") be transferred to the Principal Account;

(C) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under and as defined in such Hedge Agreement are terminated early (A) other than in respect of a "Event of Default" (as defined in such Hedge Agreement in respect of the relevant Hedge Counterparty and other than in respect of an "Additional Termination Event" (as defined in such Hedge Agreement) in relation to which the relevant Hedge Counterparty is the sole "Affected Party" (as defined in such Hedge Agreement) and (B) the Issuer enters into a replacement Hedge Agreement or any novation of the relevant Hedge Counterparty’s obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Termination Payment relating to such terminated "Transactions" (as defined in the relevant Hedge Agreement) (to the extent not funded from the Hedge Termination Account);

(2) second, in or towards payment of any Hedge Replacement Payment (in respect of replacement hedge transactions relating to such terminated "Transactions"
(as defined in the relevant Hedge Agreement)) (to the extent not funded from the Hedge Termination Account); and

(3) third, the Counterparty Downgrade Collateral Account Surplus to be transferred to the Principal Account, and

(D) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under and as defined in the relevant Hedge Agreement are terminated early, if for any reason the Issuer is unable to or elects not to enter into a replacement Hedge Agreement or any novation of the relevant Hedge Counterparty’s obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Termination Payment relating to such terminated "Transactions" (as defined in the relevant Hedge Agreement) (to the extent not funded from the Hedge Termination Account); and

(2) second, the Counterparty Downgrade Collateral Account Surplus to be transferred to the Principal Account.

(v) Collateral Enhancement Account

The Issuer will procure that, on each Payment Date, any Collateral Enhancement Amount applied in payment into the Collateral Enhancement Account pursuant to paragraph (CC) of the Interest Proceeds Priority of Payments, is credited to the Collateral Enhancement Account together with, at any time, the proceeds of a Collateral Manager Advance, to the extent not applied in the acquisition of or, in respect of any exercise of any option or warrant comprised in, one or more Collateral Enhancement Debt Obligations (in accordance with the terms of the Collateral Management Agreement).

The Issuer will (at the direction of the Collateral Manager which shall be made in its sole discretion) procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Collateral Enhancement Account at the discretion of the Collateral Manager:

(1) at any time, to the Principal Account for either (x) during the Reinvestment Period to reinvest in Substitute Collateral Debt Obligations or invest in additional Collateral Debt Obligations or (y) otherwise for distribution on the next following Payment Date in accordance with the Priorities of Payments;

(2) any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Debt Obligations, in accordance with the terms of the Collateral Management Agreement;

(3) any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), to purchase any Rated Notes in accordance with Condition 7(j) (Purchase);

(4) at any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), to the Interest Account for distribution in accordance with the Priorities of Payments; and
(5) the Balance standing to the credit of the Collateral Enhancement Account to the Payment Account for distribution on such Payment Date in accordance with the Principal Proceeds Priority of Payments or the Post-Acceleration Priorities of Payments (as applicable) (1) at the direction of the Collateral Manager at any time prior to a Note Event of Default or (2) automatically upon an acceleration of the Notes in accordance with Condition 10(b) (Acceleration).

(vi) **Unfunded Revolver Reserve Account**

The Issuer shall procure the following amounts are paid into the Unfunded Revolver Reserve Account:

(A) upon the acquisition by or on behalf of the Issuer of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, an amount (such amount the "**Revolver Reserve Commitment**") equal to the amount which would cause the Balance standing to the credit of the Unfunded Revolver Reserve Account to be at least equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Debt Obligations (which Unfunded Amounts will be treated as part of the purchase price for the related Revolving Obligation or Delayed Drawdown Collateral Debt Obligation) less (i) amounts posted thereafter as collateral (which do not constitute Funded Amounts), in each case, pursuant to the provisions (2) or (3) below, as applicable;

(B) all principal payments received by the Issuer in respect of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, if and to the extent that the amount of such principal payments may be re borrowed under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation or otherwise by the Collateral Manager, acting on behalf of the Issuer; and

(C) all repayments of collateral to the Issuer originally paid by the Issuer pursuant to (2) below.

The Issuer shall procure payment of the following amounts (and shall ensure that no other amounts are paid) out of the Unfunded Revolver Reserve Account:

(1) all amounts required to fund any drawings under any Delayed Drawdown Collateral Debt Obligation or Revolving Obligation;

(2) in respect of Delayed Drawdown Collateral Debt Obligations or Revolving Obligations, all amounts required to be deposited in the Issuer’s name with any third party which satisfies the Rating Requirement applicable to an Account Bank (or if the third party does not satisfy the Rating Requirement applicable to an Account Bank, subject to receipt of Rating Agency Confirmation) as collateral for any funding obligations of the Issuer in respect of a Delayed Drawdown Collateral Debt Obligation or Revolving Obligation including but not limited to reimbursement or indemnification obligations of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation (subject to such security documentation as may be agreed between such lender, the Collateral Manager acting on behalf of the Issuer and the Trustee);

(3) (x) at any time at the direction of the Collateral Manager (acting on behalf of the Issuer) or (y) upon the sale (in whole or in part) of a Revolving Obligation or the reduction,
cancellation or expiry of any commitment of the Issuer to make future advances or otherwise extend credit thereunder, any excess of (a) the amount standing to the credit of the Unfunded Revolver Reserve Account over (b) the sum of the Unfunded Amounts of all Revolving Obligations and Delayed Drawdown Collateral Debt Obligations after taking into account such sale or such reduction, cancellation or expiry of such commitment or notional amount to the Principal Account;

(4) all interest accrued on the Balance standing to the credit of the Unfunded Revolver Reserve Account from time to time (including capitalised interest received upon the sale, maturity or termination of any Eligible Investment) to the Interest Account; and

(5) at the discretion of the Collateral Manager, acting on behalf of the Issuer, to the Principal Account, to the extent that the Revolver Reserve Commitment would still be satisfied following such transfer.

(vii) Contributions Account

At any time during or after the Reinvestment Period, any Contributor may make a Contribution to the Issuer. The Collateral Manager, on behalf of the Issuer, may accept or reject any Contribution in its reasonable discretion (and will notify the Trustee in writing of any such acceptance); 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 credited to the Contributions Account.

The Issuer will procure payment of Contributions standing to the credit of the Contributions Account (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Contributions Account as directed by the Contributor at the time the relevant Contribution is made or, if no direction is given by the Contributor, at the Collateral Manager’s reasonable discretion, as follows:

(A) at any time, to the Principal Account for distribution on the next following Payment Date in accordance with the Priorities of Payments;

(B) at any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), to the Interest Account for distribution in accordance with the Priorities of Payments;

(C) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Debt Obligations, in accordance with the terms of the Collateral Management Agreement;

(D) at any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), to purchase any Rated Notes in accordance with Condition 7(j) (Purchase); and

(E) on the Business Day prior to any Payment Date, the Balance standing to the credit of the Contributions Account to the Payment Account for distribution on such Payment Date in accordance with the Principal Proceeds Priority of Payments or the Post-Acceleration Priority of Payments (as applicable) (1) at the direction of the Collateral Manager at any time prior to a Note Event of Default or (2) automatically upon an acceleration of the Notes in accordance with Condition 10(b) (Acceleration).
No Contribution or portion thereof accepted by the Collateral Manager will be returned to the Contributor at any time save for in accordance with the Priorities of Payments. All interest accrued on amounts standing to the credit of the Contributions Account will be transferred to the Interest Account for application as Interest Proceeds. For the avoidance of doubt, any amounts standing to the credit of the Contributions 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 Priorities of Payments.

(viii) *Hedge Termination Account*

The Issuer will procure that all Hedge Termination Receipts and Hedge Replacement Receipts are paid into the relevant Hedge Termination Account promptly upon receipt thereof.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made save to the extent otherwise permitted) out of the relevant Hedge Termination Account in payment as provided below:

(A) at any time, in the case of any Hedge Replacement Receipts paid into the relevant Hedge Termination Account, in payment of any Hedge Termination Payment due and payable to a Hedge Counterparty under the Hedge Transaction being replaced or to the extent not required to make such payment, in payment of such amount to the Principal Account;

(B) at any time, in the case of any Hedge Termination Receipts paid into the relevant Hedge Termination Account, in payment of any Hedge Replacement Payment and any other amounts payable by the Issuer upon entry into a Replacement Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable in accordance with the Collateral Management Agreement; and

(C) in the case of any Hedge Termination Receipts paid into the relevant Hedge Termination Account, in the event that:

(1) the Issuer, or the Collateral Manager on its behalf, determines not to replace the Hedge Transaction (or part thereof) and Rating Agency Confirmation is received in respect of such determination; or

(2) termination of the Hedge Transaction (in whole or in part) under which such Hedge Termination Receipts are payable occurs on a Redemption Date (other than in connection with a Refinancing); or

(3) to the extent that such Hedge Termination Receipts are not required for application towards costs of entry into a Replacement Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable,

(D) payment of such amounts (save for accrued interest thereon) to the Principal Account.

(ix) *Non-Euro Hedge Account*

The Issuer will procure that all amounts due to the Issuer in respect of each Asset Swap Obligation (including, any payments from an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction but excluding amounts described in Conditions 3(j)(i)(B) and 3(j)(i)(D)) shall, on receipt, be deposited in the Non-Euro
Hedge Account maintained in the currency of such Asset Swap Obligation. Additional amounts may also be transferred to the relevant Non-Euro Hedge Account from the Interest Account at any time to the extent of any shortfall in the Balance standing to the credit of the relevant Non-Euro Hedge Account in respect of any payment required to be made by the Issuer pursuant to (2) below at such time.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the relevant Non-Euro Hedge Account:

1. at any time, to the extent of any initial principal exchange amount deposited into the relevant Non-Euro Hedge Account in accordance with the terms of and to the extent permitted under the Collateral Management Agreement, in the acquisition of Asset Swap Obligations;

2. Scheduled Periodic Asset Swap Issuer Payments due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction;

3. Asset Swap Issuer Principal Exchange Amounts (other than any initial asset swap principal exchange amount denominated in Euro and due to an Asset Swap Counterparty pursuant to an Asset Swap Transaction, which shall be paid from the Principal Account) due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction; and

4. cash amounts (representing any excess standing to the credit of the relevant Non-Euro Hedge Account after provisioning for any amounts to be paid to any Asset Swap Counterparty pursuant to any Asset Swap Transaction) to the Principal Account after conversion thereof into Euro at the then Applicable Exchange Rate.

(x) Expense Reserve Account

The Issuer shall procure that the following amounts are paid into the Expense Reserve Account:

(A) an amount determined on the Issue Date for the payment of amounts due or accrued in connection with the issue of the Notes, in accordance with (1) below;

(B) any Ongoing Expense Reserve Amount applied in payment into the Expense Reserve Account pursuant to paragraph (D) of the Interest Proceeds Priority of Payments and (A) of the Principal Proceeds Priority of Payments; and

(C) any amounts received by the Issuer by way of indemnity payments from a Secured Party ("Third Party Indemnity Receipts").

The Issuer shall procure payment of the following amounts (and shall procure that no other amounts are paid) out of the Expense Reserve Account:

1. other than Third Party Indemnity Receipts, amounts due or accrued with respect to actions taken on or in connection with the Issue Date with respect to the issue of the Notes and the entry into the Transaction Documents;

2. other than Third Party Indemnity Receipts, subject to payment of any amounts referred to in paragraph (3) below, amounts standing to the credit of the Expense Reserve
Account on or after the Determination Date immediately preceding the first Payment Date after the Issue Date may be transferred to the Principal Account and/or the Interest Account in the sole discretion of the Issuer (or the Collateral Manager acting on its behalf);

(3) other than Third Party Indemnity Receipts, at any time other than between a Determination Date and a Payment Date, the amount of, firstly, any Trustee Fees and Expenses and, secondly, Administrative Expenses which have accrued and become payable prior to the immediately following Payment Date, upon receipt of invoices therefor from the relevant creditor, provided that any such payments, in aggregate, shall not cause the balance of the Expense Reserve Account to fall below zero;

(4) other than Third Party Indemnity Receipts, on the Business Day prior to each Payment Date, the Balance of the Expense Reserve Account shall be transferred to the Payment Account for application in accordance with the Interest Proceeds Priority of Payments on such Payment Date;

(5) on any date, any Third Party Indemnity Receipts due and payable by the Issuer to the Trustee, in an amount which shall not at any time exceed the lesser of (i) the amount paid into the Expense Reserve Account in accordance with paragraph (C) above; and (ii) the amount of any indemnity payments payable by the Issuer to the Trustee. Any such amount so paid shall not be taken into account for the purposes of the application of the Senior Expenses Cap;

(6) any Third Party Indemnity Receipts in excess of (5) above shall be transferred to the Payment Account on the Business Day prior to each Payment Date for application in accordance with the Interest Proceeds Priority of Payments on such Payment Date; and

(7) other than Third Party Indemnity Receipts, at any time, the amount of any tax that has become due and payable prior to the immediately following Payment Date, as certified by an Authorised Officer of the Issuer, provided that any such payments, in aggregate and together with any other payments out of the Expense Reserve Account on the relevant date, shall not cause the balance of the Expense Reserve Account to fall below zero.

(xi) Collection Account

The Issuer shall procure that all amounts received in respect of any Collateral (excluding any Counterparty Downgrade Collateral) are credited to the Collection Account. The Issuer shall procure that the Collateral Administrator and the Account Bank transfer all amounts standing to the credit of the Collection Account to the Accounts to which such funds are required to be credited to in accordance with Condition 3(i) (Accounts) on a daily basis such that the balance standing to the credit of the Collection Account at the end of each Business Day is zero.

(xii) Interest Smoothing Account

On the Business Day following each Determination Date save for:

(A) the first Determination Date following the Issue Date;

(B) a Determination Date following the occurrence of a Note Event of Default which is continuing; and
(C) the Determination Date immediately prior to any redemption of the Notes in full,

the Interest Smoothing Amount shall be credited to the Interest Smoothing Account from the
Interest Account.

The Issuer shall procure on the Business Day falling after the Payment Date following the
Determination Date on which any Interest Smoothing Amount was transferred to the Interest
Smoothing Account, such Interest Smoothing Amount to be transferred to the Interest Account.

(k) Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial
Redemption Date

Subject as further provided below, the Collateral Administrator shall, on behalf of the Issuer, on a Partial
Redemption Date, instruct the Account Bank to disburse Refinancing Proceeds received in respect of the
Optional Redemption in part of any Class or Classes of Rated Notes and Partial Redemption Interest
Proceeds transferred to the Payment Account, in each case, in accordance with the following order of
priority:

(i) to the payment of accrued and unpaid Trustee Fees and Expenses, to the extent incurred in
connection with such Optional Redemption in part;

(ii) to the payment of Administrative Expenses in the priority stated in the definition thereof, to the
extent incurred in connection with any Optional Redemption in part;

(iii) to the redemption of the Class or Classes of Rated Notes to be redeemed in part at the applicable
Redemption Prices (in the case of any Partial Redemption Date that is a Payment Date, without
duplication of any amounts due to be received by any Class of Notes pursuant to the Principal
Proceeds Priority of Payment, the Interest Proceeds Priority of Payment and Post-Acceleration
Priority of Payments); and

(iv) any remaining amounts to be deposited in the Interest Account as Interest Proceeds.

4. Security

(a) Security

Pursuant to the Trust Deed, the obligations of the Issuer under the Notes of each Class, the Trust Deed, the
Agency Agreement, the Collateral Management Agreement and the other Transaction Documents
(together with the obligations owed by the Issuer to the other Secured Parties) are secured in favour of the
Trustee for the benefit of the Secured Parties by:

(i) an assignment by way of security of all the Issuer’s present and future rights, title and interest
(and all entitlements or other benefits relating thereto) in respect of all Collateral Debt
Obligations, Exchanged Securities, Collateral Enhancement Debt Obligations, Eligible
Investments standing to the credit of each of the Accounts (other than the Counterparty
Downgrade Collateral Accounts) and any other investments (other than any Counterparty
Downgrade Collateral), in each case held by the Issuer from time to time (where such rights are
contractual rights (other than contractual rights the assignment of which would require the
consent of a third party or the entry by the Trustee into an intercreditor agreement or deed) and
where such contractual rights arise other than under securities), including, without limitation, all
moneys received in respect thereof, all dividends and distributions paid or payable thereon, all
property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(ii) a first fixed charge and first priority security interest granted over all the Issuer’s present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Debt Obligations, Exchanged Security, Collateral Enhancement Debt Obligations, Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Accounts) and any other investments (other than any Counterparty Downgrade Collateral), in each case held by the Issuer (where such assets are securities or contractual rights not assigned by way of security pursuant to paragraph (i) above and which are capable of being the subject of a first fixed charge and first priority security interest), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(iii) a first fixed charge over all present and future rights of the Issuer in respect of each of the Accounts and all moneys from time to time standing to the credit of such Accounts (other than the Counterparty Downgrade Collateral Accounts) and the debts represented thereby and including, without limitation, all interest accrued and other moneys received in respect thereof;

(iv) a first fixed charge and first priority security interest (where the applicable assets are securities) over, or an assignment by way of security (where the applicable rights are contractual obligations) of, all present and future rights of the Issuer in respect of any Counterparty Downgrade Collateral standing to the credit of each Counterparty Downgrade Collateral Account; including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof and over each Counterparty Downgrade Collateral Account and all moneys from time to time standing to the credit of each Counterparty Downgrade Collateral Account and the debts represented thereby including without limitation, all interest accrued and other moneys received in respect thereof, subject, in each case to the rights of any Hedge Counterparty to the applicable Counterparty Downgrade Collateral Account pursuant to the terms of the relevant Hedge Agreement and these Conditions (and, in each case, subject to any prior ranking security interest entered into by the Issuer in relation thereto in favour of a Hedge Counterparty);

(v) an assignment by way of security of all the Issuer’s present and future rights against the Custodian under the Agency Agreement (to the extent it relates to the Custody Account) and a first fixed charge over all of the Issuer’s right, title and interest in and to the Custody Account (including each cash account relating to the Custody Account) and any cash held therein and the debts represented thereby;

(vi) an assignment by way of security of all the Issuer’s present and future rights under each Hedge Agreement and each Hedge Transaction entered into thereunder (including the Issuer’s rights under any guarantee or credit support annex entered into pursuant to any Hedge Agreement, provided that such assignment by way of security shall not in any way restrict the release of collateral granted thereunder in whole or in part at any time pursuant to the terms thereof);

(vii) an assignment by way of security of all the Issuer’s present and future rights under the Collateral Management Agreement and all sums derived therefrom;

(viii) a first fixed charge over all moneys held from time to time by the Principal Paying Agent and any other Agent for payment of principal, interest or other amounts on the Notes (if any);
(ix) an assignment by way of security of all the Issuer’s present and future rights under the Agency Agreement and the Placement Agency Agreement and all sums derived therefrom;

(x) an assignment by way of security of all the Issuer’s present and future rights under the Retention Letter and all sums derived therefrom;

(xi) an assignment by way of security of all the Issuer’s present and future rights under the Collateral Acquisition Agreements and all sums derived therefrom;

(xii) an assignment by way of security of all of the Issuer’s present and future rights under the other Transaction Documents and all sums derived therefrom;

(xiii) an assignment by way of security of all the Issuer’s present and future rights under the Liquidity Facility Agreement and all sums derived therefrom; and

(xiv) a floating charge over the whole of the Issuer’s undertaking and assets to the extent that such undertaking and assets are not subject to any other security created pursuant to the Trust Deed, excluding for the purpose of (i) to (xiv) above, (A) amounts standing to the credit of the Issuer Irish Account and all monies from time to time standing to the credit thereof and the debits represented thereby, including all interest accrued and other monies received in respect thereof and (B) the rights of the Issuer under the Corporate Services Agreement.

The security will extend to the ultimate balance of obligations of the Issuer owed to the Secured Parties, regardless of any intermediate payment or discharge in part.

If, for any reason, the purported assignment by way of security of, and/or the grant of first fixed charge over, the property, assets, rights and/or benefits described above is found to be ineffective in respect of any such property, assets, rights and/or benefits (together, the "Affected Collateral"), the Issuer shall hold to the fullest extent permitted under Irish mandatory law the benefit of the Affected Collateral and any sums received in respect thereof or any security interest, guarantee or indemnity or undertaking of whatever nature given to secure such Affected Collateral (together, the "Trust Collateral") on trust for the Trustee for itself and for the benefit of the other Secured Parties and shall (i) account to the Trustee for or otherwise apply all sums received in respect of such Trust Collateral as the Trustee may direct (provided that, subject to the Conditions and the terms of the Collateral Management Agreement, if no Note Event of Default has occurred and is continuing, the Issuer shall be entitled to apply the benefit of such Trust Collateral and such sums in respect of such Trust Collateral received by it and held on trust under this paragraph without prior direction from the Trustee), (ii) exercise any rights it may have in respect of the Trust Collateral at the direction of the Trustee and (iii) at its own cost take such action and execute such documents as the Trustee may in its sole discretion require.

The Issuer may from time to time grant security:

(i) by way of a first priority security interest to a Hedge Counterparty over:

(A) the Counterparty Downgrade Collateral deposited by such Hedge Counterparty in the Counterparty Downgrade Collateral Account related to such Hedge Counterparty including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof; and
(B) the Counterparty Downgrade Collateral Account related to such Hedge Counterparty, all moneys from time to time standing to the credit of such Counterparty Downgrade Collateral Account and the debts represented thereby including without limitation, all interest accrued and other monies received in respect thereof, in each case, as security for the Issuer’s obligations to repay or redeem such Counterparty Downgrade Collateral pursuant to the terms of the applicable Hedge Agreement and these Conditions (subject to such security documentation as may be agreed between such third party, the Collateral Manager acting on behalf of the Issuer and the Trustee). For the avoidance of doubt, the Issuer may grant such security interest directly to the Hedge Counterparty; and/or

(ii) by way of first priority security interest over amounts representing all or part of the Unfunded Amount of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation and deposited in its name with a third party as security for any payment obligations of the Issuer in respect of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation including but not limited to reimbursement or indemnification obligation of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, subject to the terms of Condition 3(j)(vi) (Unfunded Revolver Reserve Account) (including Rating Agency Confirmation).

All deeds, documents, assignments, instruments, bonds, notes, negotiable instruments, papers and any other instruments comprising, evidencing, representing and/or transferring the Portfolio will be deposited with or held by or on behalf of the Custodian until the security over such obligations is irrevocably discharged in accordance with the provisions of the Trust Deed. In the event that the ratings of the Custodian are downgraded to below the Rating Requirement or withdrawn, the Issuer shall use reasonable endeavours to procure that a replacement Custodian with the Rating Requirement and who is appointed on substantially the same terms under the Agency Agreement.

Pursuant to the terms of the Trust Deed, the Trustee is exempted from any liability in respect of any loss or theft or reduction in value of the Collateral, from any obligation to insure the Collateral and from any claim arising from the fact that the Collateral is held in a clearing system or in safe custody by the Custodian, a bank or other custodian. The Trustee has no responsibility for ensuring that the Custodian, the Account Bank or any Hedge Counterparty satisfies the Rating Requirement applicable to it or, in the event of its failure to satisfy such Rating Requirement, to procure the appointment of a replacement custodian, account bank or hedge counterparty. The Trustee has no responsibility for the management of the Portfolio by the Collateral Manager or to supervise the administration of the Portfolio by the Collateral Administrator or by any other party and is entitled to rely on the certificates or notices of any relevant party without further enquiry and without liability. The Trust Deed also provides that the Trustee shall accept without investigation, requisition or objection such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Collateral and is not bound to make any investigation into the same or into the Collateral in any respect.

(b) Application of Proceeds upon Enforcement

The Trust Deed provides that the net proceeds of realisation of, or enforcement with respect to the security over, the Collateral constituted by the Trust Deed, shall be applied in accordance with the Post-Acceleration Priority of Payments set out in Condition 11 (Enforcement).

(c) Limited Recourse and Non-Petition

The obligations of the Issuer to pay amounts due and payable in respect of the Notes and to the other Secured Parties at any time shall be limited to the proceeds available at such time to make such payments
in accordance with the Priorities of Payments. If the net proceeds of realisation of the security constituted
by the Trust Deed, upon enforcement thereof in accordance with Condition 11 (Enforcement) and the
provisions of the Trust Deed are less than the aggregate amount payable in such circumstances by the
Issuer in respect of the Notes and to the other Secured Parties (such negative amount being referred to
herein as a "shortfall"), the obligations of the Issuer in respect of the Notes of each Class and its
obligations to the other Secured Parties in such circumstances will be limited to such net proceeds, which
shall be applied in accordance with the Priorities of Payments. In such circumstances, the other assets
(including the Issuer Irish Account and all amounts standing to the credit thereof and its rights under the
Corporate Services Agreement) of the Issuer will not be available for payment of such shortfall which
shall be borne by the Class X Noteholders and the Class A Noteholders (on a pro rata and pari passu
basis), the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E
Noteholders, the Class F Noteholders, the Subordinated Noteholders and the other Secured Parties in
accordance with the Priorities of Payments (applied in reverse order). The rights of the Secured Parties
(including the Noteholders) to receive any further amounts in respect of such obligations shall be
extinguished and none of the Noteholders of each Class or the other Secured Parties may take any further
action to recover such amounts. None of the Noteholders of any Class, the Trustee or the other Secured
Parties (nor any other person acting on behalf of any of them) shall be entitled at any time to institute
against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation,
arrangement, examinership, insolvency, winding up or liquidation proceedings or other proceedings under
any applicable bankruptcy or similar law in connection with any obligations of the Issuer relating to the
Notes of any Class, the Trust Deed or otherwise owed to the Secured Parties, save for lodging a claim in
the liquidation of the Issuer which is initiated by another non-Affiliated party or taking proceedings to
obtain a declaration as to the obligations of the Issuer and without limitation to the Trustee’s right to
enforce and/or realise the security constituted by the Trust Deed (including by appointing a receiver or an
administrative receiver).

None of the Trustee, the Placement Agent, the Collateral Manager, nor any Agent has any obligation to
any Noteholder of any Class for payment of any amount by the Issuer in respect of the Notes of any Class.

(d) Exercise of Rights in Respect of the Portfolio

Pursuant to the Collateral Management Agreement, the Issuer authorises the Collateral Manager, prior to
enforcement of the security over the Collateral, to exercise all rights and remedies of the Issuer in its
capacity as a holder of, or person beneficially entitled to, the Portfolio. In particular, the Collateral
Manager is authorised, subject to any specific direction given by the Issuer, to attend and vote at any
meeting of holders of, or other persons interested or participating in, or entitled to the rights or benefits (or
a part thereof) under, the Portfolio and to give any consent, waiver, indulgence, time or notification, make
any declaration or agree any composition, compounding or other similar arrangement with respect to any
obligations forming part of the Portfolio.

(e) Information Regarding the Collateral

The Issuer shall procure that a copy of each Monthly Report and any Payment Date Report is made
available within two Business Days of publication, to each Noteholder of each Class upon request in
writing therefor and that copies of each such Report are made available to the Trustee, the Collateral
Manager, each Hedge Counterparty, the Liquidity Facility Provider, and the Rating Agencies within two
Business Days of publication thereof.

If:

(i) the Notes become subject to additional reporting requirements as a result of the Securitisation
Regulation coming into force; and
(ii) the Securitisation Regulation requires the Issuer or any other person or category of persons specified in such regulation to be designated the person that makes available information required to be made available pursuant to such regulation,

the Issuer hereby agrees that, if, in its reasonable opinion, it is required by the Securitisation Regulation, and if so notified by the Collateral Manager, it will accept such designation, subject to compliance with the Transaction Documents, the Notes and any applicable law and the prior appointment of a servicer to the Issuer to carry out such reporting and to the satisfaction of the Issuer, and will assume all costs of complying with the additional reporting requirements under the Securitisation Regulation (including the properly incurred costs and expenses (including legal fees) of all parties incurred amending the Transaction Documents for this purpose).

5. Covenants of and Restrictions on the Issuer

(a) Covenants of the Issuer

Unless otherwise provided in the Trust Deed, the Issuer covenants to the Trustee on behalf of the holders of the Notes that, for so long as any Note remains Outstanding, the Issuer will:

(i) take such steps as are reasonable to enforce all its rights:

(A) under the Trust Deed;
(B) in respect of the Collateral;
(C) under the Agency Agreement;
(D) under the Collateral Management Agreement;
(E) under the Corporate Services Agreement;
(F) under the Collateral Acquisition Agreements;
(G) under the Retention Letter; and
(H) under any Hedge Agreements;

(ii) comply with its obligations under the Notes, the Trust Deed, the Agency Agreement, the Collateral Management Agreement and each other Transaction Document to which it is a party;

(iii) keep proper books of account;

(iv) at all times maintain its tax residence outside the United Kingdom and the United States and will not establish a branch, agency (other than the appointment of the Collateral Manager and the Collateral Administrator pursuant to the Collateral Management Agreement and the Sub-Manager pursuant to the Collateral Sub-Management Agreement) or place of business or register as a company in the United Kingdom or the United States or elsewhere outside of Ireland, and shall not do or permit anything within its control which might result in its residence being considered to be outside of Ireland for tax purposes;

(v) pay its debts generally as they fall due;

(vi) do all such things as are necessary to maintain its corporate existence;
(vii) use its best endeavours to obtain and maintain the listing on the regulated market of the Irish Stock Exchange of the outstanding Notes of each Class. If, however, it is unable to do so, having used such endeavours, or if the maintenance of such listings are agreed by the Trustee to be unduly onerous and the Trustee is satisfied that the interests of the holders of the Outstanding Notes of each Class would not thereby be materially prejudiced, the Issuer will instead use all reasonable endeavours promptly to obtain and thereafter to maintain a listing for such Notes on such other stock exchange(s) as it may (with the prior written approval of the Trustee) decide, provided that any such other stock exchange is (a) a recognised stock exchange for the purposes of section 64 of the Taxes Consolidation Act 1997 of Ireland and (b) a recognised stock exchange for the purposes of section 1005 of the United Kingdom Income Tax Act 2007;

(viii) supply such information to the Rating Agencies as they may reasonably request;

(ix) ensure that its "centre of main interests" (as that term is referred to in article 3(1) of Council Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast)) and its tax residence is and remains at all times in Ireland; and

(x) ensure an agent is appointed to assist in enabling the Rating Agencies to comply with Rule 17g-5 in respect of the Issuer and the Notes.

(b) Restrictions on the Issuer

For so long as any of the Notes remain Outstanding, save as contemplated in the Transaction Documents, the Issuer covenants to the holders of such Outstanding Notes that (to the extent applicable) it will not, without the prior written consent of the Trustee:

(i) sell, factor, discount, transfer, assign, lend or otherwise dispose of any of its right, title or interest in or to the Collateral, other than in accordance with the Collateral Management Agreement, nor will it create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over the Collateral except in accordance with the Trust Deed, these Conditions or the Transaction Documents;

(ii) sell, factor, discount, transfer, assign, lend or otherwise dispose of, nor create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over, any of its other property or assets or any part thereof or interest therein other than in accordance with the Trust Deed, these Conditions or the Transaction Documents;

(iii) engage in any business other than the holding and managing or both the holding and managing of "qualifying assets" within the meaning of Section 110 of the Taxes Consolidation Act 1997, as amended, of Ireland and in connection therewith shall not engage in any business other than:

(A) acquiring and holding any property, assets or rights that are capable of being effectively secured in favour of the Trustee or that are capable of being held on trust by the Issuer in favour of the Trustee under the Trust Deed;

(B) issuing and performing its obligations under the Notes;

(C) entering into, exercising its rights and performing its obligations under or enforcing its rights under the Trust Deed, the Agency Agreement, the Collateral Management Agreement and each other Transaction Document to which it is a party, as applicable;

(D) performing any act incidental to or necessary in connection with any of the above;
amending any term or Condition of the Notes of any Class (save in accordance with these Conditions and the Trust Deed); or

agreeing to any amendment to any provision of, or granting any waiver or consent under, the Trust Deed, the Agency Agreement, the Collateral Management Agreement, the Corporate Services Agreement or any other Transaction Document to which it is a party;

(iv) incur any indebtedness for borrowed money, other than in respect of:

(A) the Notes (including the issuance of additional Notes pursuant to Condition 17 (Additional Issuance)) or any document entered into in connection with the Notes or the sale thereof or any additional Notes or the sale thereof;

(B) any Refinancing; or

(C) as otherwise contemplated or permitted pursuant to the Trust Deed, the Collateral Management Agreement or the other Transaction Documents;

(v) amend its constitutional documents;

(vi) have any subsidiaries or establish any offices, branches or other "establishment" (as that term is used in article 2(10) of Council Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast)) outside of Ireland;

(vii) have any employees (for the avoidance of doubt the directors of the Issuer do not constitute employees);

(viii) enter into any reconstruction, amalgamation, merger or consolidation;

(ix) convey or transfer all or a substantial part of its properties or assets (in one or a series of transactions) to any person, otherwise than as contemplated in these Conditions;

(x) issue any shares (other than such share as is in issue as at the Issue Date) nor redeem or purchase any of its issued share capital;

(xi) enter into any material agreement or contract with any Person (other than an agreement on customary market terms which for the avoidance of doubt will include agreements to buy and sell obligations and documentation relating to restructurings (including steering committee indemnity letters)), which terms do not contain the provisions below) unless such contract or agreement contains "limited recourse" and "non-petition" provisions and such Person agrees that, prior to the date that is one year and one day after all the related obligations of the Issuer have been paid in full (or, if longer, the applicable preference period under applicable insolvency law), such Person shall not take any action or institute any proceeding against the Issuer under any insolvency law applicable to the Issuer or which would reasonably be likely to cause the Issuer to be subject to or seek protection of, any such insolvency law; provided that such Person shall be permitted to become a party to and to participate in any proceeding or action under any such insolvency law that is initiated by any other Person other than one of its Affiliates;

(xii) otherwise than as contemplated in the Transaction Documents, release from or terminate the appointment of the Custodian or the Account Bank under the Agency Agreement, the Collateral Manager or the Collateral Administrator under the Collateral Management Agreement
(including, in each case, any transactions entered into thereunder) or, in each case, from any executory obligation thereunder;

(xiii) commingle its assets with those of any other Person or entity;

(xiv) enter into any lease in respect of, or own, premises;

(xv) acquire Collateral Debt Obligations, Collateral Enhancement Debt Obligations or any other obligations or securities issued by its partners or shareholders (if any);

(xvi) act as an entity that issues notes to investors and uses the proceeds to grant new loans on its own account, but will purchase loans from another lender and therefore is not considered a first lender (for the purpose of Regulation (EU) No 1075/2013 of the European Central Bank); or

(xvii) take any action which would cause it to cease to be a "qualifying company" within the meaning of Section 110 of the Taxes Consolidation Act 1997 of Ireland.

6. Interest

(a) Payment Dates

(i) Floating Rate Notes

The Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes each bear interest from (and including) the Issue Date and such interest will be payable:

(A) at any time prior to the occurrence of a Frequency Switch Event, quarterly; and

(B) at any time following the occurrence of a Frequency Switch Event, semi-annually,

in each case in arrear on each Payment Date.

(ii) Subordinated Notes

Interest shall be payable on the Subordinated Notes to the extent funds are available in accordance with paragraph (DD) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments and paragraph (AA) of the Post-Acceleration Priority of Payments on each Payment Date and shall continue to be payable in accordance with this Condition 6 (Interest) notwithstanding redemption in full of any Subordinated Note at its applicable Redemption Price.

Notwithstanding any other provision of these Conditions or the Trust Deed, all references herein and therein to the Subordinated Notes and the Subordinated Notes being redeemed in full or at their Principal Amount Outstanding shall be deemed to be amended to the extent required to ensure that a minimum of €1 principal amount of each such Class of Notes remains Outstanding at all times and any amounts which are to be applied in redemption of each such Class of Notes pursuant hereto which are in excess of the Principal Amount Outstanding thereof minus €1, shall constitute interest payable in respect of such Notes and shall not be applied in redemption of the Principal Amount Outstanding thereof, provided always however that such €1 principal shall no longer remain Outstanding and each such Class of Notes shall be redeemed in full on the date on
which all of the Collateral securing the Notes has been realised and is to be finally distributed to the Noteholders.

If the aggregate of income and gains earned by the Issuer during an accounting period exceeds the costs and expenses accrued for that period, such excess shall accrue as additional interest on the Subordinated Notes but shall only be payable on any Payment Date following payment in full of amounts payable pursuant to the Priorities of Payments on such Payment Date.

(b) **Interest Accrual**

(i) **Interest Accrual**

Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 6 (Interest) (both before and after judgment) until whichever is the earlier of (A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (B) the day following seven days after the Trustee or the Principal Paying Agent has notified the Noteholders of such Class of Notes in accordance with Condition 16 (Notices) of receipt of all sums due in respect of all the Notes of such Class up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

(ii) **Subordinated Notes**

Payments on the Subordinated Notes will cease to be payable in respect of each Subordinated Note upon the date that all of the Collateral has been realised and no Interest Proceeds or Principal Proceeds remain available for distribution in accordance with the Priorities of Payments.

(c) **Deferral of Interest**

(i) **Deferred Interest**

The Issuer shall, and shall only be obliged to, pay any Interest Amount payable in respect of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes in full on any Payment Date, in each case to the extent that there are Interest Proceeds or Principal Proceeds available for payment thereof in accordance with the Priorities of Payments.

In the case of the Class C Notes, the Class D Notes, the Class E Notes or Class F Notes, an amount of interest equal to any shortfall in payment of the Interest Amount which would, but for the first paragraph of this Condition 6(c) (Deferral of Interest) otherwise be due and payable in respect of such Class of Notes on any Payment Date (each such amount being referred to as "Deferred Interest") will not be payable on such Payment Date, but will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, and thereafter will accrue interest at the rate of interest applicable to that Class of Notes, and the failure to pay such Deferred Interest to the holders of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, will not be a Note Event of Default until the Maturity Date or any earlier date when the Notes are redeemed in full. Interest will cease to accrue on each Note, or in the case of a partial repayment, on such part, from the date of repayment or the Maturity Date unless payment of principal is improperly withheld or unless default is otherwise made with respect to such payment of principal.
(ii) **Non-payment of Interest**

Non-payment of interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes shall not constitute a Note Event of Default.

(d) **Payment of Deferred Interest**

Deferred Interest in respect of any Class C Note, Class D Note, Class E Note or Class F Note shall only become payable by the Issuer in accordance with, respectively, paragraph (L), (O), (R) and (U) of the Interest Proceeds Priority of Payments, paragraph (C), (F), (I) and (L) of the Principal Proceeds Priority of Payments and paragraph (L), (O), (R) and (U) of the Post-Acceleration Priority of Payments and under the Note Payment Sequence in each place specified in the Priorities of Payments, to the extent that Interest Proceeds or Principal Proceeds, as applicable, are available to make such payment in accordance with the Priorities of Payments (and, if applicable, the Note Payment Sequence). For the avoidance of doubt, Deferred Interest on the Class C Notes and/or the Class D Notes and/or the Class E Notes and/or the Class F Notes, as applicable will be added to the principal amount of the Class C Notes and/or the Class D Notes and/or the Class E Notes and/or Class F Notes, as applicable. An amount equal to any such Deferred Interest so paid shall be subtracted from the principal amount of the Class C Notes and/or the Class D Notes and/or the Class E Notes and/or Class F Notes, as applicable.

(e) **Interest on the Notes**

(i) **Floating Rate of Interest**

The rate of interest from time to time in respect of the Class X Notes ("Class X Floating Rate of Interest"), in respect of the Class A Notes (the "Class A Floating Rate of Interest"), in respect of the Class B Notes (the "Class B Floating Rate of Interest"), in respect of the Class C Notes (the "Class C Floating Rate of Interest"), in respect of the Class D Notes (the "Class D Floating Rate of Interest"), in respect of the Class E Notes (the "Class E Floating Rate of Interest") and in respect of the Class F Notes (the "Class F Floating Rate of Interest") (and each a "Floating Rate of Interest") will be determined by the Calculation Agent on the following basis:

(A) On each Interest Determination Date:

(1) prior to the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for 3-month Euro deposits; and

(2) following the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for 6-month Euro deposits,

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question and subject to a floor of zero ("EURIBOR"). Such offered rate will be that which appears on the display designated on the Bloomberg Screen "BTMM EU" Page (or such other page or service as may replace it for the purpose of displaying EURIBOR rates). The Class X Floating Rate of Interest, the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest for such Accrual Period shall be the aggregate of the Applicable Margin (as defined below) and EURIBOR, all as determined by the Calculation Agent.
If the offered rate so appearing is replaced by the corresponding rates of more than one bank then paragraph (1) shall be applied, with any necessary consequential changes, to the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of the rates (being at least two) which so appear, as determined by the Calculation Agent. If for any other reason such offered rate does not so appear, or if the relevant page is unavailable, the Calculation Agent will request each of four major banks in the Euro zone interbank market selected by the Issuer (the "Reference Banks") to provide the Calculation Agent with:

(1) prior to the occurrence of a Frequency Switch Event, its offered quotation to leading banks for Euro deposits in the Euro zone interbank market for a period of 3 months;

(2) following the occurrence of a Frequency Switch Event, its offered quotation to leading banks for Euro deposits in the Euro zone interbank market for a period of 6 months, provided that if a Frequency Switch Event occurs on a date which is not a Payment Date, the Calculation Agent will request such offered quotation for 6-month Euro deposits as at the Interest Determination Date immediately prior to the occurrence of such Frequency Switch Event for the Accrual Period in which the Frequency Switch Event occurred.

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question and subject to a floor of zero. The Class X Floating Rate of Interest, the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest for such Accrual Period shall be the aggregate of the Applicable Margin (if any) and the arithmetic mean, in each case, (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of such quotations (or of such of them, being at least two, as are so provided), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides such quotation, the Class X Floating Rate of Interest, the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest, respectively, for the next Accrual Period shall be the Class X Floating Rate of Interest, the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest, in each case in effect as at the immediately preceding Accrual Period, provided that in respect of any Accrual Period during which a Frequency Switch Event occurs, the Class X Floating Rate of Interest, the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Rate of Interest and the Class F Floating Rate of Interest shall be calculated using the offered rate for six month Euro deposits using the rate available as at the previous Interest Determination Date.

Where "Applicable Margin" means:

(1) in the case of the Class X Notes: 0.48 per cent. per annum (the "Class X Margin");
(2) in the case of the Class A Notes: 0.89 per cent. per annum (the "Class A Margin");

(3) in the case of the Class B Notes: 1.50 per cent. per annum (the "Class B Margin");

(4) in the case of the Class C Notes: 2.05 per cent. per annum (the "Class C Margin");

(5) in the case of the Class D Notes: 2.95 per cent. per annum (the "Class D Margin");

(6) in the case of the Class E Notes: 5.07 per cent. per annum (the "Class E Margin"); and

(7) in the case of the Class F Notes: 6.65 per cent. per annum (the "Class F Margin").

(ii) Determination of Floating Rate of Interest and Calculation of Interest Amount

The Calculation Agent will, as soon as practicable after 11.00 am (Brussels time) on each Interest Determination Date, but in no event later than the Business Day after such date, determine the Class X Floating Rate of Interest, the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest and calculate the interest amount payable in respect of original principal amounts of the Class X Floating Rate of Interest, the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The amount of interest (an "Interest Amount") payable in respect of each Authorised Integral Amount applicable to any such Notes shall be calculated by applying the Class X Floating Rate of Interest in the case of the Class X Notes, the Class A Floating Rate of Interest in the case of the Class A Notes, the Class B Floating Rate of Interest in the case of the Class B Notes, the Class C Floating Rate of Interest in the case of the Class C Notes, the Class D Floating Rate of Interest in the case of the Class D Notes, the Class E Floating Rate of Interest in the case of the Class E Notes and the Class F Floating Rate of Interest in the case of the Class F Notes, respectively, to an amount equal to the Principal Amount Outstanding in respect of such Authorised Integral Amount, multiplying the product by the actual number of days in the Accrual Period concerned, divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

(iii) Calculation of Class B-2 Fixed Amounts

The Calculation Agent will calculate the amount of interest (an "Interest Amount") payable in respect of the Class B-2 Notes for the relevant Accrual Period by applying the Class B-2 Fixed Rate to an amount equal to the Principal Amount Outstanding in respect of the Class B-2 Notes, multiplying the product by the number of days in the Accrual Period concerned (the number of days to be calculated on the basis of a year of 360 days with 12 months of 30 days each), divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards), where:

"Class B-2 Fixed Rate" means 2.00 per cent. per annum.
(iv) **Reference Banks and Calculation Agent**

The Issuer will procure that, so long as any Class X Note, Class A Note, Class B Note, Class C Note, Class D Note, Class E Note or Class F Notes remains Outstanding:

(A) a Calculation Agent shall be appointed and maintained for the purposes of determining the interest rate and interest amount payable in respect of the Notes; and

(B) in the event that the Class X Floating Rate of Interest, the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest are to be calculated by Reference Banks pursuant to paragraph (B) of Condition 6(e)(i) (Floating Rate of Interest), that the number of Reference Banks required pursuant to such paragraph (B) of Condition 6(e)(i) are appointed.

If the Calculation Agent is unable or unwilling to continue to act as the Calculation Agent for the purpose of calculating interest hereunder or fails duly to establish any Floating Rate of Interest for any Accrual Period, or to calculate the Interest Amount on any Class of Rated Notes, the Issuer shall (with the prior approval of the Trustee) appoint some other leading bank to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

(v) **Interest Proceeds in respect of Subordinated Notes**

Solely in respect of Subordinated Notes, the Calculation Agent will on each Determination Date calculate the Interest Proceeds payable to the extent of available funds in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The Interest Proceeds payable on each Payment Date in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto shall be calculated by multiplying the amount of Interest Proceeds to be applied on the Subordinated Notes on the applicable Payment Date pursuant to paragraph (DD) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments and paragraph (AA) of the Post-Acceleration Priority of Payment by fractions equal to the amount of such Authorised Integral Amount, as applicable, divided by the aggregate original principal amount of the Subordinated Notes.

(vi) **Publication of Floating Rates of Interest, Interest Amounts and Deferred Interest**

The Calculation Agent will cause the Class X Floating Rate of Interest, the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest or the Interest Amounts payable in respect of each Class of Rated Notes, the amount of any Deferred Interest due but not paid on any Class C Notes, Class D Notes, Class E Notes or Class F Notes for each Accrual Period and Payment Date and the Principal Amount Outstanding of each Class of Notes as of the applicable Payment Date to be notified to the Registrar, the Principal Paying Agent, the Transfer Agent, the Trustee and the Collateral Manager, for so long as the Notes are listed on the regulated market of the Irish Stock Exchange, the Irish Stock Exchange, as soon as possible after their determination but in no event later than the fourth Business Day thereafter, and the Principal Paying Agent shall cause each such rate, amount and date to be notified to the Noteholders of each Class in accordance with Condition 16 (Notices) as soon as possible following notification to the Principal Paying Agent but in no event later than the third Business Day after such notification. The Interest Amounts in respect of the Class X
Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes or the Payment Date in respect of any Class of Notes so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Accrual Period. If any of the Notes become due and payable under Condition 10(a) (Note Events of Default), interest shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this Condition 6 (Interest) but no publication of the applicable Interest Amounts shall be made unless the Trustee so determines.

(f) **Determination or Calculation by Trustee**

If the Calculation Agent does not at any time for any reason so calculate the Class X Floating Rate of Interest, the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest or the Class F Floating Rate of Interest for an Accrual Period, the Trustee (or a person appointed by it for the purpose) may do so and such determination or calculation shall be deemed to have been made by the Calculation Agent and shall be binding on the Noteholders. In doing so, the Trustee, or such person appointed by it, shall apply the foregoing provisions of this Condition 6 (Interest), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances and reliance on such persons as it has appointed for such purpose. The Trustee shall have no liability to any person in connection with any determination or calculation (including with regard to the timelines thereof) it is required to make pursuant to this Condition 6(f) (Determination or Calculation by Trustee).

(g) **Notifications, etc. to be Final**

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6 (Interest), whether by the Reference Banks (or any of them), the Calculation Agent or the Trustee, will be binding on the Issuer, the Reference Banks, the Calculation Agent, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders, save in the case that the Issuer certifies that any such notification, opinion, determination, certificate, quotation and decision is erroneous and the Issuer publishes a correction in accordance with Condition 16 (Notices), provided that the Trustee shall be under no obligation actively to monitor any such notifications, opinions, determinations, certificates, quotations and decisions for such errors. No liability to the Issuer or the Noteholders of any Class shall attach to the Reference Banks, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretions under this Condition 6 (Interest).

7. **Redemption and Purchase**

(a) **Final Redemption**

Save to the extent previously redeemed in full and cancelled, the Notes of each Class will be redeemed on the Maturity Date of such Notes. In the case of a redemption pursuant to this Condition 7(a) (Final Redemption), the Rated Notes will be redeemed at their Redemption Price in accordance with the Note Payment Sequence and the Subordinated Notes will be redeemed at the amount equal to their share of the amounts of Principal Proceeds to be applied towards such redemption pursuant to paragraph (S) of the Principal Proceeds Priority of Payments. Notes may not be redeemed other than in accordance with this Condition 7 (Redemption and Purchase).
(b) **Optional Redemption**

(i) **Optional Redemption in Whole - Subordinated Noteholders**

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

(A) on any Business Day falling on or after expiry of the Non-Call Period at the direction of the Subordinated Noteholders acting by way of an Ordinary Resolution (as evidenced by duly completed Redemption Notices), subject to, in the case of a Refinancing, the consent of the Collateral Manager; or

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

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

Subject to the provisions of Condition 7(b)(iv) *(Terms and Conditions of an Optional Redemption)* and Condition 7(b)(v) *(Optional Redemption effected in whole or in part through Refinancing)*, the Rated Notes of any Class may be redeemed by the Issuer at the applicable Redemption Prices, solely from Refinancing Proceeds (in accordance with Condition 7(b)(v) *(Optional Redemption effected in whole or in part through Refinancing)* below) on any Business Day falling on or after expiry of the Non-Call Period at the direction of the Subordinated Noteholders acting by way of Ordinary Resolution (as evidenced by duly completed Redemption Notices) and subject to the consent of the Collateral Manager. No such Optional Redemption may occur unless any Class of Rated Notes to be redeemed represents the entire Class of such Rated Notes.

(iii) **Optional Redemption in Whole - Collateral Manager Clean-up Call**

Subject to the provisions of Condition 7(b)(iv) *(Terms and Conditions of an Optional Redemption)* and Condition 7(b)(vi) *(Optional Redemption in whole of all Classes of Notes effected through Liquidation only)*, the Rated Notes may be redeemed in whole but not in part by the Issuer, at the applicable Redemption Prices, from Sale Proceeds on any Business Day falling on or after expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period, the Aggregate Collateral Balance is less than 20 per cent. of the Target Par Amount and if directed in writing by the Collateral Manager.

(iv) **Terms and Conditions of an Optional Redemption**

In connection with any Optional Redemption:

(A) the Issuer shall procure that at least 30 days’ or, in the case of a Refinancing in relation to a redemption of the Rated Notes in part by Class, 10 days’ prior written notice of such Optional Redemption, including the applicable Redemption Date, and the relevant Redemption Price therefor, is given to the Collateral Manager, the Trustee and the
Noteholders in accordance with Condition 16 (Notices) (or if a period of less than 30 days has been agreed for the delivery of the Redemption Notices pursuant to Condition 7(b)(vii), the Issuer shall procure delivery of such notice as soon as reasonably practicable upon becoming aware of such Optional Redemption);

(B) the Rated Notes to be redeemed shall be redeemed at their applicable Redemption Prices (subject, in the case of an Optional Redemption of all Classes of the Rated Notes in whole, to the right of holders of 100 per cent. of the aggregate Principal Amount Outstanding of any Class of Rated Notes to elect to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to the holders of such Class of Rated Notes). Such right shall be exercised by delivery by each holder of the relevant Class of Rated Notes of a written direction confirming such holder’s election to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to it, together with evidence of their holding to the Issuer and the Collateral Manager no later than 25 days (or such shorter period of time as may be agreed by the Trustee and the Collateral Manager, with regard to the Collateral Manager only, acting reasonably) prior to the relevant Redemption Date;

(C) the Collateral Manager shall have no right or other ability under the Collateral Management Agreement (but without prejudice to its rights in respect of any Subordinated Notes which it or its Affiliates may hold) to prevent an Optional Redemption directed by the Subordinated Noteholders in accordance with this Condition 7(b) (Optional Redemption);

(D) any such redemption must comply with the procedures set out in Condition 7(b)(vii) (Mechanics of Redemption); and

(E) any redemption in part of the Notes pursuant to Condition 7(b)(ii) (Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders) may be effected solely from Refinancing Proceeds in accordance with Condition 7(b)(v) (Optional Redemption effected in whole or in part through Refinancing) below.

(v) Optional Redemption effected in whole or in part through Refinancing

Following receipt of, or as the case may be, confirmation from the Principal Paying Agent of receipt of a direction in writing from the requisite percentage of Subordinated Noteholders and, in the case of a Refinancing, the consent of the Collateral Manager, the Issuer may:

(A) in the case of a redemption in whole of all Classes of Rated Notes in accordance with Condition 7(b)(i) (Optional Redemption in Whole - Subordinated Noteholders) (1) enter into a loan (as borrower thereunder) with one or more financial institutions; or (2) issue replacement notes; and

(B) in the case of a redemption in part of the entire Class of Rated Notes issue replacement notes,

(each, a "Refinancing Obligation") whose terms in each case will be negotiated by the Collateral Manager on behalf of the Issuer (any such refinancing, a "Refinancing"). Each Refinancing is required to satisfy the conditions described in this Condition 7(b)(v) (Optional Redemption effected in whole or in part through Refinancing).
Refinancing Proceeds shall be applied in addition to (or in place of) Sale Proceeds in the redemption of the Rated Notes in whole pursuant to Condition 7(b)(i) (Optional Redemption in Whole - Subordinated Noteholders). In addition, Refinancing Proceeds may be applied in the redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders).

(A) Refinancing in relation to a Redemption in Whole

In the case of a Refinancing in relation to the redemption of all Classes of the Rated Notes in whole but not in part pursuant to Condition 7(b)(i) (Optional Redemption in Whole - Subordinated Noteholders) as described above, such Refinancing will be effective only if:

1. the Issuer provides prior written notice thereof to the Rating Agencies and each Hedge Counterparty;
2. all Principal Proceeds, all Refinancing Proceeds, all Sale Proceeds, if any, from the sale of Collateral Debt Obligations and Eligible Investments and all other available funds will be at least sufficient to pay any Refinancing Costs and all amounts due and payable in respect of all Classes of Notes save for the Subordinated Notes (including without limitation Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) and all amounts payable in priority thereto pursuant to the Priorities of Payments (subject to any election to receive less than 100 per cent. of Redemption Price) on such Redemption Date when applied in accordance with the Post-Acceleration Priority of Payments;
3. all Principal Proceeds, Refinancing Proceeds, Sale Proceeds, if any, and other available funds are used (to the extent necessary) to make such redemption;
4. each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed;
5. all Refinancing Proceeds and all Sale Proceeds, if any, from the sale of Collateral Debt Obligations and Eligible Investments, are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date; and
6. any issuance of replacement notes would not result in non-compliance by the Collateral Manager with the EU Retention Requirements or the U.S. Risk Retention Rules, in each case, as certified to the Issuer and the Trustee by the Collateral Manager (upon which certification the Trustee shall be entitled to rely without enquiry and without liability).

(B) Refinancing in relation to a Redemption in Part of a Class or Classes of Notes in whole

In the case of a Refinancing in relation to a redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (Optional Redemption in Part – Refinancing of a
Class or Classes of Notes in whole by Subordinated Noteholders), such Refinancing will be effective only if:

1. the Issuer provides prior written notice thereof to the Rating Agencies and each Hedge Counterparty;

2. the Refinancing Obligations are in the form of notes;

3. any redemption of a Class of Notes is a redemption of the entire Class which is subject to the redemption;

4. the sum of (A) the Refinancing Proceeds and (B) the Partial Redemption Interest Proceeds will be at least sufficient to pay in full:
   a. the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption; and
   b. all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses incurred in connection with such Refinancing;

5. the Refinancing Proceeds are used (to the extent necessary) to make such redemption;

6. the Refinancing Proceeds and Partial Redemption Interest Proceeds are applied in accordance with the Partial Redemption Priority of Payments;

7. each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed;

8. the aggregate principal amount of the Refinancing Obligations in respect of each Class of Notes being redeemed is equal to the aggregate Principal Amount Outstanding of the relevant Class of Notes being redeemed with the Refinancing Proceeds and Partial Redemption Interest Proceeds;

9. the maturity date of each class of Refinancing Obligation is the same as the Maturity Date of the Class or Classes of Notes being redeemed with the Refinancing Proceeds;

10. the "Margin" of any Refinancing Obligations will be equal to or less than the "Margin" of the Class or Classes of Rated Notes subject to such Optional Redemption and, in respect of any Floating Rate Note, the rate of interest in respect thereof shall be determined on the same basis as set out in Condition 6(e)(i) (Floating Rate of Interest) determined unless, in each case, Rating Agency Confirmation from S&P and Moody’s is obtained;

11. payments in respect of the Refinancing Obligations are subject to the Priorities of Payments and rank at the same priority pursuant to the Priorities of Payments as the relevant Class or Classes of Rated Notes being redeemed;

12. the currency of denomination, the frequency of payment of interest and principal, voting rights, consent rights, redemption rights (other than any
modification to remove the right of the Subordinated Noteholders or any other party to direct the Issuer to redeem by refinancing the Refinancing Obligations) and all other rights of the Refinancing Obligations are the same as the corresponding Class of Rated Notes being redeemed;

(13) all Refinancing Proceeds are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date; and

(14) any issuance of replacement notes would not result in non-compliance by the Collateral Manager with the EU Retention Requirements or the U.S. Risk Retention Rules,

in each case, as certified to the Issuer and the Trustee by the Collateral Manager (upon which certification the Trustee shall be entitled to rely without enquiry and without liability).

If, in relation to a proposed optional redemption of the Notes, any of the conditions specified in this Condition 7(b)(v) (Optional Redemption effected in whole or in part through Refinancing) are not satisfied, the Issuer shall cancel the relevant redemption of the Notes and shall give written notice of such cancellation to the Trustee, the Collateral Manager and the Noteholders in accordance with Condition 16 (Notices). Such cancellation shall not constitute an Event of Default.

None of the Issuer, the Collateral Manager, the Collateral Administrator or the Trustee shall be liable to any party, including the Subordinated Noteholders, for any failure to obtain a Refinancing, and any such failure shall not constitute a Note Event of Default.

(C) Consequential Amendments

Following a Refinancing, the Trustee shall agree to the modification of the Trust Deed to the extent which the Issuer certifies (upon which certification the Trustee shall be entitled to rely without enquiry and without liability) is necessary to reflect the terms of the Refinancing (including any modification to remove the right of the Subordinated Noteholders or any other party to direct the Issuer to redeem by refinancing the Class(es) of Notes subject to a Refinancing), subject to as provided below. No further consent for such amendments shall be required from the holders of the Notes, other than from the holders of the Subordinated Notes acting by way of an Ordinary Resolution.

The Trustee will not be obliged to enter into any modification that, in its sole opinion, (i) would have the effect of exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties or decreasing the rights, powers, indemnities or protections of the Trustee under the Transaction Documents, and the Trustee will be entitled to conclusively rely upon an officer’s certificate and/or opinion of counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such opinion of counsel) provided by the Issuer or any other party to the Transaction Document to the effect that such amendment meets the requirements specified above and is permitted under the Trust Deed without the consent of the holders of the Notes (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds).
Optional Redemption in whole of all Classes of Notes effected through Liquidation only

Following receipt of notice from the Issuer or, as the case may be, of confirmation from the Principal Paying Agent of (i) a direction in writing from the required party or requisite percentage of Noteholders, as the case may be, in accordance with Condition 7(b)(i) (Optional Redemption in Whole - Subordinated Noteholders) or Condition 7(f) (Redemption following Note Tax Event) or Condition 7(b)(iii) (Optional Redemption in Whole - Collateral Manager Clean-up Call), to exercise any right of optional redemption pursuant to this Condition 7(b) (Optional Redemption) or Condition 7(f) (Redemption following Note Tax Event) to be effected solely through the liquidation or realisation of the Collateral, the Collateral Administrator shall, as soon as practicable, and in any event not later than 17 Business Days prior to the scheduled Redemption Date (the "Redemption Determination Date"), provided that it has received such notice or confirmation at least 20 Business Days prior to the scheduled Redemption Date, calculate the Redemption Threshold Amount in consultation with the Collateral Manager. The Collateral Manager or any of its Affiliates will be permitted to purchase Collateral Debt Obligations in the Portfolio where the Subordinated Noteholders exercise their right of early redemption pursuant to this Condition 7(b) (Optional Redemption).

The Notes shall not be optionally redeemed pursuant to this Condition 7(b)(vi) (Optional Redemption in whole of all Classes of Notes effected through Liquidation only) where such Optional Redemption is to be effected solely through the liquidation or realisation of the Portfolio unless:

(A) at least five Business Days before the scheduled Redemption Date the Collateral Manager shall have furnished to the Trustee evidence in a form reasonably satisfactory to the Trustee (on which evidence the Trustee may rely absolutely and without further enquiry or liability) that the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements with either (I) a financial or other institution or institutions (which either (a) either (x) has a long-term senior unsecured credit rating of at least "A2" by Moody’s or, if it does not have a Moody’s long-term senior unsecured credit rating, a short-term senior unsecured rating of at least "P-1" by Moody’s, or (y) in respect of which a Rating Agency Confirmation from Moody’s has been obtained (provided, for the purposes of this clause (y), that a Rating Agency Confirmation cannot be deemed to not be required in these circumstances and must be provided as a positive confirmation)) and (b) either (x) has a long-term issuer credit rating of at least "A" and a short-term issuer credit rating of at least "A-1" by S&P, or if it does not have such short-term rating, a long-term issuer credit rating or at least "A+" by S&P, or (y) in respect of which a Rating Agency Confirmation from S&P has been obtained) or (II) a bankruptcy remote special purpose vehicle (which (a) either (x) is classified as bankruptcy remote by Moody's or (y) in respect of which a Rating Agency Confirmation from Moody's has been obtained (provided, for the purposes of this clause (y), that a Rating Agency Confirmation cannot be deemed to not be required in these circumstances and must be provided as a positive confirmation) and (b) either (x) is classified as bankruptcy remote by Moody's or (y) in respect of which a Rating Agency Confirmation from S&P has been obtained) with sufficient available funding capacity to purchase (directly or by participation or other arrangement) from the Issuer, not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Portfolio at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par or on or prior to the scheduled Redemption Date, to meet the Redemption Threshold Amount; or
(B) (i) prior to selling any Collateral Debt Obligations and/or Eligible Investments, the Collateral Manager certifies to the Trustee (upon which certification the Trustee may rely without further enquiry and without liability) that, in its judgment, the aggregate sum of (A) expected proceeds from the sale of Eligible Investments, and (B) for each Collateral Debt Obligation, the product of its Principal Balance and its Market Value, shall be at least sufficient to meet the Redemption Threshold Amount; and (ii) at least five Business Days before the scheduled Redemption Date, the Issuer shall have received proceeds of disposition of all or part of the Portfolio at least sufficient to meet the Redemption Threshold Amount.

Any certification delivered by the Collateral Manager pursuant to this section must include (1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Debt Obligations and/or Eligible Investments and (2) all calculations required by this Condition 7(b) (Optional Redemption) and Condition 7(f) (Redemption following Note Tax Event) (as applicable). The Trustee shall rely upon such certification without further enquiry and without liability. Any Noteholder, the Collateral Manager or any of the Collateral Manager’s Affiliates shall have the right, subject to the same terms and conditions afforded to other bidders, to bid on Collateral Debt Obligations to be sold as part of an Optional Redemption pursuant to this Condition 7(b)(vi) (Optional Redemption in whole of all Classes of Notes effected through Liquidation only).

If neither condition (A) nor (B) above is satisfied, the Issuer shall cancel the redemption of the Notes and shall give written notice of such cancellation to the Trustee, the Collateral Manager and the Noteholders in accordance with Condition 16 (Notices). Such cancellation shall not constitute a Note Event of Default.

(vii) Mechanics of Redemption

Following calculation by the Collateral Administrator in consultation with the Collateral Manager of the relevant Redemption Threshold Amount, if applicable, the Collateral Administrator shall make such other calculations as it is required to make pursuant to the Collateral Management Agreement and shall notify the Issuer, the Trustee, the Collateral Manager and the Principal Paying Agent in writing.

Any exercise of a right of Optional Redemption by the Subordinated Noteholders pursuant to this Condition 7(b) (Optional Redemption) or the Controlling Class or the Subordinated Noteholders pursuant to Condition 7(f) (Redemption following Note Tax Event) shall be effected by delivery to the Principal Paying Agent by the requisite amount of Subordinated Noteholders or the requisite amount of Noteholders of the Controlling Class (as applicable) of the Notes held thereby together with duly completed Redemption Notices not less than 30 days or in the case of Refinancing in relation to the redemption of the Rated Notes in part by Class, 10 days' prior written notice (or such shorter period of time as the Issuer and the Collateral Manager find reasonably acceptable prior to the proposed Redemption Date). No Redemption Notice and Subordinated Note or Notes comprising the Controlling Class so delivered may be withdrawn without the prior consent of the Issuer. The Principal Paying Agent shall copy each Redemption Notice received to each of the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and the Collateral Manager.

The Collateral Manager shall notify the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty, the Liquidity Facility Provider and the Principal Paying Agent in writing upon satisfaction of any of the conditions set out in this Condition 7(b) (Optional Redemption) and shall arrange for liquidation and/or realisation of the Portfolio in whole or in part as
necessary, on behalf of the Issuer in accordance with the Collateral Management Agreement. The Issuer shall deposit, or cause to be deposited, the funds required for an optional redemption of the Rated Notes in accordance with this Condition 7(b) (Optional Redemption) in the Payment Account on or prior to the applicable Redemption Date (in the case of a Refinancing) or on the Business Day prior to the applicable Redemption Date (in the case of a redemption by liquidation). Principal Proceeds and Interest Proceeds received in connection with a redemption in whole of all the Rated Notes shall be payable in accordance with the Post-Acceleration Priority of Payments. Refinancing Proceeds received in connection with a redemption in whole of a Class of Rated Notes (other than a redemption in whole of all Classes of Rated Notes) shall be paid to the holders of such Class of Notes to the extent required to redeem such Class of Notes in accordance with the Priorities of Payments.

(viii) Optional Redemption of Subordinated Notes

The Subordinated Notes may be redeemed at their Redemption Price, in whole but not in part, on any Business Day on or after the redemption or repayment in full of the Rated Notes, at the direction of either of (x) the Subordinated Noteholders (acting by way of Ordinary Resolution) or (y) the Collateral Manager.

(c) Mandatory Redemption upon Breach of Coverage Tests

(i) Class A Notes and Class B Notes

If the Class A/B Par Value Test or the Class A/B Interest Coverage Test is not met on any Determination Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes and the Class B Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Tests are satisfied if recalculated following such redemption.

(ii) Class C Notes

If the Class C Par Value Test or the Class C Interest Coverage Test is not met on any Determination Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B Notes and the Class C Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

(iii) Class D Notes

If the Class D Par Value Test or the Class D Interest Coverage Test is not met on any Determination Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.
(iv) **Class E Notes**

If the Class E Par Value Test is not met on any Determination Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until the Class E Par Value Test is satisfied if recalculated following such redemption.

(v) **Class F Notes**

If the Class F Par Value Test is not met on any Determination Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Rated Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until the Class F Par Value Test is satisfied if recalculated following such redemption.

(d) **Special Redemption**

A special redemption ("Special Redemption") of the Notes may occur in the circumstances described below. For the avoidance of doubt, the exercise of a Special Redemption shall be at the sole and absolute discretion of the Collateral Manager (acting on behalf of the Issuer) and the Collateral Manager shall be under no obligation to, or have any responsibility for, any Noteholder or any other person for the exercise or non-exercise (as applicable) of such Special Redemption.

Principal payments on the Notes shall be made in accordance with the Principal Proceeds Priority of Payments at the sole and absolute discretion of the Collateral Manager (acting on behalf of the Issuer) if, at any time during the Reinvestment Period, the Collateral Manager (acting on behalf of the Issuer) certifies to the Trustee (upon which certification the Trustee may rely without further enquiry or liability) that using reasonable endeavours it has been unable, for a period of 20 consecutive Business Days, to identify additional Collateral Debt Obligations or Substitute Collateral Debt Obligations that are deemed appropriate by the Collateral Manager (acting on behalf of the Issuer) in its discretion and which meet the Eligibility Criteria or, to the extent applicable, the Reinvestment Criteria, in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account that are to be invested in additional Collateral Debt Obligations. On the first Payment Date following the Due Period in which such notice is given (a "Special Redemption Date"), the funds in the Principal Account representing Principal Proceeds which, using reasonable endeavours, cannot be reinvested in additional Collateral Debt Obligations or Substitute Collateral Debt Obligations (the "Special Redemption Amount") will be applied in accordance with paragraph (N) of the Principal Proceeds Priority of Payments. Notice of payments pursuant to this Condition 7(d) shall be given by the Issuer in accordance with Condition 16 (Notices) not less than three Business Days prior to the applicable Special Redemption Date to the Noteholders and to each Rating Agency. For the avoidance of doubt, the exercise of a Special Redemption shall be at the sole and absolute discretion of the Collateral Manager (acting on behalf of the Issuer) and the Collateral Manager shall be under no obligation to, or have any responsibility for, any Noteholder or any other person for the exercise or non exercise (as applicable) of such Special Redemption.

(e) **Redemption following Expiry of the Reinvestment Period**

Following expiry of the Reinvestment Period, the Issuer shall, on each Payment Date occurring thereafter, apply Principal Proceeds transferred to the Payment Account immediately prior to the related Payment Date (save to the extent such amounts are designated for reinvestment in accordance with the Collateral
Management Agreement) in redemption of the Notes at their applicable Redemption Prices in accordance with the Priorities of Payments.

(f) **Redemption following Note Tax Event**

Upon the occurrence of a Note Tax Event, the Issuer shall, subject to and in accordance with the terms of the Trust Deed, use all reasonable efforts to cure such Note Tax Event in the least burdensome way to the Issuer (which may include changing the territory in which it is resident for tax purposes to another jurisdiction which, at the time of such change, would not give rise to a Note Tax Event). Upon the earlier of (a) the date upon which the Issuer certifies to the Trustee (upon which certification the Trustee may rely without further enquiry or liability) and notifies (or procures the notification of) the Noteholders in accordance with Condition 16 (Notices) that it is not able to cure such Note Tax Event and (b) the date which is 90 days from the date upon which the Issuer first becomes aware of such Note Tax Event (provided that such 90 day period shall be extended by a further 90 days in the event that during the former period the Issuer has notified (or procured the notification of) the Trustee in writing and the Noteholders in accordance with Condition 16 (Notices) that, based on advice received by it, it expects that it shall have cured such Note Tax Event by the end of the latter 90 day period), the Controlling Class acting by way of Extraordinary Resolution or the Subordinated Noteholders acting by way of Ordinary Resolution, may elect that the Notes of each Class are redeemed, in whole but not in part, on any Business Day thereafter, at their respective Redemption Prices in accordance with the Note Payment Sequence, in which case the Issuer shall so redeem the Notes on such terms, provided that such Note Tax Event would affect payment of principal or interest in respect of the Controlling Class or, as the case may be, the Subordinated Notes (in addition to any other Class of Notes) on such Payment Date; provided further that such redemption of the Notes, whether pursuant to the exercise of such option by the Controlling Class or the Subordinated Noteholders, shall take place in accordance with the procedures set out in Condition 7(b)(vii) (Mechanics of Redemption).

(g) **Redemption**

Unless otherwise specified in this Condition 7 (Redemption and Purchase), all Notes in respect of which any notice of redemption is given shall be redeemed on the Redemption Date at their applicable Redemption Prices and to the extent specified in such notice and in accordance with the requirements of this Condition 7 (Redemption and Purchase) and in accordance with the Priorities of Payments.

(h) **Cancellation and Purchase**

All Notes redeemed in full by the Issuer will be cancelled and may not be reissued or resold.

No Note may be surrendered (including in connection with any abandonment, donation, gift, contribution or other event or circumstance) except for payment as provided herein, for cancellation pursuant to Condition 7(j) (Purchase) below, for registration of transfer, exchange or redemption, or for replacement in connection with any Note mutilated, defaced or deemed lost or stolen.

In respect of Notes represented by a Global Certificate cancellation of any Note required by the Conditions to be cancelled will be effected by reduction in the principal amount of the Notes on the Register, with a corresponding notation made on the applicable Global Certificate.

(i) **Notice of Redemption**

The Issuer shall procure that notice of any redemption in accordance with this Condition 7 (Redemption and Purchase) (which notice shall be irrevocable) is given promptly in writing to the Trustee, the Noteholders in accordance with Condition 16 (Notices) and the Rating Agencies.
On any Payment Date, at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Collateral Management Agreement the Issuer may, subject to the conditions below, purchase any of the Rated Notes (in whole or in part), using amounts standing to the credit of the Contributions Account.

No purchase of Rated Notes by the Issuer may occur unless each of the following conditions is satisfied:

(A) (1) such purchase of Rated Notes shall occur in the following sequential order of priority: first, the Class X Notes and the Class A Notes on a pro rata and pari passu basis, until the Class X Notes and the Class A Notes are redeemed or purchased in full and cancelled; second, the Class B Notes, until the Class B Notes are redeemed or purchased in full and cancelled; third, the Class C Notes, until the Class C Notes are redeemed or purchased in full and cancelled; fourth, the Class D Notes, until the Class D Notes are redeemed or purchased in full and cancelled; fifth, the Class E Notes, until the Class E Notes are redeemed or purchased in full and cancelled; and sixth, the Class F Notes, until the Class F Notes are redeemed or purchased in full and cancelled;

(2) each such purchase of Rated Notes of any Class shall be made pursuant to an offer made to all holders of the Rated Notes of such Class, by notice to such holders, which notice shall specify the purchase price (as a percentage of par) at which such purchase will be effected, the maximum amount of Principal Proceeds and amounts standing to the credit of the Contributions Account that will be used to effect such purchase and the length of the period during which such offer will be open for acceptance;

(3) each such holder of a Rated Note shall have the right, but not the obligation, to accept such offer in accordance with its terms; and

(B) if the aggregate Principal Amount Outstanding of Notes of the relevant Class held by holders who accept such offer exceeds the amount of Principal Proceeds specified in such offer, a portion of the Notes of each accepting holder shall be purchased pro rata based on the respective Principal Amount Outstanding held by each such holder subject to adjustment for Authorised Denominations if required;

(C) each such purchase shall be effected only at prices discounted from par;

(D) each such purchase of Rated Notes shall occur prior to the expiry of the Reinvestment Period;

(E) each Coverage Test is satisfied immediately prior to each such purchase and will be satisfied after giving effect to such purchase or, if any Coverage Test is not satisfied it shall be at least maintained or improved after giving effect to such purchase as it was immediately prior thereto;

(F) if Sale Proceeds are used to consummate any such purchase, either:

(1) each requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Test (other than the S&P CDO Monitor Test) will be satisfied after giving effect to such purchase; or

(2) if any requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Test (other than the S&P CDO Monitor Test) was not satisfied
immediately prior to such purchase, such requirement or test will be maintained or improved after giving effect to such purchase;

(G) no Note Event of Default shall have occurred and be continuing;

(H) such purchase shall not cause a breach of the EU Retention Requirements;

(I) any Rated Notes to be purchased shall be surrendered to the Registrar for cancellation and may not be reissued or resold;

(J) each such purchase will otherwise be conducted in accordance with applicable law (including the laws of Ireland); and

(K) the Issuer shall have given prior notice of such purchase to the Rating Agencies.

For so long as the Rated Notes are rated by S&P, the Issuer shall give prior written notice to S&P of any such purchase of Rated Notes. The Issuer shall surrender any purchased Rated Notes to the Registrar for cancellation and upon instruction by the Issuer, the Registrar shall cancel any such purchased Rated Notes surrendered to it for cancellation.

(k) Mandatory Redemption of Class X Notes

The Class X Notes shall be subject to mandatory redemption in part on each Payment Date immediately following (and excluding) the Issue Date, in each case in an amount equal to the relevant Class X Principal Amortisation Amount.

8. Payments

(a) Method of Payment

Payments of principal upon final redemption in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of such Note at the specified office of the Principal Paying Agent or any Paying Agent by wire transfer. Payments of interest on each Note and, prior to redemption in full thereof, principal in respect of each Note, will be made by wire transfer. Upon application of the holder to the specified office of the Principal Paying Agent or any Paying Agent not less than five Business Days before the due date for any payment in respect of a Note, the payment may be made (in the case of any final payment of principal against presentation and surrender (or, in the case of part payment only of such final payment, endorsement) of such Note as provided above) by wire transfer, in immediately available funds, on the due date to a Euro account maintained by the payee with a bank in Western Europe.

Payments of principal and interest in respect of Notes represented by a Global Certificate will be made to the registered holder as shall have been notified to the relevant Noteholders (in accordance with Condition 16 (Notices) for such purpose and, if no further payment falls to be made in respect of the relevant Notes, upon surrender of such Global Certificate to or to the order of the Principal Paying Agent or the Transfer Agent. On each occasion on which a payment of interest (unless the Notes represented thereby do not bear interest) or principal is made in respect of the relevant Global Certificate, the Registrar shall note the same in the Register and cause the aggregate principal amount of the Notes represented by a Global Certificate to be decreased accordingly.
(b) **Payments**

All payments are subject in all cases (i) to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA. No commission shall be charged to the Noteholders.

(c) **Payments on Presentation Dates**

A holder shall be entitled to present a Note for payment only on a Presentation Date and shall not, except as provided in Condition 6 (*Interest*), be entitled to any further interest or other payment if a Presentation Date falls after the due date.

If a Note is presented for payment at a time when, as a result of differences in time zones it is not practicable to transfer the relevant amount to an account as referred to above for value on the relevant Presentation Date, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to the account for value on the first practicable date after the Presentation Date.

(d) **Principal Paying Agent, Transfer Agents and Sub-Registrar**

The names of the initial Principal Paying Agent, Transfer Agents and the Sub-Registrar and their initial specified offices are set out below. The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of the Principal Paying Agent, any Transfer Agent and the Sub-Registrar and appoint additional or other Agents, provided that it will maintain a Principal Paying Agent, as approved in writing by the Trustee and shall procure that it shall at all times maintain a Custodian, Account Bank, Collateral Manager and Collateral Administrator. Notice of any change in any Agent or their specified offices or in the Collateral Manager or Collateral Administrator will promptly be given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*).

9. **Taxation**

All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Ireland, or any political sub-division or any authority therein or thereof or any other jurisdiction having power to tax, unless such withholding or deduction is required by law. For the avoidance of doubt, the Issuer shall not be required to gross up any payments made to Noteholders of any Class and shall withhold or deduct from any such payments any amounts on account of such tax where so required by law (including FATCA) or any such relevant taxing authority. Any such withholding or deduction shall not constitute a Note Event of Default under Condition 10(a) (*Note Events of Default*).

Subject as provided below, if the Issuer certifies to the Trustee (upon which certification the Trustee may rely without further enquiry and without liability) that it has or will on the occasion of the next payment due in respect of the Notes of any Class become obliged to withhold or deduct amounts for or on account of tax so that it would be unable to make payment of the full amount that would otherwise be due but for the imposition of such tax, the Issuer (save as provided below) shall use all reasonable endeavours to take such steps as are available to it as will avoid such withholding or deduction (including by arranging for the substitution of a company incorporated in another jurisdiction as the principal obligor under the Notes of such Class, or to change its tax residence to another jurisdiction), subject to receipt of Rating Agency Confirmation in relation to such change and in accordance with the Trust Deed, provided that the Trustee’s approval shall be subject to confirmation of tax counsel (at the cost of the Issuer) that such a substitution and/or change in tax residence would be effective in eliminating the imposition of such tax.
Notwithstanding the above, if any taxes referred to in this Condition 9 (Taxation) arise:

(i) due to any present or former connection of any Noteholder (or between a fiduciary, settlor, beneficiary, member or shareholder of such Noteholder if such Noteholder is an estate, a trust, a partnership, or a corporation) with the jurisdiction in which the tax is imposed (including without limitation, such Noteholder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having had a permanent establishment therein) otherwise than by reason only of the holding of any Note or receiving principal or interest in respect thereof;

(ii) by reason of the failure by the relevant Noteholder to comply with any provisions of the Transaction Documents which set out applicable procedures required to establish non residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland or other applicable taxing authority;

(iii) in connection with FATCA; or

(iv) any combination of the preceding clauses (i) through (iii) inclusive,

the requirement to take steps to avoid the withholding or deduction for or on account of those taxes shall not apply.

Any withholding or deduction required from amounts payable by the Issuer pursuant to this Condition 9 (Taxation) shall be deemed to be included in the same paragraph in the Priorities of Payments as the paragraph which contains the payment in respect of which such withholding or deduction is required to be made.

10. Events of Default

(a) Note Events of Default

Any of the following events shall constitute a "Note Event of Default":

(i) Non-payment of interest

the Issuer fails to pay any Interest Amounts in respect of the Class X Notes, the Class A Notes and the Class B Notes when the same becomes due and payable and, in each case, failure to pay such interest in such circumstances continues for a period of at least five Business Days provided that, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven Business Days after the Trustee or the Issuer receives written notice of, or has actual knowledge of, such administrative error or omission;

(ii) Non-payment of principal

the Issuer fails to pay any principal when the same becomes due and payable on any Rated Note on any Redemption Date and such failure to pay such principal continues for a period of at least five Business Days provided that, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven Business Days after the Trustee or the Issuer receives written notice of, or has actual knowledge of, such administrative error or omission and provided further that failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the
Conditions or, in the case of an Optional Redemption with respect to which a Refinancing fails, will not constitute a Note Event of Default;

(iii) Default under Priorities of Payments

the failure on any Payment Date to disburse amounts (other than (i) or (ii) above) available in the Payment Account in excess of €1,000 and payable in accordance with the Priorities of Payments and continuation of such failure for a period of ten Business Days or, in the case of a failure to disburse due to an administrative error or omission, such failure continues for ten Business Days after the Trustee or the Issuer receives written notice of, or (in the case of the Issuer) has actual knowledge of, such administrative error or omission;

(iv) Collateral Debt Obligations

on any Measurement Date, failure of the percentage equivalent of a fraction, (i) the numerator of which is equal to the Aggregate Collateral Balance and (ii) the denominator of which is equal to the Principal Amount Outstanding of the Class X Notes and the Class A Notes to equal or exceed 102.5 per cent.;

(v) Breach of Other Obligations

except as otherwise provided in this definition of "Note Event of Default" a default in a material respect (in the opinion of the Trustee) in the performance by, or breach in a material respect (in the opinion of the Trustee) of any material covenant of, the Issuer under the Trust Deed (provided that any failure to meet any Portfolio Profile Test, the Interest Diversion Test, Collateral Quality Test or Coverage Test is not a Note Event of Default, except to the extent provided in paragraph (iv) above) or the failure of any material representation or warranty of the Issuer made in the Trust Deed, these Conditions or, in either case, in any certificate or other writing delivered pursuant thereto or in connection therewith to be correct in each case in all material respects when the same shall have been made, which default, breach or failure is materially prejudicial, in the opinion of the Trustee, to the interests of the Noteholders of any Class and the continuation of such default, breach or failure for a period of 30 days after notice to the Issuer and the Collateral Manager by registered or certified mail or courier, from the Trustee, the Issuer, or the Collateral Manager, or to the Issuer, the Collateral Manager and the Trustee from the Controlling Class acting pursuant to an Ordinary Resolution, specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Trust Deed; provided that if the Issuer (as notified to the Trustee by the Collateral Manager in writing) has commenced curing such default, breach or failure during the 30 day period specified above, such default, breach or failure shall not constitute a Note Event of Default under this paragraph (v) unless (A) it continues for a period of 45 days (rather than, and not in addition to, such 30 day period specified above) after notice thereof in accordance herewith, or (B) if such default, breach or failure is in respect of payments made under the Priorities of Payments and can be cured only on a Payment Date, it continues after the next Payment Date.

(vi) Insolvency Proceedings

proceedings are initiated against the Issuer under any applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws (together, "Insolvency Law"), or a receiver, administrative receiver, trustee, administrator, examiner, custodian, conservator, liquidator, curator, or other similar official appointed in connection with any Insolvency Law or a security enforcement or related proceedings (a "Receiver") is appointed in relation to the Issuer
or in relation to the whole or any substantial part (in the opinion of the Trustee) of the undertaking or assets of the Issuer and in any of the foregoing cases, except in relation to the appointment of a Receiver, is not discharged within 30 days; or the Issuer is subject to, or initiates or consents to judicial proceedings relating to itself under any applicable Insolvency Law, or seeks the appointment of a Receiver, or makes a conveyance or assignment for the benefit of its creditors generally or otherwise becomes subject to any reorganisation or amalgamation (other than on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Controlling Class);

(vii) **Illegality**

it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes; or

(viii) **Investment Company Act**

the Issuer or any of the Collateral becomes required to register as an "Investment Company" under the Investment Company Act and such requirement continues for 45 days.

(b) **Acceleration**

(i) If a Note Event of Default occurs and is continuing, the Trustee may, at its discretion and shall, at the request of the Controlling Class acting by way of Ordinary Resolution, (provided that the Trustee shall not be obliged to take any action unless indemnified and/or secured and/or prefunded to its satisfaction) give notice to the Issuer and the Collateral Manager that all the Notes are immediately due and repayable at their applicable Redemption Prices (such notice, an "**Acceleration Notice**"), provided that following the occurrence of a Note Event of Default described in paragraph (vi) or (vii) of the definition thereof, such notice shall be deemed to have been given and all the Notes shall automatically become immediately due and repayable at their applicable Redemption Prices.

(ii) Upon any such notice being given or deemed to have been given to the Issuer in accordance with Condition 10(b)(i) (**Acceleration**) following the occurrence of a Note Event of Default (other than with respect to a Note Event of Default occurring under paragraph (vi) or (vii) of the definition thereof where such notice is not required) and prior to enforcement of the security pursuant to Condition 11 (**Enforcement**), the Trustee, subject to receipt of consent in writing from the Controlling Class, may and shall, if so requested by the Controlling Class, in each case, acting by way of an Ordinary Resolution, (provided that the Trustee shall not be obliged to take any action unless indemnified and/or secured and/or prefunded to its satisfaction) rescind and annul such notice of acceleration under paragraph (b)(i) above and its consequences if:

(i) the Issuer has paid or deposited with the Trustee a sum sufficient to pay:

   (A) all overdue payments of interest and principal on the Notes, other than the Subordinated Notes;
(B) all due but unpaid taxes owing by the Issuer, as certified by an Authorised Officer of the Issuer to the Trustee;

(C) all unpaid Trustee Fees and Expenses (without regard to the Senior Expenses Cap);

(D) all unpaid Administrative Expenses (without regard to the Senior Expenses Cap);

(E) all amounts due and payable by the Issuer under any Hedge Transaction;

(ii) the Trustee has determined that all Note Events of Default, other than the non-payment of the interest in respect of, or principal of, the Notes that have become due solely as a result of the acceleration thereof under paragraph (b) above due to such Note Events of Default, have been cured or waived.

All amounts received in respect of this Condition 10(c) (Curing of Default), shall be distributed two Business Days following the receipt by the Trustee of written notice from the Issuer confirming that the Issuer has received such amounts, in accordance with the Post-Acceleration Priority of Payments.

Any previous rescission and annulment of a notice of acceleration pursuant to this paragraph (c) shall not prevent the subsequent acceleration of the Notes if the Trustee, at its discretion or, as subsequently requested, accelerates the Notes in accordance with Condition 10(b) (Acceleration) above or if the Notes are automatically accelerated in accordance with paragraph (b)(i) above.

(d) **Restriction on Acceleration of Notes**

No acceleration of the Notes shall be permitted pursuant to this Condition 10(d) (Restriction on Acceleration of Notes) by any Class of Noteholders, other than the Controlling Class as provided in Condition 10(b) (Acceleration).

(e) **Notification and Confirmation of No Default**

The Issuer shall immediately notify in writing the Trustee, the Collateral Manager, the Noteholders in accordance with Condition 16 (Notices) and each Hedge Counterparty and the Rating Agencies upon becoming aware of the occurrence of a Note Event of Default. The Trust Deed contains provision for the Issuer to provide written confirmation to the Trustee and the Rating Agencies on an annual basis and upon request that no Note Event of Default has occurred and that no condition, event or act has occurred which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition would constitute a Note Event of Default and that no other matter which is required (pursuant thereto) to be brought to the Trustee’s attention has occurred.

(f) **Collateral Manager Events of Default**

Any of the following events shall constitute a "Collateral Manager Event of Default":

(i) the Collateral Manager wilfully breaches, or wilfully takes any action that it knows violates any material provision of the Collateral Management Agreement or any other Transaction Document applicable to the Collateral Manager (it being understood that any action or failure to act by the Collateral Manager, including but not limited to any decision to buy or sell a Collateral Debt Obligation, based on its good faith interpretation (and where appropriate based on advice from legal counsel) of the Transaction Documents will not be considered a wilful breach or violation);
(ii) the Collateral Manager breaches any material provision of the Collateral Management Agreement or any terms of any other Transaction Document applicable to it that, either individually or in the aggregate, is or could reasonably be expected to be, in the opinion of the Trustee, materially prejudicial to the interests of the holders of any Class of Notes (excluding for purposes of this paragraph (ii) any actions referred to in paragraph (i) above) and fails to cure such breach within 30 days of becoming aware of, or receiving notice from the Issuer or the Trustee of, such breach or, if such breach is not capable of cure within 30 days, the Collateral Manager fails to cure such breach within the period in which a reasonably diligent person could cure such breach (but in no event more than 90 days);

(iii) certain bankruptcy events (excepting consolidation, amalgamation or merger) occur with respect to the Collateral Manager or Sub-Manager as described in the Collateral Management Agreement;

(iv) the occurrence of a Note Event of Default that arises directly from a breach or default of the Collateral Manager’s duties under the Collateral Management Agreement, which breach or default is not cured within any applicable cure period set forth in the Conditions;

(v) any action is taken by the Collateral Manager, the Sub-Manager or any of their senior executive officers involved in the management of any of the Collateral Debt Obligations, that constitutes fraud or criminal activity in connection with the performance of the Collateral Manager’s obligations under the Collateral Management Agreement or the Sub-Manager’s obligations under the Collateral Sub-Management Agreement, as the case may be;

(vi) the Collateral Manager or the Sub-Manager is indicted, or any of their senior executive officers is convicted, of a criminal offence under the laws of any jurisdiction in which it conducts business, materially related to the Collateral Manager’s or the Sub-Manager’s asset management business, unless, (A) in the case of a conviction of a senior executive officer of the Collateral Manager or the Sub-Manager, such senior executive officer has, within 30 days after such occurrence, been removed from performing work in fulfilment of the Collateral Manager’s or Sub-Manager’s obligations under the Collateral Management Agreement or the Collateral Sub-Management Agreement, as the case may be, or (B) in the case of an indictment arising from practices that have become the subject of contemporaneous actions against multiple un-affiliated investment advisers in the same jurisdiction or regulatory region, such indictment has been cured or dismissed within 30 days; or

(vii) the Collateral Manager resigning pursuant to the terms of the Collateral Management Agreement.

Pursuant to the terms of the Collateral Management Agreement:

(A) following occurrence of a Collateral Manager Event of Default pursuant to paragraphs (i) to (vi) of the definition thereof the Collateral Manager may be removed by the Issuer at the direction of (i) the Controlling Class (acting by way of Extraordinary Resolution) or (ii) the holders of the Subordinated Notes (acting by way of Ordinary Resolution) (in each case excluding (x) any CM Non-Voting Exchangeable Notes, CM Non-Voting Notes, and (y) those Notes held by the Collateral Manager, the Sub-Manager or any of its Affiliates) upon 10 Business Days’ prior written notice to the Collateral Manager, the Trustee, the Noteholders in accordance with Condition 16 (Notices), the Hedge Counterparties and each Rating Agency;

(B) written notice shall be given in respect of the occurrence of a Collateral Manager Event of Default, by the Collateral Manager to the Issuer, the Trustee, the Collateral Administrator, the
Noteholders in accordance with Condition 16 (Notices), the Hedge Counterparties and each Rating Agency; and

(C) upon the occurrence of a removal of the Collateral Manager or a Collateral Manager Event of Default pursuant to paragraph (vii) of the definition thereof, the Controlling Class (excluding the holders of any CM Non-Voting Exchangeable Notes and CM Non-Voting Notes) and the Subordinated Noteholders will have certain rights with respect to the appointment of a successor collateral manager, as more fully described in the Collateral Management Agreement.

Notwithstanding the above, no purported resignation or removal of the Collateral Manager shall be effective until a successor collateral manager has been appointed in the manner specified in the Collateral Management Agreement.

The Issuer acknowledges that the rights of the Controlling Class to participate in the selection or removal of the Collateral Manager following a Collateral Manager Event of Default, as described above, are the rights of a creditor to exercise remedies upon the occurrence of an event of default.

11. Enforcement

(a) Security Becoming Enforceable

Subject as provided in paragraph (b) below, the security constituted by the Trust Deed over the Collateral shall become enforceable upon an acceleration of the maturity of the Notes pursuant to Condition 10(b) (Acceleration).

(b) Enforcement

At any time after the Notes become due and repayable and the security under the Trust Deed becomes enforceable, the Trustee may, at its discretion, but subject always to Condition 4(c) (Limited Recourse and Non-Petition) and shall, if so directed by the Controlling Class acting by way of an Ordinary Resolution, institute such proceedings or take any other action against the Issuer as it may think fit to enforce the terms of the Trust Deed and the Notes and pursuant to Condition 10(b) (Acceleration).

(i) no such Enforcement Action may be taken by the Trustee unless:

(A) (subject, in each case, to it being indemnified and/or secured and/or prefunded to its satisfaction), the Trustee (or an agent or other appointee on its behalf, including, without limitation, the Collateral Manager (an "Enforcement Agent")) determines (subject to paragraph (ii) below) (in accordance with Condition 11(b)(iii) below that the anticipated proceeds realised from such Enforcement Action (after deducting and allowing for any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) other than the Subordinated Notes and all amounts payable in priority thereto pursuant to the Post-Acceleration Priority of Payments (such amount the
"Enforcement Threshold" and such determination being an "Enforcement Threshold Determination"), subject to consultation with the Collateral Manager; or

(B) if the Enforcement Threshold will not have been met then subject to paragraph (ii) below:

(1) in the case of a Note Event of Default specified in sub-paragraph (i), (ii) or (iv) of Condition 10(a) (Note Events of Default), the Controlling Class acting by way of Ordinary Resolution (and no other Class of Notes) directs the Trustee to take Enforcement Action without regard to any other Note Event of Default which has occurred prior to, contemporaneously or subsequent to such Note Event of Default; or

(2) in the case of any other Note Event of Default, the Noteholders of each Class of Rated Notes voting separately by Class by way of Ordinary Resolution direct the Trustee to take Enforcement Action.

(ii) the Trustee shall not be bound to institute any Enforcement Action or take any other action unless it is directed to do so by the Controlling Class or, in the case of Condition 11(b)(i)(B)(2) each Class of Rated Notes as applicable, acting by way of Ordinary Resolution and, in each case, the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith. Following redemption and payment in full of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, the Trustee shall (provided it is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) act upon the directions of the Subordinated Noteholders acting by way of Extraordinary Resolution; and

(iii) for the purposes of determining issues relating to the execution of a sale or liquidation of the Portfolio, the anticipated proceeds to be realised from any Enforcement Action and whether the Enforcement Threshold will be met, the Trustee may appoint an independent investment banking firm or other appropriate advisor to advise it and may obtain and rely on an opinion and/or advice of such independent investment banking firm or other appropriate advisor (the cost of which shall be payable as Trustee Fees and Expenses).

The Trustee shall notify the Noteholders in accordance with Condition 16 (Notices), the Issuer, the Agents, the Collateral Manager, each Hedge Counterparty and the Rating Agencies in the event that the Trustee or an Enforcement Agent on its behalf makes an Enforcement Threshold Determination at any time or the Trustee takes any Enforcement Action at any time (such notice an "Enforcement Notice"). Following the delivery of an Acceleration Notice which has not been rescinded and annulled in accordance with Condition 10(c) (Curing of Default) or, as the case may be following automatic acceleration of the Notes or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (Optional Redemption) or Condition 7(f) (Redemption following Note Tax Event), Interest Proceeds, Principal Proceeds and the net proceeds of enforcement of the security over the Collateral (other than with respect to any Counterparty Downgrade Collateral and/or Swap Tax Credits (which are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payments in accordance with the Hedge Agreement and/or Condition 3(j)(iv) (Counterparty Downgrade Collateral Accounts)) or amounts standing to the credit of the Non-Euro Hedge Account which represent Sale Proceeds, prepayment proceeds or redemption proceeds in respect of Non-Euro Obligations, which in each case are required to be paid to the relevant Hedge Counterparty subject to and in accordance with the terms of an Asset Swap
Transaction and the related Asset Swap Agreement and which shall be so paid or returned outside the Priorities of Payment), shall be credited to the Payment Account and shall be distributed in accordance with the following order of priority but in each case only to the extent that all payments of a higher priority have been made in full (the "Post-Acceleration Priority of Payments"):

(A) to the payment (other than following an enforcement of the security in accordance with Condition 11 (Enforcement)) of taxes owing by the Issuer accrued in respect of the related Due Period (other than Irish corporate income tax in relation to the amounts equal to the minimum profit referred to below), as certified by an Authorised Officer of the Issuer to the Trustee, if any, and to the payment of amounts equal to the minimum profit to be retained by the Issuer for Irish tax purposes, for deposit into the Issuer Irish Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses up to an amount equal to the Senior Expenses Cap, provided that following the occurrence of an Event of Default which is continuing, the Senior Expenses Cap shall not apply;

(C) to the payment of accrued and unpaid Administrative Expenses in the order of priority specified therein, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, less any amounts paid pursuant to item (B) above, provided that following the occurrence of an Event of Default which is continuing, the Senior Expenses Cap shall not apply;

(D) to the payment of any Liquidity Payments due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(E) to the payment on a pro rata and pari passu basis, of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid or provided for out of the Interest Account), Scheduled Periodic Asset Swap Issuer Payments (to the extent not paid or provided for out of the relevant Non-Euro Hedge Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments);

(F) to the payment:

(1) firstly, on a pro rata and pari passu basis (x) on a pro rata basis to the Collateral Manager of the Senior Collateral Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Collateral Manager or, other than following an enforcement of the Notes in accordance with Condition 11 (Enforcement), directly to the relevant taxing authority) save for any Deferred Senior Collateral Management Amounts which shall not be paid pursuant to this paragraph; and

(2) secondly, to the Collateral Manager, any previously due and unpaid Senior Collateral Management Fees (other than Deferred Senior Collateral Management Amounts) and any VAT in respect thereof (whether payable to the Collateral Manager or, other than following an enforcement of the Notes in accordance with Condition 11 (Enforcement), directly to the relevant taxing authority),

(G) to the payment on a pro rata and pari passu basis of all Interest Amounts due and payable on the Class X Notes and the Class A Notes;

(H) to the redemption on a pro rata and pari passu basis of the Class X Notes and the Class A Notes, until the Class X Notes and the Class A Notes have been redeemed in full;
(I) to the payment on a pro rata and pari passu basis of the Interest Amounts due and payable on the Class B Notes;

(J) to the redemption on a pro rata and pari passu basis of the Class B Notes, until the Class B Notes have been redeemed in full;

(K) to the payment on a pro rata and pari passu basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class C Notes;

(L) to the payment on a pro rata and pari passu basis of any Deferred Interest on the Class C Notes;

(M) to the redemption on a pro rata and pari passu basis of the Class C Notes, until the Class C Notes have been redeemed in full;

(N) to the payment on a pro rata and pari passu basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class D Notes;

(O) to the payment on a pro rata and pari passu basis of any Deferred Interest on the Class D Notes;

(P) to the redemption on a pro rata and pari passu basis of the Class D Notes, until the Class D Notes have been redeemed in full;

(Q) to the payment on a pro rata and pari passu basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class E Notes;

(R) to the payment on a pro rata and pari passu basis of any Deferred Interest on the Class E Notes;

(S) to the redemption on a pro rata and pari passu basis of the Class E Notes, until the Class E Notes have been redeemed in full;

(T) to the payment on a pro rata and pari passu basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class F Notes;

(U) to the payment on a pro rata and pari passu basis of any Deferred Interest on the Class F Notes;

(V) to the redemption on a pro rata and pari passu basis of the Class F Notes, until the Class F Notes have been redeemed in full;

(W) to the payment:

(1) firstly, to the Collateral Manager of the Subordinated Collateral Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Collateral Manager or, other than following an enforcement of the Notes in accordance with Condition 11 (Enforcement), directly to the relevant taxing authority);

(2) secondly, to the Collateral Manager of any previously due and unpaid Subordinated Collateral Management Fee (other than Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts) and any VAT in
respect thereof (whether payable to the Collateral Manager or, other than following an enforcement of the Notes in accordance with Condition 11 (Enforcement), directly to the relevant taxing authority);

(3) thirdly, pro rata and pari passu to the Collateral Manager in payment of any Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts, the deferral of which has been rescinded by the Collateral Manager; and

(4) fourthly, to the repayment of any Collateral Manager Advances and any interest thereon.

(X) to the payment of Trustee Fees and Expenses, not paid by reason of the Senior Expenses Cap (if any);

(Y) to the payment of Administrative Expenses in the order of priority specified therein, not paid by reason of the Senior Expenses Cap (if any);

(Z) to the payment on a pro rata basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty; and

(AA) (1) if the Incentive Collateral Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds and Principal Proceeds to the payment on the Subordinated Notes on a pro rata basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Incentive Collateral Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on the date of such distribution including pursuant to paragraphs (1) above, (DD) of the Interest Proceeds Priority of Payments and (S) of the Principal Proceeds Priority of Payments, the Incentive Collateral Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) firstly, 20 per cent. of any remaining Interest Proceeds and Principal Proceeds, to the payment to the Collateral Manager as an Incentive Collateral Management Fee;

(b) secondly, any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant tax authority); and

(c) thirdly, any remaining Interest Proceeds and Principal Proceeds, to the payment on the Subordinated Notes on a pro rata basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes and immediately prior to such redemption).

Subject to the specific provision that is made pursuant to paragraph (AA)(2) above, where the payment of any amount in accordance with the Priorities of Payments set out above is subject to any deduction or
withholding for or on account of any tax or (other than following an enforcement of the security in accordance with Condition 11 (Enforcement)) any other tax is payable by or on behalf of the Issuer in respect of any such amount, payment of the amount so deducted or withheld or of the tax so due shall be made to the relevant taxing authority pari passu with and, so far as possible, at the same time as the payment of the amount in respect of which the relevant deduction or withholding or other liability to tax has arisen.

Notwithstanding anything contained in the Priorities of Payment above, the net proceeds of enforcement of the security created by the Trust Deed in favour of the Trustee for the benefit of the Liquidity Facility Provider shall be credited to such account as the Liquidity Facility Provider shall designate and the Trustee shall hold all moneys received by it under or pursuant to the Trust Deed in connection with the realisation or enforcement of all or part of the security created in favour of the Trustee for the benefit of the Liquidity Facility Provider, whether before or after the occurrence of an Note Event of Default, in trust for the benefit of the Liquidity Facility Provider.

(c) **Only Trustee to Act**

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Noteholders or, in respect of the Collateral, of any of the other Secured Parties under the Trust Deed and the Notes and no Noteholder or other Secured Party may proceed directly against the Issuer or any of its assets unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so within a reasonable period after having received notice of such failure and such failure or neglect continues for at least 30 days following receipt of such notice by the Trustee. Any proceeds received by a Noteholder or other Secured Party pursuant to any such proceedings brought by a Noteholder or other Secured Party shall be paid promptly following receipt thereof to the Trustee for application pursuant to the terms hereof. After realisation of the security which has become enforceable and distribution of the net proceeds in accordance with the Priorities of Payments, no Noteholder or other Secured Party may take any further steps against the Issuer to recover any sum still unpaid in respect of the Notes or the Issuer’s obligations to such Secured Party and all claims against the Issuer in respect of such sums unpaid shall be extinguished. In particular, none of the Trustee, any Noteholder or any other Secured Party shall be entitled in respect thereof to petition or take any other step for the winding up of the Issuer except to the extent permitted under the Trust Deed.

(d) **Purchase of Collateral by Noteholders**

Upon any sale of any part of the Collateral following the acceleration of the Notes under Condition 10(b) (Acceleration), whether made under the power of sale under the Trust Deed or by virtue of judicial proceedings, any Noteholder may (but shall not be obliged to) bid for and purchase the Collateral or any part thereof and, upon compliance with the terms of sale, may hold, retain, possess or dispose of such property in its or their own absolute right without accountability. In addition, any purchaser in any such sale which is a Noteholder may deliver Notes held by it in place of payment of the purchase price for such Collateral where the amount payable to such Noteholder in respect of such Notes pursuant to the Priorities of Payments out of the net proceeds of such sale is equal to or exceeds the purchase moneys so payable.

12. **Prescription**

Claims in respect of principal and interest payable on redemption in full of the relevant Notes while the Notes are represented by a Definitive Certificate will become void unless presentation for payment is made as required by Condition 7 (Redemption and Purchase) within a period of five years, in the case of interest, and ten years, in the case of principal, from the date on which payment is respect of such Notes is received by the applicable Paying Agent.
Notwithstanding the above, claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by a Global Certificate will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the date on which any payment first becomes due.

13. **Replacement of Notes**

If any Note is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of any Transfer Agent, subject in each case to all applicable laws and Irish Stock Exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes must be surrendered before replacements will be issued.

14. **Meetings of Noteholders, Modification, Waiver and Substitution**

(a) **Provisions in Trust Deed**

The Trust Deed contains provisions for convening meetings of the Noteholders or any Class thereof (and of passing Written Resolutions) to consider matters affecting the interests of the Noteholders including, without limitation, modifying or waiving certain of the provisions of these Conditions and the substitution of the Issuer in certain circumstances. The provisions in this Condition 14 (Meetings of Noteholders, Modification, Waiver and Substitution) are descriptive of the detailed provisions of the Trust Deed.

(b) **Decisions and Meetings of Noteholders**

(i) **General**

Decisions may be taken by Noteholders by way of Ordinary Resolution, Extraordinary Resolution or Unanimous Resolution, in each case, either acting together or, to the extent specified in any applicable Transaction Document, as a Class of Noteholders acting independently. Such Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing, in each case, in at least the minimum percentages specified in the table "Minimum Percentage Voting Requirements" in paragraph (iii) below. Meetings of the Noteholders may be convened by the Issuer, the Trustee (subject to being indemnified and/or secured and/or prefunded to its satisfaction) or by one or more Noteholders holding not less than 10 per cent. in principal amount of the Notes Outstanding of a particular Class, subject to certain conditions including minimum notice periods.

The holder of each Global Certificate will be treated as being one person for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and, at any such meeting, as having one vote in respect of each €1,000 of principal amount of Notes for which the relevant Global Certificate may be exchanged.

The Trustee may, in its discretion, determine that any proposed Ordinary Resolution or Extraordinary Resolution affects the holders of only one or more Classes of Notes, in which event the required quorum and minimum percentage voting requirements of such Ordinary Resolution or Extraordinary Resolution may be determined by reference only to the holders of that Class or Classes of Notes and not the holders of any other Notes as set forth in the tables below.
Notice of any Resolution passed by the Noteholders will be given by the Issuer to the Rating Agencies in writing.

(ii) **Quorum**

The quorum required for any meeting convened to consider an Ordinary Resolution, Extraordinary Resolution or Unanimous Resolution, in each case, of all the Noteholders or of any Class of Noteholders, or at any adjourned meeting to consider such a Resolution, shall be as set out in the relevant column and row corresponding to the type of resolution in the table "Quorum Requirements" below.

### Quorum Requirements

<table>
<thead>
<tr>
<th>Type of Resolution</th>
<th>Any meeting other than a meeting adjourned for want of quorum</th>
<th>Meeting previously adjourned for want of quorum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unanimous Resolution</td>
<td>One or more persons holding or representing 100 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of the relevant Class or Classes only, if applicable)</td>
<td>One or more persons holding or representing 100 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of the relevant Class or Classes only, if applicable)</td>
</tr>
<tr>
<td>Extraordinary Resolution of all Noteholders (or a certain Class or Classes only)</td>
<td>One or more persons holding or representing not less than 66% per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of the relevant Class or Classes only, if applicable)</td>
<td>One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of the relevant Class or Classes only, if applicable)</td>
</tr>
<tr>
<td>Ordinary Resolution of all Noteholders (or a certain Class or Classes only)</td>
<td>One or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of the relevant Class or Classes only, if applicable)</td>
<td>One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of the relevant Class or Classes only, if applicable)</td>
</tr>
</tbody>
</table>

The Trust Deed does not contain any provision for higher quorums in any circumstances.

(iii) **Minimum Voting Rights**

Set out in the table "Minimum Percentage Voting Requirements" below are the minimum percentages required to pass the Resolutions specified in such table which, (A) in the event that such Resolution is being considered at a duly convened meeting of Noteholders, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes held or represented by any person or persons who vote in favour of such Resolution represents of the aggregate Principal Amount Outstanding of all applicable Notes which are entitled, represented at such meeting and are voted or, (B) in the case of any Written Resolution, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes entitled to be voted in respect of such Resolution and which are voted in...
favour thereof represent of the aggregate Principal Amount Outstanding of all the Notes entitled to vote in respect of such Written Resolution.

**Minimum Percentage Voting Requirements**

<table>
<thead>
<tr>
<th>Type of Resolution</th>
<th>Per cent.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unanimous Resolution of all Noteholders (or of a certain Class or Classes only)</td>
<td>100 per cent.</td>
</tr>
<tr>
<td>Extraordinary Resolution of all Noteholders (or of a certain Class or Classes only)</td>
<td>Not less than 66⅔ per cent.</td>
</tr>
<tr>
<td>Ordinary Resolution of all Noteholders (or of a certain Class or Classes only)</td>
<td>More than 50 per cent.</td>
</tr>
</tbody>
</table>

(iv) **Written Resolutions**

Any Written Resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Noteholders and the date of such Written Resolution shall be the date on which the latest such document is signed. Any Unanimous Resolution, Extraordinary Resolution or Ordinary Resolution may be passed by way of a Written Resolution.

(v) **All Resolutions Binding**

Subject to Condition 14(e) (Entitlement of the Trustee and conflicts of interest) and in accordance with the Trust Deed, any Resolution of the Noteholders (including any resolution of a specified Class or Classes of Noteholders, where the resolution of one or more other Classes is not required) duly passed shall be binding on all Noteholders (regardless of Class and regardless of whether or not a Noteholder was present at the meeting at which such Resolution was passed).

(vi) **Extraordinary Resolution**

Subject to paragraph (ix) (Unanimous Resolution) below, any Resolution to sanction any of the following items will be required to be passed by an Extraordinary Resolution (in each case, subject to anything else specified in the Trust Deed, the Collateral Management Agreement or the relevant Transaction Document, as applicable):

(A) the exchange or substitution for the Notes of a Class, or the conversion of the Notes of a Class into, shares, bonds or other obligations or securities of the Issuer or any other entity (other than in the case of a Refinancing);

(B) the modification of the provisions concerning the quorum required at any meeting of Noteholders to consider a Resolution (other than a Unanimous Resolution) or the minimum percentage required to pass a Resolution (other than a Unanimous Resolution);

(C) any modification of any Transaction Document having a material adverse effect on the security over the Collateral constituted by the Trust Deed;
subject to Condition 7(b)(v) *(Optional Redemption effected in whole or in part through Refinancing)*, any item requiring approval by Extraordinary Resolution pursuant to these Conditions or any Transaction Document; and

(E) any modification of this Condition 14(b)(vi) *(Decisions and Meetings of Noteholders)*,

provided however that any such modification, adjustment, change or approval that would otherwise require an Extraordinary Resolution of the Subordinated Noteholders may be passed by an Ordinary Resolution of the Subordinated Noteholders if being effected contemporaneously with a Refinancing.

(vii) **Ordinary Resolution**

Any meeting of the Noteholders shall, subject to these Conditions and the Trust Deed, have the power by way of an Ordinary Resolution to approve any matter relating to the Notes not referred to in paragraph (vi) *(Extraordinary Resolution)* above and (ix) *(Unanimous Resolution)* below.

(viii) **Matters affecting a certain Class of Notes**

Matters affecting the interests of only one Class (in the opinion of the Trustee) shall only be considered by and voted upon at a meeting of Noteholders of that Class or by written resolution of the holders of that Class.

(ix) **Unanimous Resolution**

Any Resolution to sanction any of the following items (a "**Key Terms Modification**") will be required to be passed by a Unanimous Resolution of the holders of that Class (in each case, subject to anything else specified in the Trust Deed, the Collateral Management Agreement or the relevant Transaction Document, as applicable):

(A) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption (other than a modification to remove the right of the Subordinated Noteholders or any other party to direct the Issuer to redeem by refinancing the Class(es) of Notes subject to a Refinancing) of the Notes of the relevant Class at maturity or otherwise (including the circumstances in which the maturity of such Notes may be accelerated), other than in the case of a Refinancing;

(B) the modification of any of the provisions of the Trust Deed which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note (other than in the case of a Refinancing);

(C) the adjustment of the outstanding principal amount of the Notes Outstanding of the relevant Class other than in connection with a further issue of Notes pursuant to Condition 17 *(Additional Issuance)*;

(D) a change in the currency of payment of the Notes of a Class;

(E) any change in the Priorities of Payments or of any payment items in the Priorities of Payments;
(F) the modification of the provisions concerning the quorum required at any meeting of Noteholders to consider a Unanimous Resolution or the minimum percentage required to pass a Unanimous Resolution;

(G) any item requiring approval by Unanimous Resolution pursuant to these Conditions or any Transaction Document; and

(H) any modification affecting the Unanimous Resolutions provisions of this Condition 14(b)(ix) (Decisions and Meetings of Noteholders),

provided however that any such modification, adjustment, change or approval that would otherwise require a Unanimous Resolution of the Subordinated Noteholders may be passed by an Ordinary Resolution of the Subordinated Noteholders if being effected contemporaneously with a Refinancing.

(c) Modification and Waiver

The Trust Deed and the Collateral Management Agreement both provide that, without the consent of the Noteholders (save where such consent is specified below), the Issuer may amend, modify, supplement and/or waive the relevant provisions of the Trust Deed and/or the Collateral Management Agreement and/or any other Transaction Document (subject to the consent of the other parties thereto, except as otherwise provided therein) (as applicable) and the Trustee shall, without the consent or sanction of any of the Noteholders or any other Secured Party, consent to such amendment, modification, supplement or waiver, subject as provided below (other than an amendment, modification, supplement or waiver, pursuant to paragraphs (xii), (xiii) and (xiv) below, which shall be subject to the prior written consent of the Trustee in accordance with the relevant paragraph), for any of the following purposes (other than, in each case, but without affecting the rights of the Trustee under paragraphs (xii), (xiii) and (xiv) below, any such amendment, modification, supplement and/or waiver that would have the effect of sanctioning an item which is required to be passed by a Unanimous Resolution under Condition 14(b)(ix) or an Extraordinary Resolution under Condition 14(b)(vi)):

(i) to add to the covenants of the Issuer for the benefit of the Noteholders;

(ii) to charge, convey, transfer, assign, mortgage or pledge any property to or with the Trustee;

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

(iv) to evidence and provide for the acceptance of appointment under the Trust Deed by a successor trustee subject to and in accordance with the terms of the Trust Deed and to add to or change any of the provisions of the Trust Deed as shall be necessary to facilitate the administration of the trusts under the Trust Deed by more than one Trustee, pursuant to the requirements of the relevant provisions of the Trust Deed;

(v) to make such changes as shall be necessary or advisable in order for the Notes of each Class to be (or to remain) listed on the regulated market of the Irish Stock Exchange or any other exchange;
(vi) save as contemplated in paragraph (d) below, to take any action advisable to prevent the Issuer from becoming subject to (or to otherwise reduce) withholding or other taxes, fees or assessments;

(vii) to take any action advisable to reduce the risk that the Issuer will be treated as resident in the UK for UK tax purposes, as trading in the UK for UK tax purposes, as subject to UK diverted profits tax or as responsible for UK VAT in respect of any Collateral Management Fees;

(viii) to facilitate compliance by the Issuer with the FTT or any other financial transaction tax that it is or becomes subject to;

(ix) to take any action advisable to prevent the Issuer from being treated as engaged in a United States trade or business or otherwise be subject to United States federal, state or local income tax on a net income basis;

(x) to take any action advisable to reduce the risk that the Issuer may be treated as other than a corporation for U.S. federal income tax purposes;

(xi) to modify the restrictions on and procedures for resales and other transfers of Notes to reflect any changes in ERISA or other applicable law or regulation (or the interpretation thereof) to enable the Issuer 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 thereunder;

(xii) to enter into any additional agreements not expressly prohibited by the Trust Deed or the Collateral Management Agreement (as applicable) as well as any amendment, modification or waiver of such additional agreements if the Trustee determines that such entry, amendment, modification or waiver would not, upon becoming effective, be materially prejudicial to the interests of the Noteholders of any Class, in each case provided that any such additional agreements include customary limited recourse and non-petition provisions;

(xiii) to make any other modification of any of the provisions of the Trust Deed, the Collateral Management Agreement or any other Transaction Document which, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error;

(xiv) to make any other modification (save as otherwise provided in the Trust Deed, the Collateral Management Agreement or the relevant Transaction Document), and/or give any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any other Transaction Document, which in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders of any Class;

(xv) to amend the name of the Issuer;

(xvi) to enable the Issuer to achieve FATCA Compliance or to comply with any similar regime for reporting and information exchange;

(xvii) to modify or amend:

(A) any components of the Moody's Test Matrix or the S&P Test Matrix in order that they may be consistent with the then current criteria of the Rating Agencies (subject to receipt of written confirmation from the relevant Rating Agency that such modification or amendment is consistent with the criteria of such Rating Agency, which confirmation
may be by email or Rating Agency Confirmation as required by the relevant Rating Agency); and/or

(B) if S&P, Fitch or Moody’s (as applicable) publicly announces a change in the S&P Recovery Rates, Fitch recovery rates, Moody’s Recovery Rates or Moody’s Rating Factors (as applicable), such recovery rates or rating factors in the Transaction Documents at the discretion of the Collateral Manager for consistency with changes in recovery rates, rating factors or methodology announced by the Rating Agencies,

for the avoidance of doubt paragraph (B) above is in addition to paragraph (A) above and no confirmation by a Rating Agency shall be required to make the modifications or amendments specified in paragraph (B);

(xviii) subject to Rating Agency Confirmation, the consent of the Controlling Class acting by way of an Ordinary Resolution and the consent of the Subordinated Noteholders acting by way of an Ordinary Resolution, to make any modifications to the Collateral Quality Tests, Portfolio Profile Tests, Reinvestment Criteria or Eligibility Criteria and all related definitions (including in order to reflect changes in the methodology applied by the Rating Agencies);

(xix) to make any changes necessary to permit any additional issuances of Notes or to issue replacement notes in accordance with Condition 7(b)(v) (Optional Redemption effected in whole or in part through Refinancing);

(xx) to (i) evidence any waiver or modification by any Rating Agency in its rating methodology or as to any requirement or condition, as applicable, of such Rating Agency set forth in the Transaction Documents subject to receipt of Rating Agency Confirmation from the Rating Agency to which such waiver, modification, requirement or condition relates or (ii) to otherwise conform any Transaction Document to the Offering Circular;

(xxi) to modify the Transaction Documents in order to comply with Rule 17g-5 of the Exchange Act;

(xxii) to make such changes as shall be necessary to facilitate the Issuer to effect a Refinancing in part in accordance with Condition 7(b)(v) (Optional Redemption effected in whole or in part through Refinancing);

(xxiii) subject to prior notification to (and, if requested by a relevant Noteholder, consultation with) the holders of the Controlling Class and the Subordinated Notes, to make any other modification of any of the provisions of the Trust Deed, the Collateral Management Agreement or any other Transaction Document to comply (i) with changes in the Retention Requirements or which result from the implementation of the implementing technical standards relating thereto or any subsequent risk retention legislation or official guidance and/or (ii) with the Securitisation Regulation;

(xxiv) to make any other modification of any of the provisions of the Trust Deed, the Collateral Management Agreement or any other Transaction Document to comply with the CRA Regulation or which result from the implementation of the implementing technical standards relating thereto;

(xxv) to modify the terms of the Transaction Documents (including but not limited to any Hedge Agreements) and/or the Conditions in order to enable the Issuer to comply with any requirements of the CFTC or in relation to the Dodd-Frank Act, subject to receipt by the Trustee of a certificate of the Issuer certifying to the Trustee that the requested amendments are to be made.
solely for the purpose of enabling the Issuer to comply with CFTC requirements or the Dodd-Frank Act (upon which certification the Trustee shall be entitled to rely without further enquiry and without liability);

(xxvi) to modify the terms of the Transaction Documents (including but not limited to any Hedge Agreement) and/or the Conditions in order to enable the Issuer to comply with any requirements in respect of EMIR, subject to receipt by the Trustee of a certificate of the Issuer certifying to the Trustee that the requested amendments are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under EMIR (upon which certification the Trustee shall be entitled to rely without further enquiry and without liability);

(xxvii) to modify the terms of the Transaction Documents (including but not limited to any Hedge Agreement) and/or the Conditions in order to enable the Issuer to comply with any requirements in respect of AIFMD, subject to receipt by the Trustee of a certificate of the Issuer certifying to the Trustee that the requested amendments are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under AIFMD (upon which certification the Trustee shall be entitled to rely without further enquiry and without liability);

(xxviii) to modify the terms of any Hedge Agreements in order to enable the Issuer and/or a Hedge Counterparty to comply with any regulatory requirements applicable to it which come into force after the Issue Date; and

(xxix) to modify the restrictions on and procedures for resales and other transfers of Notes and to make any other modification of any of the provisions of the Trust Deed, the Collateral Management Agreement or any other Transaction Document to reflect any changes in the Foreign Safe Harbour or corresponding exemption (or the interpretation thereof) to enable the Retention Holder to continue relying upon such exemption from compliance with the U.S. Risk Retention Rules.

Any such modification, authorisation or waiver shall be binding on the Noteholders and shall be notified by the Issuer as soon as reasonably practicable following the execution of any trust deed supplemental to the Trust Deed or any other modification, authorisation or waiver pursuant to this Condition 14(c) (Modification and Waiver) to:

(A) so long as any of the Notes rated by the Rating Agencies remains Outstanding, the Rating Agencies; and

(B) the Noteholders in accordance with Condition 16 (Notices).

Notwithstanding anything to the contrary herein and in the Trust Deed, the Issuer shall not agree to amend, modify or supplement any provisions of the Transaction Documents if such change (i) shall have a material adverse effect on the rights or obligations of a Hedge Counterparty without the Hedge Counterparty’s prior written consent or (ii) would be material (as determined by the Collateral Manager acting reasonably) without the Collateral Manager’s prior written consent.

The Issuer shall notify each Hedge Counterparty of any proposed amendment to any provisions of the Transaction Documents and seek the consent of such Hedge Counterparty in respect thereof, in each case to the extent required in accordance with and subject to these Conditions and the terms of the relevant Hedge Agreement. For the avoidance of doubt, such notice shall only be given and such consent shall only be sought to the extent required in accordance with and subject to the terms of these Conditions and the relevant Hedge Agreement and, where such consent is sought, any such amendment shall only be made following the expiry of the notice.
For the avoidance of doubt, the Trustee shall, subject to the following paragraph, without the consent or sanction of any of the Noteholders (save where specified above) or any other Secured Party, concur with the Issuer, in making any modification, amendment, waiver or supplement pursuant to the paragraphs above (save for modifications, amendments, waivers or supplements in accordance with paragraphs (xii), (xiii) and (xiv) above) to the Transaction Documents which the Issuer or the Collateral Manager certifies to the Trustee is required pursuant to the paragraphs above (upon which certification the Trustee is entitled to rely without further enquiry and without liability) provided that the Trustee shall not be obliged to agree to any modification which, in the opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, rights, powers or indemnities of the Trustee in respect of the Transaction Documents.

In the case of a modification, amendment, waiver or supplement pursuant to paragraphs (xii), (xiii) and (xiv) above, the Trustee may impose such conditions as it sees fit and provided that the Trustee shall not be required to give its consent in relation to paragraphs (xii), (xiii) and (xiv) above on less than 21 days’ notice and the Trustee shall be entitled to obtain legal, financial or other expert advice, at the expense of the Issuer, and rely on such advice in connection with determining whether or not to give such consent as it sees fit.

**(d) Substitution**

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class), to the substitution of any other company in place of the Issuer, or of any previously substituted company, as principal debtor under the Trust Deed and the Notes of each Class, if required for taxation purposes, provided that such substitution would not, in the opinion of the Trustee, be materially prejudicial to the interests of the Noteholders of any Class. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, but subject to receipt of Rating Agency Confirmation (subject to receipt of such information and/or opinions as the Rating Agencies may require), to a change of the law governing the Notes and/or the Trust Deed, provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class. Any substitution agreed by the Trustee pursuant to this Condition 14(d) (Substitution) shall be binding on the Noteholders, and shall be notified by the Issuer to the Noteholders as soon as practicable in accordance with Condition 16 (Notices).

The Trustee may, subject to the satisfaction of certain conditions specified in the Trust Deed, including receipt of Rating Agency Confirmation, agree to a change in the place of residence of the Issuer for taxation purposes without the consent of the Noteholders of any Class, provided the Issuer does all such things as the Trustee may require in order that such change in the place of residence of the Issuer for taxation purposes is fully effective and complies with such other requirements which are in the interests of the Noteholders as it may reasonably direct.

The Issuer shall procure that, so long as the Notes are listed on the regulated market of the Irish Stock Exchange any material amendments or modifications to the Conditions of the Notes, the Trust Deed or such other conditions made pursuant to this Condition 14 (Meetings of Noteholders, Modification, Waiver and Substitution) shall be notified to the Irish Stock Exchange.

**(e) Entitlement of the Trustee and conflicts of interest**

In connection with the exercise of its trusts, powers, duties and discretions (including but not limited to those referred to in this Condition 14(e) (Entitlement of the Trustee and conflicts of interest), the Trustee shall have regard to the interests of each Class of Noteholders as a Class and shall not have regard to the
consequences of such exercise for individual Noteholders of such Class and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders except to the extent already provided for in Condition 9 (Taxation).

In considering the interests of Noteholders while the Global Certificates are held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its account holders with entitlements to each Global Certificate and may consider such interests as if such account holders were the holders of any Global Certificate.

The Trust Deed provides that in the event of any conflict of interest between or among the holders of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes, the interests of the holders of the Controlling Class will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of (i) the Class B Noteholders over the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, (ii) the Class C Noteholders over the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, (iii) the Class D Noteholders over the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders; (iv) the Class E Noteholders over the Class F Noteholders and the Subordinated Noteholders; and (v) the Class F Noteholders over the Subordinated Noteholders. If the Trustee receives conflicting or inconsistent requests from two or more groups of holders of a Class, given priority as described in this paragraph, each representing less than the majority by principal amount of such Class, the Trustee shall give priority to the group which holds the greater aggregate principal amount of Notes Outstanding of such Class. The Trust Deed provides further that the Trustee will act upon the directions of the holders of the Controlling Class (or other Class given priority as described in this paragraph) in such circumstances subject to being indemnified and/or secured and/or prefunded to its satisfaction, and shall not be obliged to consider the interests of and is exempted from any liability to the holders of any other Class of Notes.

In addition, the Trust Deed provides that, so long as any Note is Outstanding, the Trustee shall have no regard to the interests of any Secured Party other than the Noteholders or, at any time, to the interests of any other person.

15. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility in certain circumstances, including provisions relieving it from instituting proceedings to enforce repayment or to enforce the security constituted by or pursuant to the Trust Deed, unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer or any other party to any Transaction Document and any entity related to the Issuer or any other party to any Transaction Document without accounting for any profit. The Trustee is exempted from any liability in respect of any loss or theft or reduction of value of the Collateral from any obligation to insure, or to monitor the provisions of any insurance arrangements in respect of, the Collateral (for the avoidance of doubt, under the Trust Deed the Trustee is under no such obligation) and from any claim arising from the fact that the Collateral is held by the Custodian or is otherwise held in safe custody by a bank or other custodian. The Trustee shall not be responsible for the performance by the Custodian of any of its duties under the Agency Agreement or for the performance by the Collateral Manager of any of its duties under the Collateral Management Agreement, for the performance by the Collateral Administrator of its duties under the Collateral Management Agreement or for the performance by any other person appointed by the Issuer in relation to the Notes or by any other party to any Transaction Document. The Trustee shall not have any responsibility for the administration,
management or operation of the Collateral including the request by the Collateral Manager to release any of the Collateral from time to time.

The Trust Deed contains provisions for the retirement of the Trustee and the removal of the Trustee by Extraordinary Resolution of the Controlling Class, but no such retirement or removal shall become effective until a successor trustee is appointed.

16. Notices

Notices to Noteholders will be valid if posted to the address of such Noteholder appearing in the Register at the time of publication of such notice by pre-paid, first class mail (or any other manner approved by the Trustee which may be by electronic transmission) and (for so long as the Notes are listed on the regulated market of the Irish Stock Exchange and the rules of the Irish Stock Exchange so require) shall be sent to the Irish Stock Exchange. Any such notice shall be deemed to have been given to the Noteholders (a) in the case of inland mail three days after the date of dispatch thereof, (b) in the case of overseas mail, seven days after the dispatch thereof or, (c) in the case of electronic transmission, on the date of dispatch.

The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders (or a category of them) if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Notes are then listed and provided that notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

Notwithstanding the above, so long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for delivery thereof as required by the Conditions of such Notes provided that such notice is also made to the Company Announcements Office of the Irish Stock Exchange for so long as such Notes are listed on the Main Securities Market of the Irish Stock Exchange and the rules of the Irish Stock Exchange so require. Such notice will be deemed to have been given to the Noteholders on the date of delivery of the relevant notice to the relevant clearing system.

17. Additional Issuance

(a) The Issuer may from time to time, subject to the approval of the Subordinated Noteholders acting by way of an Ordinary Resolution and subject to the separate approval of both the Retention Holder and the Collateral Manager and, in the case of the issuance of additional Class A Notes, the separate approval of the Class A Noteholders acting by way of an Ordinary Resolution, create and issue additional Notes (other than Class X Notes) having the same terms and conditions as existing Classes of Notes (subject as provided below) and which shall be consolidated and form a single series with the Outstanding Notes of such Class (unless otherwise provided), and will use the proceeds of sale thereof to purchase additional Collateral Debt Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer’s issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Debt Obligations, provided that the following conditions are met:

(i) such additional issuances in relation to the applicable Class of Notes may not exceed 100 per cent. in the aggregate of the original aggregate principal amount of such Class of Notes;

(ii) such additional Notes must be issued for a cash sale price and the net proceeds invested in Collateral Debt Obligations or, pending such investment, deposited in the Principal Account and invested in Eligible Investments;
(iii) such additional Notes must be of each Class of Notes (other than the Class X Notes) and issued in a proportionate amount among the Classes (for such purpose, excluding the Class X Notes) so that the relative proportions of aggregate principal amount of the Classes of Notes (other than the Class X Notes) existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance;

(iv) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Notes must be identical to the terms of the previously issued Notes of the applicable Class of Notes;

(v) the Issuer must have received Rating Agency Confirmation from each Rating Agency then rating any Notes;

(vi) the Coverage Tests are satisfied or, if not satisfied, the Coverage Tests will be maintained or improved after giving effect to such additional issuance of Notes by reference to the outcome of such tests immediately prior to such additional issuance of Notes;

(vii) the holders of the relevant Class of Notes in respect of which additional Notes are issued shall have been notified in writing by the Issuer no later than 30 days prior to such issuance and shall have been afforded the opportunity to purchase additional Notes of the relevant Class in an amount not to exceed the percentage of the relevant Class of Notes each holder held immediately prior to the issuance (the "Anti Dilution Percentage") of such additional Notes and on the same terms offered to investors generally;

(viii) (so long as the existing Notes of the Class of Notes to be issued are listed on the regulated market of the Irish Stock Exchange) the additional Notes of each Class to be issued are in accordance with the requirements of the Irish Stock Exchange and are listed on the regulated market of the Irish Stock Exchange (for so long as the rules of the Irish Stock Exchange so requires);

(ix) such additional issuances are in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer;

(x) (A) such issuance of additional Notes shall be accomplished in a manner that will allow the Issuer to provide the information described in United States Treasury Regulation Section 1.1275-3(b)(1) to the holders of such additional Notes and (B) an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters must be delivered to the Issuer and the Trustee to the effect that that any additional Class A Notes, Class B Notes, Class C Notes or Class D Notes will be treated, and any additional Class E Notes should be treated, as indebtedness for U.S. federal income tax purposes, provided, however, that the opinion of tax counsel described in this clause (B) will not be required with respect to any additional notes that bear a different ISIN (or equivalent identifier) from the Notes of the same Class that were issued on the Issue Date and are outstanding at the time of the additional issuance; and

(xi) the Retention Holder consenting to purchase a sufficient amount of each Class of Notes which are the subject of such additional issuance such that its holding equals no less than 5 per cent. of the Principal Amount Outstanding of such Class or Classes of Notes.

(b) In addition to the requirements in (a) above, the Issuer may, subject to the approval of the Subordinated Noteholders acting by way of Ordinary Resolution, issue and sell additional Subordinated Notes (without issuing Notes of any other Class) provided that:
(i) the subordination terms of such additional Subordinated Notes are identical to the terms of the previously issued Subordinated Notes;

(ii) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such additional Subordinated Notes must be identical to the terms of the previously issued Subordinated Notes;

(iii) such additional Subordinated Notes are issued for a cash sale price (the net proceeds to be applied towards the Permitted Uses);

(iv) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance;

(v) the holders of the Subordinated Notes shall have been notified in writing by the Issuer no later than 30 days prior to such additional issuance and shall have been afforded the opportunity to purchase additional Subordinated Notes in an amount not to exceed the Anti Dilution Percentage of such additional Subordinated Notes and on the same terms offered to investors generally;

(vi) such additional issuance is in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer;

(vii) the Retention Holder consenting to purchase a sufficient amount of the Subordinated Notes which are the subject of such additional issuance such that its holding equals no less than 5 per cent. of the Principal Amount Outstanding of such Class.

(c) In addition to (a) and (b) above, the Issuer may from time to time, subject to the approval of the Subordinated Noteholders acting by way of an Ordinary Resolution and subject to the separate approval in writing of the Retention Holder, create and issue new notes having substantially the same terms and conditions as any existing Class of Notes (subject as provided below), and will use the proceeds of sale thereof to purchase additional Collateral Debt Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer’s issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Debt Obligations, provided that the following conditions are met:

(i) each such new Class of Notes will be subordinate in the payment of interest and principal to the most junior Class of Notes then Outstanding (other than the Subordinated Notes);

(ii) such new notes must be issued for a cash sale price and the net proceeds invested in Collateral Debt Obligations or, pending such investment, deposited in the Principal Account and invested in Eligible Investments;

(iii) subject to (i) above, the terms (other than the date of issuance, the issue price, the Interest Amount and the date from which interest will accrue) of such new notes must be substantially identical to the terms of previously issued Notes;

(iv) the Issuer must notify the Rating Agencies then rating any Notes of such new issuance;

(v) the Coverage Tests are satisfied or, if not satisfied, the Coverage Tests will be maintained or improved after giving effect to such issuance of new notes;

(vi) (so long as the existing Notes are listed on the regulated market of the Irish Stock Exchange) the new notes to be issued are in accordance with the requirements of the Irish Stock Exchange and
are listed on the regulated market of the Irish Stock Exchange (for so long as the rules of the Irish Stock Exchange so requires);

(vii) such new issuances are in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer;

(viii) any issuance of new notes shall be accomplished in a manner that will allow the Issuer to provide the information described in United States Treasury Regulation Section 1.1275-3(b)(1) to the holders of such additional Notes; and

(ix) the Retention Holder purchasing a sufficient amount of each Class of Notes which are the subject of such new issuance such that its holding of each such Class of Notes equals no less than 5 per cent. of the aggregate Principal Amount Outstanding of such new Class of Notes.

References in these Conditions to the "Notes" include (unless the context requires otherwise) any other notes issued pursuant to this Condition 17 (Additional Issuance) and forming a single series with the Notes. Any further securities forming a single series with Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

18. Third Party Rights

No person shall have any right to enforce any term or Condition of the Note under the Contracts (Rights of Third Parties) Act 1999.

19. Governing Law

(a) Governing Law

The Trust Deed and each Class of Notes and any dispute, controversy, proceedings or claim of whatever nature (whether contractual or non-contractual) arising out of or in any way relating to the Trust Deed or any Class of Notes are governed by and shall be construed in accordance with English law.

(b) Jurisdiction

The courts of England are to have jurisdiction to settle any disputes (whether contractual or non-contractual) which may arise out of or in connection with the Notes, and accordingly any legal action or proceedings arising out of or in connection with the Notes ("Proceedings") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Noteholders and the Trustee and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Agent for Service of Process

The Issuer appoints Maples and Calder (having an office, at the date hereof, at Eleventh Floor, 200 Aldersgate Street, EC1A 4HD) as its agent in England to receive service of process in any Proceedings in England based on any of the Notes. If for any reason the Issuer does not have such agent in England, it will promptly appoint a substitute process agent and notify the Trustee and the Noteholders of such
appointment. Nothing herein shall affect the right to service of process in any other manner permitted by law.
AMENDMENTS TO THE TRANSACTION DOCUMENTS AND THE CONDITIONS

In connection with the Original Notes and the Notes, certain of the Transaction Documents entered into by (among others) the Issuer on the Original Issue Date will, on the Issue Date, be supplemented, amended and restated or replaced so as to implement the issuance of the Refinancing Notes and the amendment of the terms of the Subordinated Notes, in each case on the terms and conditions set out in this Offering Circular and to make any other amendments that may be consequential or desirable in relation thereto. The purchasers of the Refinancing Notes shall be deemed, by their purchase, to consent to and approve such supplements, amendments, restatements and replacements.
USE OF PROCEEDS

The estimated net proceeds of the issue of the Refinancing Notes after payment of fees and expenses payable on or about the Issue Date are expected to be approximately €417,169,100. Such proceeds will be used by the Issuer, together with certain Principal Proceeds and Interest Proceeds in accordance with the Conditions of the Notes, to (i) redeem the Refinanced Notes at their respective aggregate Redemption Prices, (ii) pay certain Administrative Expenses (including Refinancing Costs) and/or Trustee Fees and Expenses, as applicable, in accordance with the Conditions and (iii) pay certain other amounts, including distributions to Subordinated Noteholders, in accordance with the Post-Acceleration Priority of Payments (in each case, as set out in the July Payment Date Report, which will be filed with the Irish Stock Exchange and published on https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Placement Agent, the Trustee, the Collateral Manager, the Hedge Counterparties, the Rating Agencies and the Noteholders from time to time) on or after the date of this Offering Circular but prior to the Issue Date.
DOCUMENTS INCORPORATED

The Placement Agent (i) did not participate in the preparation of any financial statements of the Issuer and (ii) shall have no responsibility whatsoever for the contents of any financial statements of the Issuer.

The audited financial statements of the Issuer as at and for the period ended 31 December 2015, together with the audit reports thereon, have been filed with the Irish Stock Exchange and the Central Bank of Ireland, are available for viewing at http://www.ise.ie/debt_documents/Annual%20Financial%20Statement_14328fab-de99-4528-9c08-47996522b98b.PDF and shall be deemed to be incorporated in, and to form part of, this Offering Circular.
FORM OF THE NOTES

The following description of the Notes which does not purport to be complete and is qualified by reference to the detailed provisions of such Notes. Capitalised terms used in this section and not defined in this Offering Circular shall have the meaning given to them in the Conditions.

References below to Notes and to the Global Certificates and the Definitive Certificates representing such Notes are to each respective Class of Notes, except as otherwise indicated.

Initial Issue of Notes

The Refinancing Notes which are Regulation S Notes of each Class (other than, in certain circumstances, the Class E Notes, Class F Notes and Subordinated Notes), including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class, will be represented on issue by a Regulation S Global Certificate deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Certificate may be held at any time only through Euroclear or Clearstream, Luxembourg. See "Book Entry Clearance Procedures". Beneficial interests in a Regulation S Global Certificate may not be held by a U.S. Person or U.S. Resident at any time. By acquisition of a beneficial interest in a Regulation S Global Certificate, the purchaser thereof will be deemed to represent, among other things, that it is not a U.S. Person, and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest only to a person whom the seller reasonably believes (a) to be a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (b) to be a person who takes delivery in the form of an interest in a Rule 144A Note. See "Transfer Restrictions".

The Refinancing Notes which are Rule 144A Notes of each Class (other than, in certain circumstances, the Class E Notes, Class F Notes and Subordinated Notes), including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class, will be represented on issue by a Rule 144A Global Certificate deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Rule 144A Global Certificate may only be held at any time only through Euroclear or Clearstream, Luxembourg. See "Book Entry Clearance Procedures". By acquisition of a beneficial interest in a Rule 144A Global Certificate, the purchaser thereof will be deemed to represent, amongst other things, that it is a QIB/QP and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest in accordance with the procedures and restrictions contained in the Trust Deed. See "Transfer Restrictions".

Beneficial interests in Global Certificates will be subject to certain restrictions on transfer set forth therein and in the Trust Deed and as set forth in Regulation S and Rule 144A, and the Refinancing Notes will bear the applicable legends regarding the restrictions set forth under "Transfer Restrictions". In the case of each Class of Notes, a beneficial interest in a Regulation S Global Certificate may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate only upon receipt by the Issuer of a written certification (in the form provided in the Trust Deed) to the effect that the transferor reasonably believes that the transferee is a QIB/QP and that such transaction is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. Beneficial interests in the Rule 144A Global Certificates may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate only upon receipt by the Issuer of a written certification (in the form provided in the Trust Deed) from the transferor to the effect that the transfer is being made to a non-U.S. Person in an offshore transaction and in accordance with Regulation S.

Any beneficial interest in a Regulation S Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate will, upon transfer, cease to be an interest in such Regulation
S Global Certificate and become an interest in the Rule 144A Global Certificate, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Rule 144A Global Certificate for as long as it remains such an interest. Any beneficial interest in a Rule 144A Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate will, upon transfer, cease to be an interest in a Rule 144A Global Certificate and become an interest in the Regulation S Global Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Regulation S Global Certificate for as long as it remains such an interest. No service charge will be made for any registration of transfer or exchange of Notes, but the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Except in the limited circumstances described below, owners of beneficial interests in Global Certificates will not be entitled to receive physical delivery of certificated Notes.

A transferee of a Class E Note, Class F Note or a Subordinated Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate will be deemed to represent (among other things) that it is not a Benefit Plan Investor or a Controlling Person. If a transferee is unable to make such deemed representation, such transferee may not acquire such Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate unless such transferee: (i) obtains the written consent of the Issuer; (ii) provides an ERISA certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person (substantially in the form of Annex A); and (iii) holds such Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate, other than in the case of the Collateral Manager, provided that it has given an ERISA certificate (substantially in the form of Annex A) to the Issuer, or as otherwise permitted in writing by the Issuer with respect to any Class E Note, Class F Note and Subordinated Note acquired by it, the Collateral Manager may hold such Notes in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate. Any Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate shall be registered in the name of the holder thereof.

The Refinancing Notes are not issuable in bearer form.

**Exchange for Definitive Certificates**

**Exchange**

Each Global Certificate will be exchangeable, free of charge to the holder, on or after its Definitive Exchange Date (as defined below), in whole but not in part, for Definitive Certificates if a Global Certificate is held (directly or indirectly) on behalf of Euroclear, Clearstream, Luxembourg or an alternative clearing system and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces its intention to permanently cease business or does in fact do so.

In addition, interests in Global Certificates representing Class E Notes, Class F Notes or Subordinated Notes may be exchangeable for interests in a Definitive Certificate representing Class E Notes, Class F Notes or Subordinated Notes if a transferee is or is acting on behalf of a Benefit Plan Investor or is a Controlling Person provided: (i) such transferee has obtained the written consent of the Issuer in respect of such transfer; and (ii) the transferee has provided the Issuer and the Transfer Agent with a certification substantially in the form of Annex A.

The Registrar will not register the transfer of, or exchange of interests in, a Global Certificate for Definitive Certificates during the period from (but excluding) the Record Date to (and including) the date for any payment of principal or interest in respect of the Notes.

If only one of the Global Certificates (the "Exchange Global Certificate") becomes exchangeable for Definitive Certificates in accordance with the above paragraphs, transfers of Notes may not take place between, on the one
hand, persons holding Definitive Certificates issued in exchange for beneficial interests in the Exchanged Global Certificate and, on the other hand, persons wishing to purchase beneficial interests in the other Global Certificate.

"Definitive Exchange Date" means a day falling not less than 30 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar and any Transfer Agent is located.

Delivery

In such circumstances, the relevant Global Certificate shall be exchanged in full for Definitive Certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Certificate must provide the Registrar with (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Certificates and (b) in the case of the Rule 144A Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of simultaneous sale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Certificates issued in exchange for a beneficial interest in the Rule 144A Global Certificate shall bear the legends applicable to transfers pursuant to Rule 144A, as set out under "Transfer Restrictions" below.

Legends

The holder of a Definitive Certificate in registered definitive form, as applicable, may transfer the Notes represented thereby in whole or in part in the applicable minimum denomination by surrendering it at the specified office of the Registrar or any Transfer Agent, together with the completed form of transfer and to the extent applicable, written consent of the Issuer and a duly completed ERISA certificate substantially in the form of Annex A to a Transfer Agent and the Issuer. Upon the transfer, exchange or replacement of a Definitive Certificate in registered definitive form, as applicable, bearing the legend referred to under "Transfer Restrictions" below, or upon specific request for removal of the legend on a Definitive Certificate in registered definitive form, as applicable, the Issuer will deliver only Definitive Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act and the Investment Company Act.
BOOK ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from sources that the Issuer believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. In particular, such information is subject to any change in or interpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "Clearing Systems") currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Trustee, the Placement Agent or any Agent party to the Agency Agreement (or any Affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Euroclear and Clearstream, Luxembourg

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Refinancing Notes and cross-market transfers of the Notes associated with secondary market trading (See "Settlement and Transfer of Notes" below).

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in such Global Certificates directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("Direct Participants") or indirectly ("Indirect Participants" and, together with Direct Participants, "Participants") through organisations which are accountholders therein.

Book Entry Ownership

Euroclear and Clearstream, Luxembourg

Each Regulation S Global Certificate and each Rule 144A Global Certificate will have an ISIN and a Common Code and will be registered in the name of, and deposited with, a nominee of the common depositary on behalf of, Euroclear and Clearstream, Luxembourg.

Relationship of Participants with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Certificate must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer to the holder of such Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg. The Issuer expects that, upon receipt of any payment in respect of Refinancing Notes represented by a Global Certificate, the common depositary by whom such Refinancing Note is held, or nominee in whose name it is registered, will immediately credit the relevant Participants’ or
account holders’ accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Global Certificate as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any Global Certificate held through such Direct Participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Certificate in respect of each amount so paid. None of the Issuer, the Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System’s records. The ownership interest of each actual purchaser of each such Note (the "Beneficial Owner") will in turn be recorded on the Direct Participant and Indirect Participant’s records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any Global Certificate held within a Clearing System is exchanged for Definitive Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Trading between Euroclear and/or Clearstream, Luxembourg Participants

Secondary market sales of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.
RATINGS OF THE NOTES

It is a condition of the issue and sale of the Refinancing Notes that the Refinancing Notes be issued with at least the following ratings: the Class X Notes: "Aaa(sf)" from Moody’s and "AAA(sf)" from S&P; the Class A Notes: "Aaa(sf)" from Moody’s and "AAA(sf)" from S&P; the Class B-1 Notes: "Aa2(sf)" from Moody’s and "AA(sf)" from S&P; the Class B-2 Notes: "Aa2(sf)" from Moody’s and "AA(sf)" from S&P; the Class C Notes: "A2(sf)" from Moody’s and "A(sf)" from S&P; the Class D Notes: "Baa2(sf)" from Moody’s and "BBB(sf)" from S&P; the Class E Notes: "Ba2(sf)" from Moody’s and "BB(sf)" from S&P and the Class F Notes: "B2(sf)" from Moody’s and "B-(sf)" from S&P. The Subordinated Notes are not rated.

The ratings assigned to the Class X Notes, the Class A Notes, the Class B-1 Notes and the Class B-2 Notes address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes address the ultimate payment of principal and interest. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the applicable rating agency.

Moody’s Ratings

The ratings assigned to the Rated Notes by Moody’s are based upon its assessment of the probability that the Collateral Debt Obligations will provide sufficient funds to pay each such Class of Notes, based largely upon Moody’s statistical analysis of historical default rates on debt obligations with various ratings, the asset and interest coverage required for such Class of Rated Notes (which in the case of a Class of Rated Notes is achieved through the subordination of each Class of Notes ranking below such Class of Rated Notes) and the diversification requirements that the Collateral Debt Obligations are required to satisfy.

Moody’s ratings address the expected loss posed to investors by the legal final maturity on the Maturity Date. The structure allows for timely payment of interest and ultimate payment of principal with respect to the Class A Notes by the legal final maturity on the Maturity Date.

Moody’s analysis of the likelihood that each Collateral Debt Obligation will default is based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as securities with lower ratings are added to the portfolio) and an additional default assumption to account for future fluctuations in defaults. Moody’s then determines the level of credit protection necessary to achieve the expected loss associated with the rating of the structured securities, taking into account the expected volatility of the default rate of the portfolio based on the level of diversification by region, obligor and industry. There can be no assurance that the actual default rates on the Collateral Debt Obligations held by the Issuer will not exceed the rates assumed by Moody’s in its analysis.

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

S&P Ratings

S&P will rate the Rated Notes in a manner similar to the manner in which it rates other structured issues. This requires an analysis of the following:

(a) the credit quality of the portfolio of Collateral Debt Obligations securing the Notes;

(b) the cash flow used to pay liabilities and the priorities of these payments; and
Based on these analyses, S&P determines the necessary level of credit enhancement needed to achieve a desired rating. In this connection, the S&P CDO Monitor Test is applied until the expiry of the Reinvestment Period.

S&P’s analysis includes the application of its proprietary default expectation computer model (the "S&P CDO Monitor") which is used to estimate the default rate S&P projects the Portfolio is likely to experience and which will be provided to the Collateral Manager on or before the Issue Date. The S&P CDO Monitor calculates the cumulative default rate of a pool of Collateral Debt Obligations and Eligible Investments consistent with a specified benchmark rating level based upon S&P’s proprietary corporate debt default studies. The S&P CDO Monitor takes into consideration the rating of each Obligor, the number of Obligors, the Obligor industry concentration and the remaining weighted average maturity of each of the Collateral Debt Obligations included in the Portfolio. The risks posed by these variables are accounted for by effectively adjusting the necessary default level needed to achieve a desired rating. The higher the desired rating, the higher the level of defaults the Portfolio must withstand. For example, the higher the Obligor industry concentration or the longer the weighted average maturity, the higher the default level is assumed to be.

Credit enhancement to support a particular rating is then provided on the results of the S&P CDO Monitor, as well as other more qualitative considerations such as legal issues and management capabilities. Credit enhancement is typically provided by a combination of over collateralisation/subordination, cash collateral/reserve account, excess spread/interest and amortisation. A cash flow model (the "Transaction Specific Cash Flow Model") is used to evaluate the portfolio and determine whether it can comfortably withstand the estimated level of default while fully repaying the class of debt under consideration.

There can be no assurance that actual losses on the Collateral Debt Obligations will not exceed those assumed in the application of the S&P CDO Monitor or that recovery rates and the timing of recovery with respect thereto will not differ from those assumed in the Transaction Specific Cash Flow Model. None of S&P, the Issuer, the Collateral Manager, the Collateral Administrator, the Trustee, or the Retention Holder, makes any representation as to the expected rate of defaults on the Portfolio or as to the expected timing of any defaults that may occur.

S&P’s Ratings of the Rated Notes will be established under various assumptions and scenario analyses. There can be no assurance that actual defaults on the Collateral Debt Obligations will not exceed those assumed by S&P in its analysis, or that recovery rates with respect thereto (and, consequently, loss rates) will not differ from those assumed by S&P.
THE ISSUER

Issuer

The Issuer is a special purpose vehicle established for the purpose of issuing asset backed securities and was incorporated in Ireland as a private limited company on 17 December 2014 under the Companies Acts 1963 to 2013 with the name of CVC Cordatus Loan Fund V Limited and with company registration number 554659. Pursuant to a special resolution of the Issuer dated 23 June 2017, the Issuer elected to reregister as a "designated activity company" or "DAC" within the meaning of the Companies Act 2014 (as amended) (the "Companies Act") and to adopt a new constitution in connection therewith. By Certificate of Incorporation on Conversion as a Designated Activity Company dated 28 June 2017 issued by the Registrar of Companies in accordance the Companies Act, the Issuer was reregistered as "CVC Cordatus Loan Fund V Designated Activity Company". The registered office of the Issuer is 32 Molesworth Street, Dublin 2, Ireland.

The authorised share capital of the Issuer is €100,000 divided into 100,000 ordinary shares of €1.00 each (the "Shares"). The Issuer has issued one Share, which is fully paid up and is held on trust by MaplesFS Trustees Ireland Limited (as "Share Trustee") under the terms of a declaration of trust (the "Declaration of Trust") dated 21 January 2015, whereby the Share Trustee holds the Share on trust for charitable purposes. The Share Trustee will have no beneficial interest in and will derive no benefit (other than its fees for acting as Share Trustee) from its holding of the shares of the Issuer. The Share Trustee will apply any income derived from the Issuer solely for the above purposes.

Directors

The directors of the Issuer and their respective business addresses and principal activities outside the Issuer are:

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>Principal Activities/Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Padraic Doherty</td>
<td>32 Molesworth Street, Dublin 2, Ireland</td>
<td>Company Director</td>
</tr>
<tr>
<td>Jarlath Canning</td>
<td>32 Molesworth Street, Dublin 2, Ireland</td>
<td>Company Director</td>
</tr>
</tbody>
</table>

The Company Secretary of the Issuer is: MFD Secretaries Limited.

The registered office of the Company Secretary of the Issuer is at 32 Molesworth Street, Dublin 2, Ireland.

The registered office of the Issuer is at 32 Molesworth Street, Dublin 2, Ireland.

The telephone number of the Issuer is +353 1 697 3200.

Activities

Prior to the Original Issue Date, the Issuer entered into certain warehouse arrangements in order to enable the Issuer to acquire certain Collateral Debt Obligations on or before the Original Issue Date. Amounts owing under the warehouse arrangements were fully repaid on the Original Issue Date using the proceeds from the issuance of the Original Notes.
The Issuer has not previously carried on any business or activities other than those incidental to its incorporation, the authorisation and entry into of the warehouse arrangements, the acquisition of the Portfolio, the authorisation and issue of the Original Notes and activities incidental to the exercise of its rights and compliance with its obligations under the Collateral Acquisition Agreements, the Original Notes, the initial purchase agreement in respect of the Original Notes, the Agency Agreement, the Trust Deed, the Collateral Management Agreement, the Warehouse Termination Agreement, the Corporate Services Agreement, each Hedge Agreement and the other documents and agreements entered into in connection with the issue of the Original Notes and the purchase of the Portfolio.

**Indebtedness**

The Issuer has no indebtedness as at the date of this Offering Circular, other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein.

**Auditors**

The independent auditor of the Issuer will be Deloitte of Deloitte & Touche House, Earlsfort Terrace, Dublin 2, Ireland, who are registered auditors regulated by the Institute of Chartered Accountants in Ireland.
THE COLLATERAL MANAGER

The Issuer has accurately reproduced the information contained in the section entitled "The Collateral Manager" from information provided to it by the Collateral Manager but it has not independently verified such information. So far as the Issuer is aware and is able to ascertain from information published by the Collateral Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. The information appearing in this section has been prepared by the Collateral Manager and has not been independently verified by the Issuer, the Arranger, the Placement Agent or any other party and none of such Persons assumes any responsibility for the accuracy, completeness or applicability of such information. The delivery of this Offering Circular shall not create any implication that there has been no change in the affairs of the Collateral Manager or of its Affiliates since the date of this Offering Circular, or that the information contained or referred to herein is correct as of any time subsequent to the date of this Offering Circular.

General

CVC Credit Partners Group Limited will act as the Collateral Manager. The Collateral Manager was incorporated in Jersey (registered number 93193) on 20 April 2006 and its registered address is Lime Grove House, Green Street, St Helier, Jersey, JE1 2ST.

CVC Credit Partners Group Limited is a wholly-owned subsidiary of CVC Credit Partners LP.

CVC Credit Partners Group Limited is the named collateral manager on 7 European CLO transactions.

CVC Credit Partners had US$16.4 billion of assets under management as of 31 March 2017. CVC Credit Partners manages the investments of multiple investment vehicles and funds focused on investments in sub-investment grade companies in both Europe and the U.S., including the Issuer. As at 20 June 2017, CVC Credit Partners had 48 investment professionals based in London and New York.

In December 2011, the CVC Group agreed to merge its European credit business with Apidos Capital Management ("Apidos"), the sub-investment grade credit manager of Resource America, to create CVC Credit Partners, a global credit manager specialising in sub-investment grade corporate debt.

CVC Credit Partners L.P is currently indirectly owned 76 per cent. by CVC Capital Partners Credit Partners Holdings III Limited, a subsidiary of CVC Credit Partners Group Holding Foundation (together with its direct and indirect subsidiaries ("CVC Credit Partners"). In September 2016, Resource America, which previously indirectly owned 24 per cent. of CVC Credit Partners L.P, was acquired by C-III Capital Partners LLC, which included Resource America’s 24 per cent. indirect interest in CVC Credit Partners L.P.

Capital

The issued share capital of the Collateral Manager is divided into 35,000 Ordinary Shares of nominal value held by CVC Credit Partners General Partner Limited as general partner of CVC Credit Partners L.P.

Financing

The Collateral Manager has the benefit of a €10,000,000, multi-currency, revolving working capital facility provided to it by CVC Capital Partners Finance Limited (the "CVC Working Capital Facility") the purpose of which is to, among other things, make funds available to the Collateral Manager for the purpose of its acquisition of Originator Assets from time to time, including in circumstances when the Conditions to onward sale of an Originator Asset have not been satisfied (as described further in "The Retention Requirements" below). CVC
Capital Partners Finance Limited has full recourse to the Collateral Manager with respect to any amount advanced to the Collateral Manager under the CVC Working Capital Facility.

**Credit Risk Mitigation**

The Collateral Manager has internal written policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation. The policies and procedures of the Collateral Manager in this regard broadly include the following:

(a) criteria for the granting of credit and the process for approving, amending, renewing and re-financing credits (as to which, in relation to the Collateral Debt Obligations, see the information set out in this Offering Circular headed "The Portfolio" which describes the criteria that the selection of Collateral Debt Obligations to be included in the Portfolio is subject to;

(b) systems in place to administer and monitor the various credit-risk bearing portfolios and exposures (as to which it should be noted that the Portfolio will be serviced in line with the servicing procedures of the Collateral Manager – please see the sections of this Offering Circular headed "The Portfolio" and "Description of the Collateral Management Agreement");

(c) adequate diversification of credit portfolios given the overall credit strategy (as to which, in relation to the Portfolio, see the section of this Offering Circular headed "The Portfolio - Portfolio Profile Tests and Collateral Quality Tests"); and

(d) policies and procedures in relation to risk mitigation techniques (as to which, see further the sections of this Offering Circular headed "The Portfolio" and "Description of the Collateral Management Agreement"), which describes the ways in which the Collateral Manager is required to monitor the Portfolio).

**Directors and Company Secretary**

The directors of the Collateral Manager, their business occupations and their business addresses are as follows:

Jonathan Christian Bowers  Partner, 111 Strand, London WC2R 0AG

Stephen Philip Linney  Non-Executive Director, Le Petit Touessrok, La Vielle Charriere, St Martin, Jersey, JE3 6DL, Channel Islands

Douglas Jeffrey Maccabe  Non-Executive Director, 1st Floor, 10 Bond Street, St Helier, Jersey, JE3 2NP, Channel Islands

Denis Quilty  Vice President, Lime Grove House, Green Street, St Helier, Jersey, JE1 2ST

None of the directors of the Collateral Manager will have received any fee or inducement to become a director although the employer of Denis Quilty will receive fees for corporate services provided.

The Company Secretary is State Street Secretaries (Jersey) Limited.
THE SUB-MANAGER

The Issuer has accurately reproduced the information contained in the section entitled "The Sub-Manager" from information provided to it by the Sub-Manager but it has not independently verified such information. So far as the Issuer is aware and is able to ascertain from information published by the Sub-Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. The information relating to the Sub-Manager has not been independently verified by the Issuer. Accordingly, notwithstanding anything to the contrary herein, the Issuer does not assume any responsibility for the accuracy, completeness or applicability of such information. The Sub-Manager accepts responsibility for the information contained in this section.

Overview

CVC Credit Partners Investment Management Limited was incorporated in the United Kingdom on 16 November 2010 with company registration number 07441828 and prior to 24 April 2012 was known as CVC Cordatus Investment Management Limited.

The Sub-Manager is a wholly-owned subsidiary of the Collateral Manager and is regulated by the FCA.

In addition to acting as Sub-Manager for the Issuer, CVC Credit Partners Investment Management Limited acts as investment manager to certain other vehicles as well as separate investment entities.

Relationship with the Collateral Manager

In accordance with the terms agreed between them, the Collateral Manager has delegated its day-to-day duties with respect to the management of the CLOs established by it from time to time, as collateral manager, to the Sub-Manager. The Sub-Manager may also make proposals to the Collateral Manager in relation to the purchase and disposal of Collateral Debt Obligations by the Collateral Manager from time to time, as well as proposing to which CLO (if any) a Collateral Debt Obligation should be the subject of an onward sale and the means by which any onward sale should take effect. See "The Retention Requirements – Origination of Collateral Debt Obligations" for further details. In relation to any proposal to acquire or dispose of any Collateral Debt Obligation made by the Sub Manager, the Collateral Manager’s investment sub-committee (consisting of, at all times, at least one independent director) may in its absolute discretion choose to accept or reject any proposal made to it by the Sub-Manager. The Sub-Manager shall be paid the Sub-Manager Services Fee by the Collateral Manager for performing the collateral management functions described herein. The Issuer shall not be liable to make any payment to the Sub-Manager in connection with the issuance of the Notes or the management of the Portfolio.

The Collateral Manager, through its board of directors, also review the decisions which are being made by the Sub-Manager on behalf of the Collateral Manager, from time to time, to ensure the proper performance of the duties of Collateral Manager by the Sub-Manager and the Collateral Manager shall at all times remain liable for any decision taken by the Sub-Manager on its behalf.

Key Personnel

The following are the key personnel of CVC Credit Partners:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Years’ Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stephen Hickey</td>
<td>Partner, Chief Investment Officer</td>
<td>28</td>
</tr>
<tr>
<td>Jonathan Bowers</td>
<td>Partner, Senior Portfolio Manager</td>
<td>22</td>
</tr>
</tbody>
</table>
Gretchen L. Bergstresser  Partner, Senior Portfolio Manager  28
Mark DeNatale  Partner, Global Head of Trading  22
Guillaume Tarneaud  Managing Director, Portfolio Manager  12
Andrew Davies  Senior Managing Director, Portfolio Manager  14
Francois Manivel  Director, Assistant Portfolio Manager  17
Tom Newberry  Partner, Head of Private Funds  31
Philip Raciti  Managing Director, Portfolio Manager  15
Kevin O’Meara  Managing Director, Portfolio Manager  14

**Other Key Personnel**

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Years’ Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brandon Bradkin</td>
<td>Partner</td>
<td>24</td>
</tr>
<tr>
<td>Stuart Levett</td>
<td>Managing Director</td>
<td>17</td>
</tr>
<tr>
<td>Oscar Anderson</td>
<td>Managing Director, Portfolio Manager</td>
<td>23</td>
</tr>
<tr>
<td>Scott Bynum</td>
<td>Managing Director, Portfolio Manager</td>
<td>11</td>
</tr>
<tr>
<td>Caroline Benton</td>
<td>Managing Director</td>
<td>17</td>
</tr>
<tr>
<td>Christopher Hojlo</td>
<td>Managing Director</td>
<td>17</td>
</tr>
<tr>
<td>Neale Broadhead</td>
<td>Managing Director, Portfolio Manager</td>
<td>28</td>
</tr>
<tr>
<td>Chris Fowler</td>
<td>Managing Director</td>
<td>15</td>
</tr>
<tr>
<td>Ran Landmann</td>
<td>Managing Director</td>
<td>17</td>
</tr>
<tr>
<td>Sue Player</td>
<td>Director, Assistant Portfolio Manager</td>
<td>16</td>
</tr>
</tbody>
</table>

**Stephen Hickey — Partner, Chief Investment Officer**

Stephen joined CVC Credit Partners in April 2012 from Goldman Sachs where he spent 20 years in various senior roles, including global head of leverage finance, co-head of global loans, member of the firm wide risk and firm wide capital committees and head of loan sales and secondary trading (proprietary investing and flow trading). Stephen was a partner at Goldman Sachs from 2004 to 2011. Prior to re-joining Goldman Sachs, Stephen was a managing director and head of loan syndications, sales and trading at Donaldson Lufkin & Jenrette (or DLJ), after starting the business at DLJ in 1996. Stephen was a member of the board of directors for the Loan Syndications and Trading Association from 2001 to 2006. Stephen earned a JD and an MBA from Columbia University in 1987 and a BA from Yale University in 1983. He is a member of the State of Connecticut Bar.
Jonathan Bowers — Partner, Senior Portfolio Manager

Jonathan, who also serves as a director of CECO, founded CVC Cordatus (a predecessor to CVC Credit Partners). Jonathan has over 20 years of investment banking and investment management experience. Previously he was a senior director in the European leveraged finance group at Deutsche Bank (Bankers Trust), originating and structuring numerous financings for leveraged buyouts, public to privates and corporate re-financings across senior, mezzanine, high yield and PIK investments. Prior to this, Jonathan worked in mergers and acquisitions at Charterhouse Bank after having completed the Citibank analyst programme in London and New York. He is a partner, member of the board of directors and portfolio manager at the Sub-Manager, responsible with Andrew Davies for portfolio management of the Issuer and the Conversion Vehicle. Jonathan holds an MA in French and History from the University of Oxford.

Mark DeNatale — Partner, Global Head of Trading

Mark is a Partner and Global Head of Trading at CVC Credit Partners. Prior to joining CVC Credit Partners, Mark spent 17 years at Goldman Sachs where he was a Managing Director and Head of Loan Trading, managing risk across distressed, stressed and performing credit. Mark actively invested and traded across the capital structure including loans, bonds, equities and derivatives; he was also instrumental in developing a European loan trading platform. Mark is a former member of the board of directors of the Loan Syndications and Trading Association and graduated from Boston College in 1994.

Gretchen L. Bergstresser — Partner, Senior Portfolio Manager

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

Guillaume Tarneaud — Managing Director, Portfolio Manager

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

Andrew Davies — Senior Managing Director, Portfolio Manager

Andrew joined CVC Credit Partners in 2010. Andrew has 12 years of debt capital markets, corporate finance advisory and investment management experience. Most recently, Andrew was at GSC Group (formally Greenwich Street Capital Partners) in London where he was responsible for trading, sourcing, analysis and portfolio management across investment strategies. Prior to this, Andrew provided corporate finance advice to technology and media start-ups at Cobalt Corporate Finance after spending five years at Bear Stearns International's European merger and acquisition finance and fixed income trading. Andrew is a senior managing director and portfolio manager of the Sub-Manager, responsible with Jonathan Bowers for portfolio management of the Issuer.

Francois Manivel — Director, Assistant Portfolio Manager

Prior to joining CVC Credit Partners (formerly known as Apidos Capital Management, prior to the merger in 2012) in 2008, Mr. Manivel worked for Apidos European subsidiary Resource Europe Management Ltd., Prior to REML, Mr. Manivel was a Vice President at NIBC Bank NV in London where he was responsible for monitoring the European leveraged loan portfolio of the bank and the three CDO funds. Prior to NIBC, Mr. Manivel worked as a Manager for 4 years with IKB Deutsche Industriebank AG in Paris in the acquisition finance department. At IKB, he monitored the portfolio of leveraged French credits, provided support to the originators and negotiated restructurings and work-outs of nonperforming assets. Prior to joining IKB, Mr. Manivel worked as an Analyst at Bank of Scotland Structured Finance in Paris and Edinburgh. Mr. Manivel graduated from EDHEC Business School (Lille à France) with a Master's Degree in Management.
Tom Newberry — Partner, Head of Private Funds

Tom joined the CVC Credit Partners in 2012 after spending 11 years at Credit Suisse, where he was a managing director and head of global leveraged finance capital markets and syndicated loans. In this capacity, he was responsible for the underwriting of all high yield bond, mezzanine and syndicated loan transactions, as well as the sale and trading of both par and distressed loan assets. Tom joined Credit Suisse in November 2000 when Credit Suisse First Boston (or CSFB) merged with DLJ, where he was a managing director and head of U.S. loan capital markets. He joined DLJ in 1996 from Deutsche Bank where he was a managing director and head of North American loan syndications, responsible for all aspects of syndicated loan underwriting and distribution. Prior to that, Tom worked at Toronto-Dominion Securities and NCNB National Bank. Tom served on the board of directors of the Loan Syndication & Trading Association for six years, acting as both chairman and vice chairman. Tom received his BA from the University of Virginia in 1984.

Oscar Anderson — Managing Director, Portfolio Manager

Oscar joined Apidos (a predecessor to CVC Credit Partners) in December 2008. In June 2007, Oscar co-founded Tri-Mountain Partners, LLC, an alternative investment management business focused on hedge fund and direct private equity investments. Previous associations: Director in the high yield sales and trading group of Wachovia Securities in New York City, Executive Director in the leveraged finance group of CIBC World Markets, Equity Research Associate in the Investment Management Policy Group at Brown Brothers Harriman & Co., investment banking analyst at Solomon Brothers Inc. Oscar received his BA from Harvard University.

Caroline Benton — Managing Director, Portfolio Manager

Caroline joined CVC Credit Partners in July 2013. Previously, Caroline spent 15 years at Goldman Sachs in proprietary investing and risk management functions in the Special Assets, Global Bank Loan Distressed Investing, and Special Situations Investing groups within the Fixed Income division. Caroline holds a BA in Economics and Managerial Studies from Rice University.

Neale Broadhead — Managing Director, Portfolio Manager

Neale joined CVC Credit Partners in 2014 from Lloyds Banking Group, where he was a Managing Director and Head of the Mid Market Acquisition Finance Group which he founded in 2004. Prior to this, Neale worked as Executive Director and Originator at BNP Paribas arranging and underwriting mid-market debt facilities in the UK and Europe. Neale holds a BSc (Hons) in Economic History from the University of Wales.

Scott Bynum — Managing Director, Portfolio Manager

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

Christopher Hojlo — Managing Director

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

Chris Fowler — Managing Director

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

Ran joined CVC Credit Partners in September 2013. Before that Ran covered European distressed/stressed credits including corporate, sovereign and financial names at Owl Creek Europe Management and Sandell Asset Management. Previously he worked at CVC Equity Partners focussing on European private equity and at Credit Suisse First Boston's media and telecoms team, both in London. Ran graduated with a BSc in Business Economics from Queen Mary and Westfield University, University of London.

Brandon Bradkin — Partner

Prior to joining CVC Credit Partners, Brandon spent six years at Park Square Capital where he was a Partner and member of its investment committee. Before joining Park Square, he was a Managing Director at Dresdner Anschutz Mezzanine Fund. Previously, Brandon helped lead the restructuring and sale of two distressed portfolio companies. He has also been a Vice President in Investment Banking at Chase in London. Brandon began his career at O'Melveny & Myers in Los Angeles after clerking for Judge John Minor Wisdom. Brandon has a J.D. from Harvard Law School and an A.B. from Harvard College. Brandon also serves as a director of CECO and is a member of the board of directors of the Sub-Manager.

Stuart Levett — Managing Director

Stuart joined CVC Credit Partners in April 2013. Stuart has spent more 16 years in banking with expertise in sourcing/origination, managing and trading of performing, leveraged, stressed and distressed assets. Stuart spent 8 years with Credit Suisse in sales and distressed origination and 2 years with its predecessor Donaldson, Lufkin & Jenrette, in leverage sales. More recently, Stuart was a Managing Director and senior originator of distressed assets and leverage sales at UBS, responsible for sourcing impaired and distressed single line assets, claims, equity and portfolios, trading through capital structures and asset classes. Stuart was also one of the founding members of the London trading platform for Cantor Fitzgerald in 2009.

Kevin O'Meara — Managing Director, Portfolio Manager

Kevin joined CVC Credit Partners in May 2007 and is responsible for covering the Gaming, Cable and Advertising-Dependent Media industries. Prior to joining CVC, Kevin spent five years at Prudential Financial where he received his formal credit training and worked as an Analyst on the company's leveraged loan platform. Kevin earned a BSc Degree in Finance from the University of Scranton and graduated with Honours with an MBA in Finance from Fordham University's Graduate School of Business.

Philip Raciti — Managing Director, Portfolio Manager

Philip joined Apidos (a predecessor to CVC Credit Partners) in March 2005 and is a portfolio manager and trader across loans, bonds, and equities. During his time at Apidos, he covered numerous industries including Technology, Semiconductors, Aerospace, Defence and Waste. Prior to joining Apidos, he spent 5 years at INVESCO Senior Secured Management as a senior credit analyst. Phillip received a BA in Politics, Philosophy and Law from Binghamton University.

Sue Player — Director, Assistant Portfolio Manager

Ms. Player joined CVC Cordatus in January 2007 and has over 16 years of leveraged finance experience. Ms. Player joined from IKB Deutsche Industriebank where she was responsible for sourcing and execution of new investments in a wide range of transactions in the European leveraged loan market. Prior to this, she spent 14 years with NatWest bank where inter alia she worked in the structured finance division. Ms. Player holds a Banking Certificate from the Chartered Institute of Bankers.
THE RETENTION REQUIREMENTS

The following description consists of a summary of certain provisions of the Retention Letter which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement.

General

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

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

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

Article 3(1)(4) of the regulatory technical standards adopted by the EU Commission on 12 March 2014 provides that, where the securitised exposures are created by multiple originators (as is the case in a managed CLO, where assets are acquired from numerous sellers in the market), the CRR Retention Requirements may be fulfilled in full by a single originator in circumstances where the relevant originator has established and is managing the scheme.

The Collateral Manager will represent and warrant in the Collateral Management Agreement and the Retention Letter that the Originator Requirement (as defined below) has been satisfied on the Issue Date and that the Collateral Manager has (in its reasonable belief) established and is managing the CLO described in this Offering Circular.

"Originator Requirement" means the requirement which will be satisfied if, on the Issue Date:

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

(b) the Target Par Amount,

is greater than or equal to 50 per cent.

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

On the Original Issue Date, the Collateral Manager entered into financing arrangements (the "Retention Financing") in respect of the Original Notes that were Retention Notes. The Collateral Manager intends to amend the terms of the Retention Financing on or about the Issue Date to finance the acquisition of the Retention Notes it is required to acquire in order to comply with the EU Retention Requirements. See "Risk Factors – Regulatory Initiatives – Retention Financing".

Description of the Retention Holder

The Issuer has accurately reproduced the information contained in the section entitled "The Retention Requirements – Description of the Retention Holder" from information provided to it by the Collateral Manager but it has not independently verified such information. So far as the Issuer is aware and is able to ascertain from information published by the Collateral Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. The information appearing in this section has been prepared by the Collateral Manager and has not been independently verified by the Issuer, the Arranger, the Placement Agent or
any other party and none of such Persons assumes any responsibility for the accuracy, completeness or
applicability of such information.

The Collateral Manager shall act as Retention Holder for the purposes of the EU Retention Requirements. The
description and the address of the Collateral Manager are set out in the "The Collateral Manager" section of this
Offering Circular.

Prospective investors should consider the discussion in "Risk Factors – Risk Retention in Europe" and "Risk
Factors – Collateral Manager" above.

The Retention

The following description consists of a summary of certain provisions of the Retention Letter which does not
purport to be complete and is qualified by reference to the detailed provisions of such agreement.

On the Original Issue Date, the Collateral Manager executed the Retention Letter addressed to the Issuer, the
Trustee (for the benefit of the Noteholders), the Collateral Administrator, the Arranger and the Placement Agent.
On the Issue Date, the Retention Holder will agree to be bound by the Retention Letter (as amended and restated in
connection with the issuance of the Refinancing Notes).

Under the Retention Letter, the Collateral Manager will represent, warrant, undertake and agree on an ongoing
basis so long as any Notes remain outstanding:

(a) to purchase (at the initial issuance and each subsequent date of additional issuance of Notes) from the
Placement Agent and retain, for its own account, a material net economic interest in the transaction
comprising not less than 5 per cent. of the Principal Amount Outstanding of each Class of Notes within
the meaning of paragraph 1(a) of Article 405 of the CRR, Article 51(1)(a) of the AIFMD and paragraph
2(a) of Article 254 and Article 256 of Solvency II (the “Retention Notes”) for the purposes of the EU
Retention Requirements;

(b) that it and its Affiliates will not sell, hedge or otherwise mitigate its credit risk under or associated with
the Retention Notes unless expressly permitted by the EU Retention Requirements;

(c) that, in relation to every Collateral Debt Obligation that it sells or transfers to the Issuer:

(i) it, either itself or through related entities, directly or indirectly, was involved or will be involved
in the original agreement which created or will create such obligation; or

(ii) it purchased or will purchase such Collateral Debt Obligation for its own account prior to selling
such obligation to the Issuer;

(d) that it has (in its reasonable belief) established and is managing the securitisation scheme consisting of the
issuance by the Issuer of the Notes more particularly described in this Offering Circular;

(e) to confirm its continued compliance with the requirements set out in paragraphs (a) to (d) above:

(i) on a monthly basis to the Issuer, the Collateral Manager, the Trustee, the Collateral
Administrator, the Arranger and the Placement Agent (concurrent with the delivery of each
Monthly Report); and

(ii) upon any written request therefore by or on behalf of the Issuer or any Noteholder delivered
following (1) a material change in (x) the performance of the Notes, (y) the risk characteristics of
the Notes, or (z) the Collateral Debt Obligations and/or the Eligible Investments from time to time, or (2) the breach of any Transaction Document to which it is a party;

(f) that it will, promptly on becoming aware of the occurrence thereof, provide a written notice to the Issuer, the Trustee, the Collateral Administrator, the Arranger and the Placement Agent of (i) any failure to hold the Retention Notes in accordance with paragraphs (a) and (b) above and/or (ii) any representations in the Retention Letter failing to be true on any date;

(g) subject to any applicable regulatory requirements, agree (i) to take such further reasonable action, provide such information, on a confidential basis, and enter into such other agreements as may reasonably be required to satisfy the EU Retention Requirements as they apply as at the Issue Date and (ii) to provide to the Issuer, on a confidential basis, information in the possession of the Collateral Manager relating to its holding of the Retention Notes, at the cost and expense of the party seeking such information, and to the extent such information is not subject to a duty of confidentiality, at any time prior to maturity of the Notes;

(h) to acknowledge and confirm that the Collateral Manager established the transaction contemplated by the Transaction Documents and appointed the Arranger to provide certain specific services in order to assist with such establishment;

(i) that it will notify the Collateral Administrator in writing of any sale, disposal or acquisition of an interest in the Retention Notes by the Collateral Manager promptly following such sale, disposal or acquisition;

(j) that it is not an entity that has been established or that operates for the sole purpose of securitising exposures; and

(k) that it has the capacity to meet a payment obligation from resources not related to the exposures it securitises,

provided, however, that the Collateral Manager may transfer the Retention Notes only:

(i) to the extent such transfer would not cause the transaction described in this Offering Circular to be non-compliant with the EU Retention Requirements; and

(ii) if such transfer is to a Person which will commit to retain the Retention Notes subject to and in accordance with the EU Retention Requirements, such Person enters into an agreement on substantially the same terms as the Retention Letter,

and must notify the Noteholders of such transfer if the Collateral Manager would not retain the economic risk in the Retention Notes following such transfer.

Under the Retention Letter, the Collateral Manager will also represent and warrant that, on each of the Original Issue Date and the Issue Date, the Aggregate Principal Balance of Collateral Debt Obligations which were acquired by the Issuer from the Collateral Manager divided by the Aggregate Principal Balance was greater than 50 per cent.

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

(A) subject to satisfaction of the requirements in paragraphs (i) and (ii) above, the Retention Notes may be transferred to the successor collateral manager on the basis that such successor collateral manager shall be the Retention Holder; or
otherwise, the Collateral Manager shall remain the Retention Holder and bound by the retention undertakings described above, notwithstanding that it will no longer act as collateral manager with respect to the transaction described in this Offering Circular.

**Origination of Collateral Debt Obligations**

The Issuer has accurately reproduced the information contained in the section entitled "The Retention Requirements – Origination of Collateral Debt Obligations" from information provided to it by the Collateral Manager but it has not independently verified such information. So far as the Issuer is aware and is able to ascertain from information published by the Collateral Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. The information appearing in this section has been prepared by the Collateral Manager and has not been independently verified by the Issuer, the Arranger, the Placement Agent or any other party and none of such Persons assumes any responsibility for the accuracy, completeness or applicability of such information. The delivery of this Offering Circular shall not create any implication that there has been no change in the affairs of the Collateral Manager or of its Affiliates since the date of this Offering Circular, or that the information contained or referred to herein is correct as of any time subsequent to the date of this Offering Circular.

**General**

The Collateral Manager may acquire assets which are intended to form part of the Collateral Debt Obligations ("Originator Assets"), such Originator Assets being acquired in the primary market or in the secondary market from third parties ("Market Sellers").

In relation to any asset acquired by it, the Collateral Manager may from time to time:

(a) hold such asset to maturity;
(b) sell such asset to the market; or
(c) as intended in the majority of cases, sell the asset to a CLO in respect of which it is the collateral manager, including the Issuer, subject to the satisfaction of certain conditions described below.

The Collateral Manager, having due regard to assets and liabilities held on its own balance sheet from time to time, shall have absolute discretion to acquire, hold and/or sell assets at any time and, if appropriate, shall also have absolute discretion to nominate the CLO to which any asset is proposed to be sold to. The Collateral Manager may receive proposals with respect to the acquisition and sale of Collateral Debt Obligations from time to time from the Sub Manager. See "The Sub-Manager - Relationship with the Collateral Manager" for further details.

**Application of Losses**

Any losses arising in connection with the Collateral Manager’s ownership of any Originator Asset or in connection with its indirect financing of any Collateral Debt Obligation by way of its holding of the Retention Notes, shall be borne by the Collateral Manager. CVC Capital Partners Finance Limited will also be exposed to any losses, through its shareholding in the Collateral Manager and in its capacity as lender under the CVC Working Capital Facility provided by it to the Collateral Manager.

**Sale of Collateral Debt Obligations to CLOs**

With a view to effectively managing its exposure to market price volatilities of the Originator Assets, the Collateral Manager may from time to time (and is expected to do so in the majority of cases) acquire Originator Assets and immediately enter into a forward purchase agreement (a "Forward Purchase Agreement") with one of the issuers.
established in connection with one of the CLOs managed by it (each, a "CLO Issuer"), under which the relevant CLO Issuer shall commit to purchase and settle the relevant Originator Assets for the same purchase price as the Collateral Manager has committed to purchase and settle that Collateral Debt Obligation from the relevant Market Seller (which shall be no earlier than 15 Business Days after the date of such commitment to purchase).

The CLO Issuer, the Collateral Manager and the Market Seller may also enter into a multilateral netting agreement (the "Netting Agreement") with respect to the purchase of the such Originator Asset, which shall provide for the relevant Market Seller to enter into the assignment or transfer agreement required to effect the transfer of such Originator Asset directly with the CLO Issuer. Pursuant to the Netting Agreement, the Issuer shall, on the date of settlement, pay the purchase price of the Collateral Debt Obligation to the Collateral Manager, which the Collateral Manager shall correspondingly pay to the Market Seller.

In the event that any Originator Asset does not satisfy certain conditions precedent on the settlement date for its sale to the relevant CLO Issuer, including if such obligation becomes defaulted or otherwise credit impaired or otherwise does not satisfy the Eligibility Criteria as at such settlement date, the CLO Issuer will not be obliged to complete the purchase of the relevant asset on the applicable settlement date and the applicable Forward Purchase Agreement will be terminated. As a result, the Collateral Manager will be exposed to default and credit risk on such Originator Assets for the period between its purchase and the onward sale under the applicable Forward Purchase Agreement.

**U.S. Risk Retention Rules**

The Issuer has been advised by the Collateral Manager that the Collateral Manager does not intend to retain at least 5 per cent. of the credit risk of the Issuer, but rather intends to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions that meet certain requirements. See "Risk Factors – Regulatory Initiatives" and "Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence – US Risk Retention Requirements".
THE COLLATERAL ADMINISTRATOR

The information appearing in this section has been prepared by the Collateral Administrator and has not been independently verified by the Issuer, the Placement Agent or any other party. None of the Placement Agent or any other party other than the Collateral Administrator assumes any responsibility for the accuracy or completeness of such information.

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

General

Virtus Group LP ("Virtus") is a limited partnership incorporated under the laws of Texas and having its operating office at 25 Canada Square, Level 33, London E14 5LQ.

Virtus provides fixed-income collateral administration services and data on structured and non-structured transactions across a broad spectrum of investment vehicles, including collateralised loan obligations (CLOs), Total Returns Swaps (TRS), hedge and private equity funds and separately managed accounts. Virtus also provides solutions for fixed-income asset managers looking to outsource their Middle Office requirements. For administrative services requiring a trustee or custodian function, such as CLOs, Virtus has partnered with Citibank Agency & Trust to offer a seamless and holistic administrative package.

Established in 2005 and now with offices in Houston, Austin, London, New York and Shanghai, Virtus is one of the industry’s leading CLO Collateral Administrators. Virtus administers over 10,000 loan facilities with total assets under administration over US$170bn billion across 250 portfolios and 100 managers.

Termination and Resignation of Appointment of the Collateral Administrator

Pursuant to the terms of the Collateral Management Agreement, the Collateral Administrator may be removed: (a) without cause at any time upon at least 90 days' prior written notice; or (b) with cause upon at least 10 days' prior written notice in each case by the Issuer at its discretion or the Trustee acting upon the written directions of the holders of the Subordinated Notes acting by way of Extraordinary Resolution and subject to the Trustee being secured and/or indemnified and/or prefunded to its satisfaction. In addition the Collateral Administrator may also resign without cause upon at least 45 days' prior written notice and with cause upon at least 10 days' prior written notice to the Issuer, the Trustee and the Collateral Manager. No resignation or removal of the Collateral Administrator will be effective until a successor collateral administrator has been appointed pursuant to the terms of the Collateral Management Agreement.
THE LIQUIDITY FACILITY PROVIDER

The Issuer confirms that the information appearing in this section has been validated against information provided on the websites of Citigroup Inc. and Citibank, N.A. and other websites of government and regulatory bodies (including the FDIC, FFIEC, Bank of England, FCA and Companies House).

Citibank, N.A.

Citibank, N.A. ("Citibank") was originally organised on 16 June 1812, and now is a national banking association organised under the National Bank Act of 1864 of the United States. Citibank is an indirect wholly owned subsidiary of Citigroup Inc. ("Citigroup"), a Delaware holding company.

Citibank is a commercial bank that, along with its subsidiaries and affiliates, offers a wide range of banking and trust services to its customers throughout the United States and the world.

London Branch

Citibank, N.A., London Branch was registered in the United Kingdom as a foreign company in July 1920. The principal offices of the London Branch are located at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, England. Citibank is authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

The obligations of Citibank, N.A., London Branch under the Liquidity Facility Agreement will not be guaranteed by Citigroup or by any other affiliate.
THE PORTFOLIO

The following description of the Portfolio consists of a summary of certain provisions of the Collateral Management Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement.

Terms used and not otherwise defined herein or in this Offering Circular as specifically referenced herein shall have the meaning given to them in Condition 1 (Definitions) of the Terms and Conditions of the Notes.

1. Introduction

Pursuant to the Collateral Management Agreement, the Collateral Manager is required to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described below. Pursuant to the Collateral Sub-Management Agreement, the Collateral Manager can delegate any of these duties and functions to the Sub-Manager. Any delegation of duties by the Collateral Manager in accordance with the Collateral Management Agreement shall not relieve the Collateral Manager from any liability thereunder. In addition, the Collateral Administrator is required to perform certain calculations in relation to the Portfolio on behalf of the Issuer, in each case to the extent and in accordance with the information provided to it by the Collateral Manager.

2. Acquisition of Collateral Debt Obligations

Prior to the Issue Date, the Collateral Manager has caused to be acquired by the Issuer a portfolio of primarily Senior Secured Loans, Senior Secured Bonds, Senior Unsecured Obligations, Corporate Rescue Loans, Mezzanine Obligations, Second Lien Loans, High Yield Bonds and Bridge Loans, the details of which, as at the dates in respect of which the relevant reports have been prepared, are set out in the May Monthly Report and the July Payment Date Report. The May Monthly Report has been filed with the Irish Stock Exchange and is available for viewing at http://www.ise.ie/app/announcementDetails.aspx?ID=13290801. The Collateral Manager will use reasonable endeavours to cause the Issuer to acquire and reinvest the Sale Proceeds, prepayments and repayments in respect of a portfolio of Senior Secured Loans, Senior Secured Bonds, Senior Unsecured Obligations, Corporate Rescue Loans, Mezzanine Obligations, Second Lien Loans, High Yield Bonds and Bridge Loans during the Reinvestment Period and thereafter.

3. Eligibility Criteria

Each Collateral Debt Obligation must, at the time of entering into a binding commitment to acquire such obligation by, or on behalf of, the Issuer, satisfy the then applicable eligibility criteria, which, on the Issue Date, shall comprise the following criteria (the "Eligibility Criteria") as determined by the Collateral Manager in its reasonable discretion (capitalised terms in each case shall be read and construed as if such obligation were a Collateral Debt Obligation):

(a) it is a Senior Secured Loan, Senior Secured Bond, an Senior Unsecured Obligation, a Corporate Rescue Loan, a Mezzanine Obligation, a Second Lien Loan or a High Yield Bond, a PIK Obligation or a Bridge Loan;

(b) it is (I) denominated in Euro or (II) is denominated in a Qualifying Currency other than Euro and either (1) if such Non-Euro Obligation is denominated in a Qualifying Unhedged Obligation Currency and was acquired in the Primary Market and within 90 calendar days of the settlement date thereof, and otherwise (2) no later than the settlement date of the acquisition thereof the Issuer (or the Collateral Manager on its behalf) enters into an Asset Swap Transaction with a notional amount in the relevant currency equal to the aggregate principal amount of such obligation and otherwise complies with the requirements set out in
respect of such obligation in the Collateral Management Agreement and (III) is not convertible into or payable in any other currency;

(c) it is not a Defaulted Obligation or a Credit Impaired Obligation;

(d) it is not a lease (including, for the avoidance of doubt, a financial lease);

(e) it is not a Structured Finance Security, pre-funded letter of credit or a Synthetic Security;

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

(g) it is not a Zero Coupon Obligation, Step-Up Coupon Security or Step-Down Coupon Security;

(h) it does not constitute "margin stock" (as defined under Regulation U issued by the Board of Governors of the United States Federal Reserve System);

(i) it is an obligation in respect of which, following acquisition thereof by the Issuer by the selected method of transfer, payments to the Issuer will not be subject to withholding tax imposed by any jurisdiction unless either: (i) such withholding tax can be sheltered in full by application being made under the applicable double tax treaty or otherwise; or (ii) the Obligor is required to make "gross-up" payments that cover the full amount of any such withholding on an after-tax basis (and in the case of Participations, neither payments to the Selling Institution nor payments to the Issuer will be subject to withholding tax imposed by any jurisdiction unless the Obligor is required to make "gross-up" payments that compensate the Issuer directly or indirectly in full for any such withholding on an after-tax basis);

(j) other than in the case of Corporate Rescue Loans, it has a Moody’s Rating of not lower than “Caa3” and an S&P Rating of not lower than "CCC-“;

(k) it is not a debt obligation whose repayment is subject to substantial non-credit related risk;

(l) it will not result in the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer other than those: (i) which may arise at its option; (ii) which are fully collateralised; (iii) which are subject to limited recourse provisions similar to those set out in the Trust Deed; (iv) which are owed to the agent bank in relation to the performance of its duties under a Collateral Debt Obligation; or (v) which may arise as a result of an undertaking to participate in a financial restructuring of a Collateral Debt Obligation where such undertaking is contingent upon the redemption in full of such Collateral Debt Obligation on or before the time by which the Issuer is obliged to enter into the restructured Collateral Debt Obligation and where the restructured Collateral Debt Obligation satisfies the Eligibility Criteria and for the avoidance of doubt, the Issuer is not liable to pay any amounts in respect of a restructured Collateral Debt Obligation, provided that, in respect of paragraph (v) only, that the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer following such restructuring shall not exceed the redemption amounts from such restructured Senior Secured Loan, second lien loan or similar obligation;

(m) it will not require the Issuer or the pool of collateral to be registered as an investment company under the Investment Company Act;

(n) it is not a debt obligation that pays scheduled interest less frequently than annually (other than, for the avoidance of doubt, PIK Obligations);
it is not a debt obligation issued by an Obligor which has total current indebtedness (comprised of all financial debt owing by that Obligor including the maximum available amount or total commitment under any revolving or delayed draw loans) under its respective loan agreements and other Underlying Instruments of less than €100,000,000.00 (or its equivalent in any currency);

it is not subject to a tender offer, voluntary redemption, exchange offer, conversion or other similar action for a price less than its par amount plus all accrued and unpaid interest;

the Collateral Debt Obligation Stated Maturity thereof falls prior to the Maturity Date of the Notes;

its acquisition by the Issuer will not result in the imposition of stamp duty or stamp duty reserve tax or other similar tax, duty or levy payable by the Issuer (or by any other person who has a right, statutory or otherwise, to be reimbursed for the same by the Issuer), unless such stamp duty or stamp duty reserve tax or other similar tax, duty or levy has been included in the purchase price of such Collateral Debt Obligation;

upon acquisition, the Collateral Debt Obligation is capable of being, and will be, the subject of a first fixed charge, a first priority security interest or other arrangement having a similar commercial effect in favour of the Trustee for the benefit of the Secured Parties;

is an obligation of an Obligor or Obligors Domiciled in a Non-Emerging Market Country (as determined by the Collateral Manager acting on behalf of the Issuer);

it has not been called for, and is not subject to a pending, redemption;

it is capable of being sold, assigned or participated to the Issuer, together with any associated security, without any breach of applicable selling restrictions or of any contractual provisions or of any legal or regulatory requirements and the Issuer does not require any authorisations, consents, approvals or filings (other than such as have been obtained or effected) as a result of or in connection with any such sale, assignment or participation under any applicable law;

it is not an obligation in respect of which interest payments are scheduled to decrease (although interest payments may decrease due to unscheduled events such as a decrease of the index relating to a Floating Rate Collateral Debt Obligation, the change from a default rate of interest to a non default rate or an improvement in the Obligor’s financial condition);

it is an obligation (i) that is acquired, and held in a manner that does not violate the U.S. Investment Restrictions, and (ii) the nature of which does not violate the U.S. Investment Restrictions;

it must require the consent of at least 66⅔ per cent. of the lenders to the Obligor thereunder for any change in the principal repayment profile or interest applicable on such obligation (for the avoidance of doubt, excluding any changes originally envisaged in the loan documentation) provided that in the case of a Collateral Debt Obligation that is a bond, such percentage requirement shall refer to the percentage of holders required to approve a resolution on any such matter, either as a percentage of those attending a quorate bondholder meeting or as a percentage of all bondholders acting by way of a written resolution;

it is not a Project Finance Loan;

it is not, and is not convertible into, an equity security;

it is in registered form for U.S. federal income tax purposes unless it is not a "registration required" instrument;
(cc) it is a "qualifying asset" for the purposes of section 110 of the Taxes Consolidation Act 1997 of Ireland;

(dd) its acquisition by the Issuer will not result in the Issuer being required to be authorised as a "credit servicing firm" within the meaning of the Irish Central Bank Act, 1997 (as amended); and

(ee) it does not have an "F", "R", "P", "P", "Q", "(SF)" or "T" subscript assigned by S&P.

Other than (i) Original Issue Date Collateral Debt Obligations, which must have satisfied the then applicable Eligibility Criteria on the Original Issue Date and (ii) Collateral Debt Obligations which are the subject of a restructuring (whether effected by way of an amendment to the terms of such Collateral Debt Obligation or by way of substitution of new obligations and/or change of Obligor), which must satisfy the Restructured Obligation Criteria on the applicable Restructuring Date, the subsequent failure of any Collateral Debt Obligation to satisfy any of the Eligibility Criteria shall not prevent any obligation which would otherwise be a Collateral Debt Obligation from being a Collateral Debt Obligation so long as such obligation satisfied the then applicable Eligibility Criteria, when the Issuer or the Collateral Manager on behalf of the Issuer entered into a binding agreement to purchase such obligation.

4. Restructured Obligations

In the event a Collateral Debt Obligation becomes the subject of a restructuring whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an amendment of its maturity date) or by way of substitution of new obligations and/or change of Obligor, such obligation shall only constitute a Restructured Obligation if such obligation satisfies the criteria (the "Restructured Obligation Criteria") in paragraphs (a), (b), (d), (e), (f), (g), (h), (i), (k), (l), (m), (n), (p) (q), (r), (s), (t), (u), (v), (w), (x), (y), (z), (aa), (bb), (cc), (dd) and (ee) of the Eligibility Criteria and such obligation has an S&P Rating.

5. Management of the Portfolio

Overview

The Collateral Manager (acting on behalf of the Issuer) is permitted, in certain circumstances and, subject to certain requirements, to sell Collateral Debt Obligations and Exchanged Securities and to reinvest the Sale Proceeds (other than accrued interest on such Collateral Debt Obligations included in Interest Proceeds by the Collateral Manager) thereof in Substitute Collateral Debt Obligations. The Collateral Manager shall determine (in consultation with the Collateral Administrator), as at the date of the proposed acquisition, that the Portfolio Profile Tests and Reinvestment Criteria which are required to be satisfied (or where such relevant criterion permits, maintained or improved) in connection with any such sale or reinvestment are satisfied (or where such relevant criterion permits, maintained or improved) or, if any such criteria are not satisfied (or where such relevant condition permits, maintained or improved), shall notify the Issuer of the reasons and the extent to which such criteria are not so satisfied (or where such relevant criterion permits, maintained or improved). Certification as of the trade date of the satisfaction of such tests (or where such relevant criterion permits, such tests are maintained or improved) shall be made upon delivery to the Collateral Administrator of a trade ticket by the Collateral Manager in respect of such acquisition on the settlement date thereof, and the Collateral Administrator in turn shall make the relevant certifications to the Issuer Order (as defined in the Collateral Management Agreement) on such date, subject to and in accordance with the terms of the Collateral Management Agreement.

The Collateral Manager will determine and use reasonable endeavours to cause to be purchased by the Issuer, Collateral Debt Obligations (including all Substitute Collateral Debt Obligations) taking into account the Eligibility Criteria and will monitor the performance of the Collateral Debt Obligations on an ongoing basis to the extent practicable using sources of information reasonably available to it and provided that the Collateral Manager shall not be responsible for determining whether or not the terms of any individual Collateral Debt Obligation have been observed.
The activities referred to below that the Collateral Manager may undertake on behalf of the Issuer are subject to the Issuer’s, monitoring of the performance of the Collateral Manager under the Collateral Management Agreement.

**Sale of Collateral Debt Obligations**

**Sale of Original Issue Date Collateral Debt Obligations**

The Collateral Manager, acting on behalf of the Issuer, has sold any Original Issue Date Collateral Debt Obligations which did not comply with the Eligibility Criteria on the Issue Date (each a "Non-Eligible Issue Date Collateral Debt Obligation") Any Sale Proceeds received in connection therewith were reinvested in Substitute Collateral Debt Obligations satisfying the Eligibility Criteria or credited to the Principal Account pending such reinvestment.

**Terms and Conditions applicable to the Sale of Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations**

Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations may be sold at any time by the Collateral Manager (acting on behalf of the Issuer) subject to the following:

(a) to the Collateral Manager’s knowledge, no Note Event of Default having occurred which is continuing; and

(b) the Collateral Manager believes, in its reasonable judgement, that such security constitutes a Credit Impaired Obligation, a Credit Improved Obligation or a Defaulted Obligation,

provided that if the Collateral Manager is removed following the occurrence of a Collateral Manager Event of Default and a successor collateral manager has not been appointed and accepted such appointment, the Collateral Manager shall not sell any Credit Impaired Obligation, Credit Improved Obligation or any Defaulted Obligation.

**Terms and Conditions applicable to the Sale of Exchanged Securities**

Any Exchanged Security may be sold at any time by the Collateral Manager in its discretion (acting on behalf of the Issuer) subject to, to the Collateral Manager’s knowledge, no Note Event of Default having occurred which is continuing.

In addition to any discretionary sale of Exchanged Securities as provided above, the Collateral Manager shall be required by the Issuer to use its reasonable efforts to sell (on behalf of the Issuer) any Exchanged Security which constitutes Margin Stock, as soon as practicable upon its receipt or upon its becoming Margin Stock (as applicable), provided that if the Collateral Manager is removed following the occurrence of a Collateral Manager Event of Default and a successor collateral manager has not been appointed and accepted such appointment, the Collateral Manager shall not sell any Exchanged Security.

**Discretionary Sales**

The Issuer or the Collateral Manager (acting on behalf of the Issuer) may dispose of any Collateral Debt Obligation (other than a Credit Improved Obligation, a Credit Impaired Obligation, a Defaulted Obligation or an Exchanged Security, each of which may only be sold in the circumstances provided above) at any time provided that:

(a) no Note Event of Default having occurred which is continuing;

(b) after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Debt Obligations sold as described in this paragraph during the preceding 12 calendar months is not greater
than 25 per cent. of the Aggregate Collateral Balance as of the first day of such 12 calendar month period; and

(c) either:

(i) during the Reinvestment Period, the Collateral Manager reasonably believes prior to such sale that it will be able to enter one or more binding commitments to reinvest all or a portion of the proceeds of such sale in one or more additional Collateral Debt Obligations with an Aggregate Principal Balance outstanding at least equal to the Principal Balance of such sold Collateral Debt Obligation or Collateral Debt Obligations within 45 days after the settlement of such sale in accordance with the Reinvestment Criteria; or

(ii) at any time, either: (1) the Sale Proceeds from such sale are at least equal to the Principal Balance of such Collateral Debt Obligation; or (2) after giving effect to such sale, the Aggregate Principal Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be multiplied by the lower of its Moody’s Collateral Value and its S&P Collateral Value) outstanding of all Collateral Debt Obligations (excluding the Collateral Debt Obligation being sold but including, without duplication, the Sale Proceeds of such sale) plus, without duplication, the amount on deposit in the Principal Account (including Eligible Investments therein) will be greater than (or equal to) the Reinvestment Target Par Amount (as defined below),

provided that if the Collateral Manager is removed following the occurrence of a Collateral Manager Event of Default and a successor collateral manager has not been appointed and accepted such appointment, the Collateral Manager shall not sell any Collateral Debt Obligation.

Restricted Trading Period

The Issuer or the Collateral Manager (acting on its behalf) shall promptly notify S&P and Moody’s upon the occurrence of a Restricted Trading Period.

Sale of Collateral Prior to Maturity Date

In the event of: (i) any redemption of the Rated Notes in whole prior to the Maturity Date; or (ii) receipt of notification from the Trustee of enforcement of the security over the Collateral; the Collateral Manager (acting on behalf of the Issuer) will (at the direction of the Trustee following the enforcement of such security), as far as practicable, arrange for liquidation of the Collateral in order to procure that the proceeds thereof are in immediately available funds by the Business Day prior to the applicable Redemption Date and sell all or part of the Portfolio, as applicable, in accordance with Condition 7 (Redemption and Purchase) and clause 27 (Realisation of Collateral) of the Collateral Management Agreement but without regard to the limitations set out in clause 20 (Management of the Portfolio) and Schedule 3 (Reinvestment Criteria) of the Collateral Management Agreement (which will include any limitations or restrictions set out in the Conditions of the Notes and the Trust Deed).

Sale of Assets which do not Constitute Collateral Debt Obligations

In the event that an asset did not satisfy the Eligibility Criteria on the date it was required to do so in accordance with the Collateral Management Agreement, the Collateral Manager shall use reasonable efforts to sell such asset. Such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria.
Disposal of Unsaleable Assets

Following the delivery of prior written notice of a proposed Optional Redemption in accordance with Condition 7(b)(iv)(A), or the delivery of an Acceleration Notice (actual or deemed) in accordance with Condition 10(b), the Collateral Manager, acting on behalf of the Issuer, may conduct an auction of Unsaleable Assets. The Issuer will provide notice (in such form as is prepared by the Collateral Manager) to the Noteholders in accordance with the Conditions (and, for so long as any Rated Notes are Outstanding, the Rating Agencies) of such auction, setting forth in reasonable detail a description of each Unsaleable Asset and the following auction procedures:

(a) any Noteholder may submit a written bid to purchase for cash one or more Unsaleable Assets no later than the date specified in the auction notice (which shall be at least 15 Business Days after the date of such notice) and, for any Unsaleable Asset for which one or more bids are received, the Collateral Manager, on behalf of the Issuer, will deliver such Unsaleable Asset to the highest bidder against payment in cash of the bid price;

(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 Noteholder submits such a bid for an Unsaleable Asset, unless delivery in kind is not legally permissible or commercially practicable, the Collateral Manager will direct the Issuer to notify, and the Issuer will notify each Noteholder in accordance with the Conditions of the offer to deliver (at no cost to the Noteholders, the Collateral Manager or the Trustee) a pro rata portion of each unsold Unsaleable Asset to the Noteholders of the most senior Class that provide delivery instructions to the Collateral Manager 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 Collateral Manager will identify and distribute the Unsaleable Assets on a pro rata basis to the extent possible and the Collateral Manager will select by lottery the Noteholder to whom the remaining portion will be delivered. The Collateral Manager will use reasonable efforts to effect delivery of such portions of unsold Unsaleable Assets. For the avoidance of doubt, any such delivery to the Noteholders will not operate to reduce the principal amount outstanding of the related Notes held by such Noteholders; and

(d) if no such Noteholder provides delivery instructions to the Collateral Manager, the Collateral Manager will take such action (if any) to dispose of the Unsaleable Asset, which may be by donation to a charity, abandonment or other means.

Reinvestment of Collateral Debt Obligations

"Reinvestment Criteria" means, during the Reinvestment Period, the criteria set out under "During the Reinvestment Period" below and following the expiry of the Reinvestment Period, the criteria set out below under "Following the Expiry of the Reinvestment Period". The Reinvestment Criteria shall not apply in the case of a Collateral Debt Obligation which has been restructured where such restructuring has become binding on the holders thereof.

During the Reinvestment Period

During the Reinvestment Period, the Collateral Manager (acting on behalf of the Issuer) shall, using all reasonable endeavours, reinvest any Principal Proceeds in the purchase of Substitute Collateral Debt Obligations satisfying the Eligibility Criteria provided that immediately after entering into a binding commitment to acquire such Collateral Debt Obligation and taking into account existing commitments, the criteria set out below must be satisfied:

(a) no Note Event of Default has occurred that is continuing at the time of such purchase;
(b) the Coverage Tests are satisfied or if (other than with respect to the reinvestment of any proceeds received upon the sale of, or as a recovery on, any Defaulted Obligation, in respect of which such proceeds may only be reinvested if the Coverage Tests will be satisfied immediately following such reinvestment) as calculated immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation, the Principal Proceeds of which are being reinvested, any Coverage Test was not satisfied, the coverage ratio relating to such test will be maintained or improved after giving effect to such reinvestment than it was immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation;

(c) in the case of a Substitute Collateral Debt Obligation purchased with Sale Proceeds of a Credit Impaired Obligation or a Defaulted Obligation either:

(i) the Aggregate Principal Balance of all Substitute Collateral Debt Obligations purchased with such Sale Proceeds shall at least equal such Sale Proceeds;

(ii) the Aggregate Principal Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be multiplied by the lower of its Moody’s Collateral Value and its S&P Collateral Value) of all Collateral Debt Obligations (after giving effect to such reinvestment) will be maintained or increased, when respectively compared to the Aggregate Principal Balance (for which purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value) of all Collateral Debt Obligations immediately prior to such sale; or

(iii) the sum of: (A) the Aggregate Principal Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be multiplied by the lower of its Moody’s Collateral Value and its S&P Collateral Value) of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation); and (B) amounts standing to the credit of the Principal Account (including any Eligible Investments (save for interest accrued on Eligible Investments)) is equal to or greater than the Reinvestment Target Par Amount;

(d) in the case of a Substitute Collateral Debt Obligation purchased with Sale Proceeds of a Credit Improved Obligation either:

(i) the Aggregate Principal Balance shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance immediately prior to the sale of the relevant Credit Improved Obligation; or

(ii) the sum of: (A) the Aggregate Principal Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be multiplied by the lower of its Moody’s Collateral Value and its S&P Collateral Value) of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation); and (B) amounts standing to the credit of the Principal Account (including any Eligible Investments (save for interest accrued on Eligible Investments)) is equal to or greater than the Reinvestment Target Par Amount;

(e) either: (A) each of the Portfolio Profile Tests and the Collateral Quality Tests will be satisfied; or (B) if any of the Portfolio Profile Tests or Collateral Quality Tests are not satisfied such test will be maintained or improved after giving effect to such reinvestment than it was immediately prior to sale, repayment or prepayment (in whole or in part) of the relevant Collateral Debt Obligation;
the date on which the Issuer (or the Collateral Manager acting on behalf of the Issuer) enters into a binding commitment to purchase such Collateral Debt Obligation occurs during the Reinvestment Period;

with respect to the reinvestment of Sale Proceeds (other than Sale Proceeds from Credit Improved Obligations, Credit Impaired Obligations, Defaulted Obligations and Exchanged Securities) either:

(i) the Aggregate Principal Balance of all Collateral Debt Obligations shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance immediately prior to the sale that generates such Sale Proceeds; or

(ii) after giving effect to such sale, on the date on which the Issuer (or the Collateral Manager acting on behalf of the Issuer) enters into a binding commitment to purchase such Collateral Debt Obligation the sum of: (A) the Aggregate Principal Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be multiplied by the lower of its Moody’s Collateral Value and its S&P Collateral Value) of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Substitute Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligations); and (B) amounts standing to the credit of the Principal Account (including any Eligible Investments (save for interest accrued on Eligible Investments)) is equal to or greater than the Reinvestment Target Par Amount; and

in the case of a Substitute Collateral Debt Obligation that is an Unhedged Collateral Debt Obligation, the sum of: (A) the Aggregate Principal Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be multiplied by the lower of its Moody’s Collateral Value and its S&P Collateral Value) of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation); and (B) amounts standing to the credit of the Principal Account (including any Eligible Investments (save for interest accrued on Eligible Investments) but excluding amounts that will be applied to purchase such Substitute Collateral Debt Obligations) is equal to or greater than the Reinvestment Target Par Amount.

Following the Expiry of the Reinvestment Period

Following the expiry of the Reinvestment Period, Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations, only, may be reinvested by the Collateral Manager (acting on behalf of the Issuer) in one or more Substitute Collateral Debt Obligations satisfying the Eligibility Criteria, in each case provided that:

(a) the Aggregate Principal Balance of Substitute Collateral Debt Obligations equals or exceeds (i) the Aggregate Principal Balance of the related Collateral Debt Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds or (ii) the amount of Sale Proceeds of such Credit Impaired Obligation, as the case may be;

(b) a Restricted Trading Period is not currently in effect;

(c) the Moody’s Maximum Weighted Average Rating Factor Test is satisfied immediately after giving effect to such reinvestment;

(d) the Weighted Average Life Test is satisfied immediately after giving effect to such reinvestment, or, if not satisfied, is maintained or improved;
either: (I) each of the Portfolio Profile Tests and the Collateral Quality Tests (except the Moody’s Maximum Weighted Average Rating Factor Test, the Moody’s Minimum Diversity Test, the S&P CDO Monitor Test, the Weighted Average Life Test and paragraphs (n) and (o) of the Portfolio Profile Tests) are satisfied after giving effect to such reinvestment; or (II) if any such test was not satisfied immediately prior to such reinvestment, such test will be maintained or improved after giving effect to such reinvestment;

(f) no Note Event of Default has occurred that is continuing at the time of such reinvestment;

(g) before and after giving effect to such purchase, each Coverage Test is satisfied;

(h) after giving effect to the reinvestment, not more than 7.5 per cent. of the Aggregate Collateral Balance consist of obligations which are S&P CCC Obligations;

(i) after giving effect to the reinvestment, not more than 7.5 per cent. of the Aggregate Collateral Balance consist of obligations which are Moody’s Caa Obligations;

(j) either (i) such Substitute Collateral Debt Obligation(s) have the same or a higher S&P Rating as the Collateral Debt Obligation that produced such Unscheduled Principal Proceeds or Sale Proceeds, as the case may be; or (ii) for so long as any Rated Notes by S&P are outstanding, the Class Scenario Default Rate in respect of the Class A Notes is no greater following such reinvestment;

(k) the Collateral Debt Obligation Stated Maturity of each Substitute Collateral Debt Obligation is the same as or earlier than the Collateral Debt Obligation Stated Maturity of the Collateral Debt Obligation that produced such Unscheduled Principal Proceeds or Sale Proceeds; and

(l) in the case of a Substitute Collateral Debt Obligation that is an Unhedged Collateral Debt Obligation, the sum of: (A) the Aggregate Principal Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be multiplied by the lower of its Moody’s Collateral Value and its S&P Collateral Value) of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation); and (B) amounts standing to the credit of the Principal Account (including any Eligible Investments (save for interest accrued on Eligible Investments) but excluding amounts that will be applied to purchase such Substitute Collateral Debt Obligations) is greater than the Reinvestment Target Par Amount.

Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds and any Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations that have not been reinvested as provided above prior to the end of the Due Period in which such proceeds were received shall be paid into the Principal Account and disbursed in accordance with the Principal Proceeds Priority of Payment on the following Payment Date (subject as provided at the end of this paragraph), save that the Collateral Manager (acting on behalf of the Issuer) may in its discretion procure that Unscheduled Principal Proceeds and Sale Proceeds from the sale of any Credit Impaired Obligations and Credit Improved Obligations are paid into the Principal Account and designated for reinvestment in Substitute Collateral Debt Obligations, in which case such Principal Proceeds shall not be so disbursed in accordance with the Principal Proceeds Priority of Payments for so long as they remain so designated for reinvestment but for no longer than 90 days following their receipt by the Issuer; provided that, in each case where any of the applicable Reinvestment Criteria are not satisfied as of the Payment Date next following receipt of such Sale Proceeds or Unscheduled Principal Proceeds, all such funds shall be paid into the Principal Account and disbursed in accordance with the Principal Proceeds Priority of Payments set out in Condition 3(c)(ii) (Application of Principal Proceeds).
Amendments to Collateral Debt Obligation Stated Maturities of Collateral Debt Obligations

The Issuer (or the Collateral Manager on the Issuer’s behalf) may vote in favour of a Maturity Amendment during the Reinvestment Period only if, after giving effect to such Maturity Amendment (a) the Collateral Debt Obligation Stated Maturity of the Collateral Debt Obligation that is the subject of such Maturity Amendment is not later than the Maturity Date of the Rated Notes; and (b) the Weighted Average Life Test is satisfied. The Issuer (or the Collateral Manager on the Issuer’s behalf) may vote in favour of a Maturity Amendment following the expiry of the Reinvestment Period only if, after giving effect to such Maturity Amendment (a) the Collateral Debt Obligation Stated Maturity of the Collateral Debt Obligation that is the subject of such Maturity Amendment is not later than 18 months prior to the Maturity Date of the Rated Notes; (b) in the reasonable judgment of the Collateral Manager not voting in favour of such Maturity Amendment would be likely to have an adverse effect on the Issuer; and (c) the Weighted Average Life Test is satisfied. If the Issuer or the Collateral Manager (on behalf of the Issuer) has not voted in favour of a Maturity Amendment which would contravene the requirements of this paragraph but by way of scheme of arrangement or otherwise, the Collateral Debt Obligation Stated Maturity has been extended, the Issuer or the Collateral Manager acting on its behalf may but shall not be required to sell such Collateral Debt Obligation provided that in any event the Collateral Manager shall dispose of such Collateral Debt Obligation prior to the Maturity Date. Such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria.

Expiry of the Reinvestment Criteria Certification

Immediately preceding the end of the Reinvestment Period, the Collateral Manager will deliver to the Trustee and the Collateral Administrator a schedule of Collateral Debt Obligations purchased by the Issuer with respect to which purchases the trade date has occurred but the settlement date has not yet occurred and will certify to the Trustee that sufficient Principal Proceeds are available (including for this purpose, cash on deposit in the Principal Account, any scheduled distributions of Principal Proceeds, as well as any Principal Proceeds that will be received by the Issuer from the sale of Collateral Debt Obligations for which the trade date has already occurred but the settlement date has not yet occurred) to effect the settlement of such Collateral Debt Obligations.

Interest Diversion Test

If, on any Payment Date during the Reinvestment Period only, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (V) (inclusive) of the Interest Priority of Payments, the Class F Par Value Ratio is less than 104.38 per cent., Interest Proceeds shall be paid to the Principal Account for the acquisition of additional Collateral Debt Obligations in an amount equal to the Required Diversion Amount.

Designation for Reinvestment

After the expiry of the Reinvestment Period, the Collateral Manager shall, one Business Day following each Determination Date, notify the Issuer and the Collateral Administrator in writing of all Principal Proceeds which the Collateral Manager determines in its discretion (acting on behalf of the Issuer, and subject to the terms of Collateral Management Agreement as described above) shall remain designated for reinvestment in accordance with the Reinvestment Criteria, on or after the following Payment Date in which event such Principal Proceeds shall not constitute Principal Proceeds which are to be paid into the Payment Account and disbursed on such Payment Date in accordance with the Priorities of Payments.

The Collateral Manager (acting on behalf of the Issuer) may direct that the proceeds of sale of any Collateral Debt Obligation which represents accrued interest be designated as Interest Proceeds and paid into the Interest Account save for: (i) Purchased Accrued Interest; (ii) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; and (iii) any interest received in respect of a Defaulted Obligation for so long as it is a Defaulted Obligation other than Defaulted Obligation Excess Amounts.
Accrued Interest

Amounts included in the purchase price of any Collateral Debt Obligation comprising accrued interest thereon may be paid from the Interest Account or the Principal Account at the discretion of the Collateral Manager (acting on behalf of the Issuer) but subject to the terms of the Collateral Management Agreement and Condition 3(j) (Payments to and from the Accounts). Notwithstanding the foregoing, in any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Debt Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Debt Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of acquisition thereof with Principal Proceeds shall constitute Purchased Accrued Interest and shall be deposited into the Principal Account as Principal Proceeds.

Block Trades

The requirements described herein with respect to the Portfolio shall be deemed to be satisfied upon any sale and/or purchase of Collateral Debt Obligations on any day in the event that such Collateral Debt Obligations satisfy such requirements in aggregate rather than on an individual basis.

For the purpose of calculating compliance with the Reinvestment Criteria at the election of the Collateral Manager in its sole discretion, any proposed investment (whether a single Collateral Debt Obligation or a group of Collateral Debt Obligations) identified by the Collateral Manager as such at the time (the “Initial Trading Plan Calculation Date”) when compliance with the Reinvestment Criteria is required to be calculated (a “Trading Plan”) may be evaluated after giving effect to all sales and reinvestments proposed to be entered into within the ten Business Days following the date of determination of such compliance (such period, the “Trading Plan Period”); provided that:

(a) no Trading Plan may result in the purchase of Collateral Debt Obligations having an Aggregate Principal Balance (for which purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value) that exceeds 5 per cent. of the Aggregate Collateral Balance as of the first day of the Trading Plan Period;

(b) no Trading Plan Period may include a Payment Date;

(c) no more than one Trading Plan may be in effect at any time during a Trading Plan Period; and

(d) if the Reinvestment Criteria are satisfied prospectively after giving effect to a Trading Plan, but are not satisfied upon the completion of the related Trading Plan, Rating Agency Confirmation from S&P is obtained with respect to the effectiveness of additional Trading Plans (it being understood that Rating Agency Confirmation from S&P shall only be required once following any failure of a Trading Plan),

provided that no Trading Plan may result in the averaging of the purchase price of a Collateral Debt Obligation or Collateral Debt Obligations.

Eligible Investments

The Issuer or the Collateral Manager (acting on behalf of the Issuer) may from time to time purchase Eligible Investments out of the Balances standing to the credit of the Accounts (other than the Counterparty Downgrade Collateral Account, Unfunded Revolver Reserve Account and the Payment Account). For the avoidance of doubt, Eligible Investments may be sold by the Issuer or the Collateral Manager (acting on behalf of the Issuer) at any time.
Collateral Enhancement Debt Obligations

The Collateral Manager (acting on behalf of the Issuer) may, from time to time purchase Collateral Enhancement Debt Obligations independently or as part of a unit with the Collateral Debt Obligations being so purchased.

All funds required in respect of the purchase price of any Collateral Enhancement Debt Obligations, and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of the balance standing to the credit of the Collateral Enhancement Account at the relevant time. Pursuant to Condition 3(j)(v) (CollateralEnhancementAccount), such Balance shall be comprised of all sums deposited therein from time to time which will comprise interest payable in respect of the Subordinated Notes which the Collateral Manager acting on behalf of the Issuer, determines shall be paid into the Collateral Enhancement Account pursuant to the Priorities of Payments rather than being paid to the Subordinated Noteholders.

Collateral Enhancement Debt Obligations may be sold at any time and all Collateral Enhancement Debt Obligation Proceeds received by the Issuer shall be deposited into the Principal Account for allocation in accordance with the Principal Proceeds Priority of Payments.

Collateral Enhancement Debt Obligations and any income or return generated thereby are not taken into account for the purposes of determining satisfaction of, or required to satisfy, any of the Coverage Tests, Portfolio Profile Tests or Collateral Quality Tests.

Exercise of Warrants and Options

The Collateral Manager (acting on behalf of the Issuer) may at any time exercise a warrant or option attached to a Collateral Debt Obligation or comprised in a Collateral Enhancement Debt Obligation and shall request the Collateral Administrator to instruct the Account Bank to make any necessary payment in accordance with this agreement.

Margin Stock

The Issuer or the Collateral Manager, acting on behalf of the Issuer, shall sell any Collateral Debt Obligation, Exchanged Security or Collateral Enhancement Debt Obligation which is or at any time becomes Margin Stock as soon as practicable following such event.

Non-Euro Obligations

The Collateral Manager shall be authorised to purchase, on behalf of the Issuer, Non-Euro Obligations from time to time provided that any such Non-Euro Obligation shall only constitute a Collateral Debt Obligation that satisfies paragraph (b) of the Eligibility Criteria if either (a) for any Non-Euro Obligation denominated in a Qualifying Unhedged Obligation Currency and acquired in the Primary Market, within 90 days of the settlement date of acquisition thereof or otherwise (b) not later than the settlement date of acquisition thereof, the Collateral Manager procures entry by the Issuer into an Asset Swap Transaction pursuant to which the currency risk arising from receipt of cash flows from such Non-Euro Obligations, including interest and principal payments, is hedged through the swapping of such cash flows for Euro payments to be made by an Asset Swap Counterparty. The Collateral Manager (on behalf of the Issuer) shall be authorised to enter into spot exchange transactions, as necessary, to fund the Issuer's payment obligations under any Asset Swap Transaction. Rating Agency Confirmation shall be required in relation to entry into each Asset Swap Transaction unless such Asset Swap Transaction is a Form Approved Asset Swap.
Revolving Obligations and Delayed Drawdown Collateral Debt Obligations

The Collateral Manager acting on behalf of the Issuer, may acquire Collateral Debt Obligations which are Revolving Obligations or Delayed Drawdown Collateral Debt Obligations from time to time.

Such Revolving Obligations and Delayed Drawdown Collateral Debt Obligations may only be acquired if they are capable of being drawn in a single currency only (being Euros) and are not payable in or convertible into another currency.

Each Revolving Obligation and Delayed Drawdown Collateral Debt Obligation will, pursuant to its terms, require the Issuer to make one or more future advances or other extensions of credit (including extensions of credit made on an unfunded basis pursuant to which the Issuer may be required to reimburse the provider of a guarantee or other ancillary facilities made available to the obligor thereof in the event of any default by the obligor thereof in respect of its reimbursement obligations in connection therewith). Such Revolving Obligations and Delayed Drawdown Collateral Debt Obligations may or may not provide that they may be repaid and reborrowed from time to time by the Obligor thereunder. Upon acquisition of any Revolving Obligations and Delayed Drawdown Collateral Debt Obligations, the Issuer shall deposit into the Unfunded Revolver Reserve Account amounts equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Debt Obligations. To the extent required and subject to Rating Agency Confirmation, the Issuer, or the Collateral Manager acting on its behalf, may direct that amounts standing to the credit of the Unfunded Revolver Reserve Account be deposited with a third party from time to time as collateral for any reimbursement or indemnification obligations owed by the Issuer to any other lender in connection with a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation, as applicable and upon receipt of an Issuer Order (as defined in the Collateral Management Agreement) the Trustee shall be deemed to have released such amounts from the security granted thereover pursuant to the Trust Deed.

Participations

The Collateral Manager acting on behalf of the Issuer, may from time to time acquire Collateral Debt Obligations from Selling Institutions by way of Participation provided that at the time such Participation is taken:

(a) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with a single Selling Institution to such third party will not exceed the individual and aggregate percentages set forth in the Bivariate Risk Table determined by reference to the credit rating of such third party (or any guarantor thereof); and

(b) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with Selling Institutions (or any guarantor thereof) having the same credit rating (taking the lowest rating assigned thereto by any Rating Agency),

will not exceed the aggregate third party credit exposure limit set forth in the Bivariate Risk Table for such credit rating, and for the purpose of determining the foregoing, account shall be taken of each sub participation from which the Issuer, directly or indirectly derives its interest in the relevant Collateral Debt Obligation.

Each Participation entered into pursuant to a sub-participation agreement shall be substantially in the form of:

(a) the LSTA Model Participation Agreement for par/near par trades (as published by the Loan Syndications and Trading Association Inc. from time to time);

(b) the LMA Funded Participation (Par) (as published by the Loan Market Association from time to time); or
such other documentation provided such agreement contains limited recourse and non-petition language substantially the same as contained in the Trust Deed.

Assignments

The Collateral Manager acting on behalf of the Issuer, may from time to time acquire Collateral Debt Obligations from Selling Institutions by way of Assignment provided that at the time such Assignment is acquired the Collateral Manager acting on behalf of the Issuer shall have complied, to the extent within their control, with any requirements relating to such Assignment set out in the relevant loan documentation for such Collateral Debt Obligation (including, without limitation, with respect to the form of such Assignment and obtaining the consent of any person specified in the relevant loan documentation).

Bivariate Risk Table

The following is the bivariate risk table (the "Bivariate Risk Table") and as referred to in "Portfolio Profile Tests and Collateral Quality Tests" below and "Participations" above. For the purposes of the limits specified in the Bivariate Risk Table, the individual third party credit exposure limit shall be determined by reference to the Aggregate Principal Balance of all Collateral Debt Obligation Participations (excluding any Defaulted Obligations) entered into by the Issuer with the same counterparty (such amount in respect of such entity, the "Third Party Exposure") and the applicable percentage limits shall be determined by reference to the lower of the S&P or Moody’s ratings applicable to such counterparty and the aggregate third party credit exposure limit shall be determined by reference to the aggregate of Third Party Exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

<table>
<thead>
<tr>
<th>Long Term / Short Term Senior Unsecured Debt Rating of Selling Institution</th>
<th>Individual Third Party Credit Exposure Limit*</th>
<th>Aggregate Third Party Credit Exposure Limit*</th>
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AA+ 5% 5%
AA 5% 5%
AA- 5% 5%
A+ 5% 5%
A 5% 5%
A- or below 0% 0%

* As a percentage of the Aggregate Collateral Balance (excluding any Defaulted Obligations) the aggregate third party credit exposure limit shall be determined by reference to the aggregate of the third party credit exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

6. Portfolio Profile Tests and Collateral Quality Tests

Measurement of Tests

The Portfolio Profile Tests and the Collateral Quality Tests will be used as criteria for purchasing Collateral Debt Obligations. The Collateral Administrator will measure the Portfolio Profile Tests and the Collateral Quality Tests on each Determination Date (save as otherwise provided herein).

Substitute Collateral Debt Obligations in respect of which a binding commitment has been made to purchase such Substitute Collateral Debt Obligations but such purchase has not been settled shall nonetheless be deemed to have been purchased for the purposes of the Portfolio Profile Tests and the Collateral Quality Tests. See "Reinvestment in Collateral Debt Obligations" above.

Notwithstanding the foregoing, the failure of the Portfolio to meet the requirements of the Portfolio Profile Tests at any time shall not prevent any obligation which would otherwise be a Collateral Debt Obligation from being a Collateral Debt Obligation.

Portfolio Profile Tests

The Portfolio Profile Tests will consist of each of the following:

(a) not less than 90.00 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Senior Secured Loans and Senior Secured Bonds (which term, for the purposes of this paragraph (a), shall comprise the aggregate of the Aggregate Principal Balance of the Senior Secured Loans and Senior Secured Bonds and the Balance standing to the credit of the Principal Account and any Eligible Investments which represent Principal Proceeds, in each case as at the relevant Measurement Date);

(b) not less than 70.00 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Senior Secured Loans (which term, for the purposes of this paragraph (b), shall comprise the aggregate of the Aggregate Principal Balance of the Senior Secured Loans and the Balance standing to the credit of the Principal Account and any Eligible Investments which represent Principal Proceeds, in each case as at the relevant Measurement Date);

(c) not more than 10.00 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Second Lien Loans, Senior Unsecured Obligations, High Yield Bonds, and Mezzanine Obligations;
(d) not more than 10.00 per cent. of the Aggregate Collateral Balance shall consist of obligations which are
Fixed Rate Collateral Debt Obligations;

(e) not more than 20.00 per cent. of the Aggregate Collateral Balance shall consist of obligations which are
Asset Swap Obligations provided that an Asset Swap Transaction is entered into in respect of each such
Asset Swap Obligation with one or more Asset Swap Counterparties satisfying the applicable Rating
Requirement under which the currency risk is reduced or eliminated, as soon as practicable (and no later
than the relevant settlement date);

(f) not more than 2.50 per cent. of the Aggregate Collateral Balance shall consist of obligations which are
Unhedged Collateral Debt Obligations;

(g) not more than 10.00 per cent. of the Aggregate Collateral Balance shall be obligations comprising any one
S&P Industry Classification Group, provided that the largest S&P Industry Classification Group may
comprise no more than 15.00 per cent. of the Aggregate Collateral Balance and the second and third
largest S&P Industry Classification Groups may each comprise no more than 12.00 per cent. of the
Aggregate Collateral Balance;

(h) not more than 10.00 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are
Domiciled in countries or jurisdictions with Moody’s local currency country risk ceiling of “A1” or below;

(i) not more than 5.00 per cent. of the Aggregate Collateral Balance shall consist of Current Pay Obligations;

(j) not more than 5.00 per cent. of the Aggregate Collateral Balance shall consist of Unfunded
Amounts/Funded Amounts under Revolving Obligations or Delayed Drawdown Collateral Debt
Obligations;

(k) not more than 5.00 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans,
provided that not more than 2.00 per cent. thereof shall consist of Corporate Rescue Loans from a single
Obligor;

(l) not more than 5.00 per cent. of the Aggregate Collateral Balance shall consist of obligations which are
PIK Obligations;

(m) not more than 5.00 per cent. of the Aggregate Collateral Balance shall consist of obligations which are
Annual Obligations;

(n) not more than 7.50 per cent. of the Aggregate Collateral Balance shall consist of obligations which are
Moody’s Caa Obligations;

(o) not more than 7.50 per cent. of the Aggregate Collateral Balance shall consist of obligations which are
S&P CCC Obligations;

(p) not more than 10.00 per cent. of the Aggregate Collateral Balance shall carry a Moody’s Rating derived
from an S&P Rating;

(q) not more than 10.00 per cent. of the Aggregate Collateral Balance shall carry an S&P Rating derived from
a Moody’s Rating;

(r) with respect to Senior Secured Loans and Senior Secured Bonds not more than 2.50 per cent. of the
Aggregate Collateral Balance shall be the obligation of any single Obligor provided that the Aggregate
Principal Balance of such obligations of 3 Obligors may each represent up to 3.00 per cent. each;
(s) with respect to Senior Unsecured Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds, in aggregate, not more than 1.50 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor provided that up to 3 Obligors may represent up to 2.00 per cent. each;

(t) not more than 3.00 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor;

(u) not more than 5.00 per cent. of the Aggregate Collateral Balance shall consist of Participations;

(v) not more than 2.50 per cent. of the Aggregate Collateral Balance shall consist of Bridge Loans;

(w) the limits set forth in the Bivariate Risk Table determined by reference to the ratings of Selling Institutions shall be satisfied;

(x) not more than 30.00 per cent. of the Aggregate Collateral Balance shall consist of Cov-Lite Loans;

(y) not more than 20.00 per cent. of the Aggregate Collateral Balance shall consist of Non-Broadly Syndicated Loans to Portfolio Companies;

(z) not more than 25.00 per cent. of the Aggregate Collateral Balance shall be the obligations of Obligors which are CVC Capital Portfolio Companies;

(aa) not more than 5.00 per cent. of the Aggregate Collateral Balance shall consist of Collateral Debt Obligations issued by Obligors each of which has total current indebtedness (comprised of all financial debt owing by the Obligor including the maximum available amount or total commitment under any revolving or delayed draw loans) under their respective loan agreements and other Underlying Instruments of not less than €100,000,000.00 but not more than €200,000,000.00 (or its equivalent in any currency) at the time at which the Issuer entered into a binding commitment to purchase such Collateral Debt Obligation; and

(bb) no more than 25.0 per cent. of the Aggregate Collateral Balance shall consist of Collateral Debt Obligations that were acquired from a majority-owned affiliate or branch of the Collateral Manager or the Issuer organised or located in the United States.

The percentage requirements applicable to different types of Collateral Debt Obligations specified in the Portfolio Profile Tests shall be determined by reference to the Aggregate Principal Balance of such type of Collateral Debt Obligations, excluding Defaulted Obligations. Collateral Debt Obligations for which the Issuer (or the Collateral Manager acting on behalf of the Issuer) has entered into binding commitments to purchase but have not yet settled shall be included for the purposes of calculating the Portfolio Profile Tests and Collateral Debt Obligations for which the Issuer (or the Collateral Manager acting on behalf of the Issuer) has entered into binding commitments to sell but have not yet settled shall be excluded for the purposes of calculating the Portfolio Profile Tests.

**Collateral Quality Tests**

The Collateral Quality Tests will consist of each of the following:

(a) so long as any Notes rated by S&P are Outstanding and until the expiry of the Reinvestment Period only the S&P CDO Monitor Test;

(b) so long as any Notes rated by Moody’s are Outstanding:

(i) the Moody’s Minimum Diversity Test;
(ii) the Moody’s Minimum Weighted Average Recovery Test; and

(iii) the Moody’s Maximum Weighted Average Rating Factor Test; and

(c) so long as any Rated Notes are Outstanding:

(i) the Weighted Average Life Test; and

(ii) the Minimum Weighted Average Spread Test,

each as defined in the Collateral Management Agreement.

The Principal Balance of Defaulted Obligations shall be excluded for the purposes of calculating the Collateral Quality Tests.

Moody’s Test Matrix

Subject to the provisions provided below, the Collateral Manager will have the option to elect which of the cases set forth in the matrix to be set out in the Collateral Management Agreement (substantially in the form set out below) (the "Moody’s Test Matrix") shall be applicable for purposes of the Moody’s Maximum Weighted Average Rating Factor Test, the Moody’s Minimum Diversity Test and the Minimum Weighted Average Spread Test. For any given case:

(a) the applicable column for performing the Moody’s Minimum Diversity Test will be the column (or linear interpolation between two adjacent columns, as applicable) in which the elected case is set out;

(b) the applicable row and column for performing the Moody’s Maximum Weighted Average Rating Factor Test will be the row and column (or linear interpolation between two adjacent rows and/or two adjacent columns (as applicable) in which the elected case is set out; and

(c) the applicable row for performing the Minimum Weighted Average Spread Test will be the row (or linear interpolation between two adjacent rows, as applicable) in which the elected test is set out.

On ten Business Days’ notice to the Issuer, the Collateral Administrator and Moody’s, the Collateral Manager may elect to have a different case apply, provided that the Moody’s Minimum Diversity Test, the Moody’s Maximum Weighted Average Rating Factor Test, the Moody’s Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Spread Test applicable to the case to which the Collateral Manager desires to change are satisfied (and, in relation to the Minimum Weighted Average Spread Test, taking into account the case that the Collateral Manager has elected to apply under the S&P Test Matrix) or, in the case of any tests that are not satisfied, are closer to being satisfied. In no event will the Collateral Manager be obliged to elect to have a different case apply.
Moody's Test Matrix

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</tr>
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</table>

S&P Test Matrix

"S&P Test Matrix" means the Class Break-Even Default Rate will be determined as follows: (A) the applicable weighted average spread will be the spread between 2.50 per cent. and 6.00 per cent. (in increments of 0.01 per cent.) without exceeding the sum of (i) the Weighted Average Floating Spread as of such Measurement Date (provided that the calculation of the Weighted Average Floating Spread for such purpose shall exclude the Aggregate Excess Funded Spread from the numerator thereof) and (ii) the Weighted Average Fixed Coupon Adjustment Percentage as of such Measurement Date ("the S&P Test Matrix Spread"), and (B) the applicable weighted average recovery rate with respect to the most junior Class of Rated Notes issued on the Issue Date with a rating of "AAA" by S&P will be the recovery rate between 25 per cent. and 80 per cent. (in increments of 0.01 per cent.), a "Recovery Rate Case", as selected by the Collateral Manager (provided that the Recovery Rate Case selected for such purpose shall not exceed the S&P Weighted Average Recovery Rate). The Collateral Manager will have the right to choose which Recovery Rate Case applies and which S&P Test Matrix Spread will be applicable for purposes of the S&P CDO Monitor.

After the Issue Date, the Collateral Manager may request for S&P to provide S&P CDO input files ("S&P CDO Input Files") for up to 10,000 combinations of S&P Test Matrix Spreads and Recovery Rate Cases. On two Business Days’ written notice to the Collateral Administrator (or such shorter time as may be acceptable to the Collateral Administrator), the Collateral Manager may choose a different Recovery Rate Case or a different S&P Test Matrix Spread; provided, that the Collateral Debt Obligations must be in compliance with such different Recovery Rate Case and the S&P Test Matrix Spread, as applicable, and, solely for purposes of this proviso, if the
Issuer has entered into a binding commitment to invest in a Collateral Debt Obligation, compliance with the newly selected Recovery Rate Case and the S&P Test Matrix Spread, as applicable, may be determined after giving effect to such investment. Notwithstanding the foregoing, if the Collateral Debt Obligations are not currently in compliance with the Recovery Rate Case and the S&P Test Matrix Spread then applicable and would not be in compliance with any other Recovery Rate Case or S&P Test Matrix Spread, as applicable, the Collateral Manager may select a different Recovery Rate Case or a different S&P Test Matrix Spread, as applicable, that is not further out of compliance than the current Recovery Rate Case and the S&P Test Matrix Spread, as applicable.

The Moody’s Minimum Diversity Test

The "Moody’s Minimum Diversity Test" will be satisfied as at any Determination Date if the Diversity Score equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the Moody’s Test Matrix based upon the applicable "row/column" combination chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)).

The "Diversity Score" is a single number that indicates collateral concentration and correlation in terms of both issuer and industry concentration and correlation. It is similar to a score that Moody’s uses to measure concentration and correlation for the purposes of its ratings. A higher Diversity Score reflects a more diverse portfolio in terms of the issuer and industry concentration. The Diversity Score for the Collateral Debt Obligations is calculated by summing each of the Industry Diversity Scores which are calculated as follows, and rounding the result up to the nearest whole number:

(a) an "Average Principal Balance" is calculated by summing the Obligor Principal Balances and dividing by the sum of the aggregate number of issuers and/or borrowers represented;

(b) an "Obligor Principal Balance" is calculated for each Obligor represented in the Collateral Debt Obligations by summing the Principal Balances of all Collateral Debt Obligations (excluding Defaulted Obligations) issued by such Obligor, provided that if a Collateral Debt Obligation has been sold or is the subject of an optional redemption or Offer, and the Sale Proceeds or Unscheduled Principal Proceeds from such event have not yet been reinvested in Substitute Collateral Debt Obligations or distributed to the Noteholders or the other creditors of the Issuer in accordance with the Priorities of Payments, the Obligor Principal Balance shall be calculated as if such Collateral Debt Obligation had not been sold or was not subject to such an optional redemption or Offer;

(c) an "Equivalent Unit Score" is calculated for each Obligor by taking the lesser of (i) one and (ii) the Obligor Principal Balance for such Obligor divided by the Average Principal Balance;

(d) an "Aggregate Industry Equivalent Unit Score" is then calculated for each of the 32 Moody’s industrial classification groups by summing the Equivalent Unit Scores for each Obligor in the industry (or such other industrial classification groups and Equivalent Unit Scores as are published by Moody’s from time to time); and

(e) an "Industry Diversity Score" is then established by reference to the Diversity Score Table shown below (or such other Diversity Score Table as is published by Moody’s from time to time) (the "Diversity Score Table") for the related Aggregate Industry Equivalent Unit Score. If the Aggregate Industry Equivalent Unit Score falls between any two such scores shown in the Diversity Score Table, then the Industry Diversity Score is the lower of the two Diversity Scores in the Diversity Score Table.

For purposes of calculating the Diversity Scores any Obligors Affiliated with one another will be considered to be one Obligor.
## Diversity Score Table

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<th>Industry Diversity Score</th>
<th>Aggregate Industry Equivalent Unit Score</th>
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<td>3.4750</td>
<td>12.9500</td>
<td>4.3000</td>
<td>18.0500</td>
<td>4.8100</td>
</tr>
<tr>
<td>2.8500</td>
<td>1.9500</td>
<td>7.9500</td>
<td>3.5000</td>
<td>13.0500</td>
<td>4.3100</td>
<td>18.1500</td>
<td>4.8200</td>
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</table>
Diversity Score Table

<table>
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<tr>
<th>Aggregate Industry Equivalent Unit Score</th>
<th>Industry Diversity Score</th>
<th>Aggregate Industry Equivalent Unit Score</th>
<th>Industry Diversity Score</th>
<th>Aggregate Industry Equivalent Unit Score</th>
<th>Industry Diversity Score</th>
<th>Aggregate Industry Equivalent Unit Score</th>
<th>Industry Diversity Score</th>
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<tr>
<td>4.8500</td>
<td>2.6333</td>
<td>9.9500</td>
<td>4.0000</td>
<td>15.0500</td>
<td>4.5100</td>
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<td>4.9500</td>
<td>2.6667</td>
<td>10.0500</td>
<td>4.0100</td>
<td>15.1500</td>
<td>4.5200</td>
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</table>

The Moody’s Maximum Weighted Average Rating Factor Test

The "Moody’s Maximum Weighted Average Rating Factor Test" will be satisfied at any Determination Date if the Adjusted Weighted Average Moody’s Rating Factor of the Collateral Debt Obligations as at such Determination Date is equal to or less than the sum of (i) the number set forth in the Moody’s Test Matrix at the intersection of the applicable "row/column" combination chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)), (acting on behalf of the Issuer) as at such Determination Date plus (ii) the Moody’s Weighted Average Recovery Adjustment.

The "Moody’s Weighted Average Rating Factor" is determined by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation, excluding Defaulted Obligations, by its Moody’s Rating Factor, dividing such sum by the Aggregate Principal Balances of all such Collateral Debt Obligations, excluding Defaulted Obligations, and rounding the result up to the nearest whole number.

The "Moody’s Rating Factor" relating to any Collateral Debt Obligation is the number set forth in the table below opposite the Moody’s Default Probability Rating of such Collateral Debt Obligation.

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Aaa</td>
<td>1</td>
<td>Ba1</td>
<td>940</td>
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<td>Aa1</td>
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<td>Ba3</td>
<td>1,766</td>
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<td>Aa3</td>
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<td>A3</td>
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<td>4,770</td>
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</table>
The "Moody’s Weighted Average Recovery Adjustment" means, as of any Determination Date, the greater of:

(a) zero; and

(b) the product of:

(i) (A) the Weighted Average Moody’s Recovery Rate as of such Determination Date multiplied by 100 minus (B) 43.50; and

(ii) (A) with respect to the adjustment of the Moody’s Maximum Weighted Average Rating Factor Test:

(1) 65 if the Weighted Average Floating Spread is less than 3.40 per cent.;

(2) 70 if the Weighted Average Floating Spread is equal to or greater than 3.40 per cent. but less than 5.30 per cent.; or

(3) 75 if the Weighted Average Floating Spread is equal to or greater than 5.30 per cent.; and

(B) with respect to the adjustment of the Minimum Weighted Average Spread Test:

(1) 0.06 per cent. if the Weighted Average Floating Spread is less than 3.40 per cent.;

(2) 0.11 per cent. if the Weighted Average Floating Spread is equal to or greater than 3.40 per cent. but less than 4.60 per cent.;

(3) 0.16 per cent. if the Weighted Average Floating Spread is equal to or greater than 4.60 per cent. but less than 5.50 per cent.; or

(4) 0.24 per cent. if the Weighted Average Floating Spread is equal to or greater than 5.50 per cent.,

provided that if the Weighted Average Moody’s Recovery Rate for purposes of determining the Moody’s Weighted Average Recovery Adjustment is greater than 60 per cent., then such Weighted Average Moody’s Recovery Rate shall equal 60 per cent. unless Rating Agency Confirmation is obtained;

provided further that the amount specified in clause (b)(i) may only be allocated once on any Determination Date and the Collateral Manager shall designate to the Collateral Administrator in writing on each such date the portion of such amount that shall be allocated to clause (b)(ii)(A) and the portion of such amount that shall be allocated to clause (b)(ii)(B) (it being understood that, absent an express designation by the Collateral Manager, all such amounts shall be allocated to clause (b)(ii)(A)).
"Adjusted Weighted Average Moody’s Rating Factor" means, as of any Determination Date, a number equal to the Moody’s Weighted Average Rating Factor determined in the following manner: each applicable rating on credit watch by Moody’s that is (a) on review for upgrade will be treated as having been upgraded by one rating subcategory, (b) on review for downgrade 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.

The Moody’s Minimum Weighted Average Recovery Rate Test

The "Moody’s Minimum Weighted Average Recovery Rate Test" will be satisfied, as at any Determination Date, if the Weighted Average Moody’s Recovery Rate is greater than or equal to (i) 43.50 per cent. minus (ii) the Moody’s Weighted Average Rating Factor Adjustment.

The "Weighted Average Moody’s Recovery Rate" means, as of any Determination Date, the number, expressed as a percentage, obtained by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation (excluding Defaulted Obligations) by its corresponding Moody’s Recovery Rate and dividing such sum by the Aggregate Principal Balance of all such Collateral Debt Obligations and rounding up to the nearest 0.1 per cent.

The "Moody’s Recovery Rate" is, except as otherwise advised by Moody’s, with respect to any Collateral Debt Obligation, as of any Determination Date, the recovery rate determined in accordance with the following, in the following order of:

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

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

<table>
<thead>
<tr>
<th>Number of Moody’s Ratings Subcategories Difference Between the Moody’s Rating and the Moody’s Default Probability Rating</th>
<th>Moody’s Senior Secured Loans</th>
<th>Senior Secured Loans, Second Lien Loans, Senior Secured Bonds, Moody’s Senior Secured Floating Rate Notes *</th>
<th>All other Collateral Debt Obligations</th>
</tr>
</thead>
<tbody>
<tr>
<td>+2 or more</td>
<td>60%</td>
<td>55%</td>
<td>45%</td>
</tr>
<tr>
<td>+1</td>
<td>50%</td>
<td>45%</td>
<td>35%</td>
</tr>
<tr>
<td>0</td>
<td>45%</td>
<td>35%</td>
<td>30%</td>
</tr>
<tr>
<td>-1</td>
<td>40%</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>-2</td>
<td>30%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>-3 or less</td>
<td>20%</td>
<td>5%</td>
<td>5%</td>
</tr>
</tbody>
</table>
* If such Collateral Debt Obligation does not have both a Collateral Debt Obligation’s Moody’s Rating and a CFR, such Collateral Debt Obligation will be deemed to fall under "All Other Collateral Debt Obligations" for purposes of this table.

(c) if the Collateral Debt Obligation is a Corporate Rescue Loan (other than a Corporate Rescue Loan which has been specifically assigned a recovery rate by Moody’s), 50 per cent.

The "Moody’s Weighted Average Rating Factor Adjustment" means an amount, expressed as a percentage, as of any Measurement Date equal to the greater of:

(a) zero; and

(b) the number obtained by dividing:

(i) the number set forth in the applicable Moody's Test Matrix at the intersection of the applicable "row/column" combination chosen by the Collateral Manager (acting on behalf of the Issuer) (or interpolating between the two rows containing the closest values and/or two adjacent columns (as applicable)), as at such Measurement Date minus (B) the Adjusted Weighted Average Moody's Rating Factor; by

(ii) 70 in all cases,

and dividing the result by 100.

The S&P CDO Monitor Test

The "S&P CDO Monitor Test" is a test that will be satisfied on any Measurement Date during the Reinvestment Period following receipt by the Issuer and the Collateral Administrator of the S&P CDO Monitor if, after giving effect to the purchase of a Collateral Debt Obligation, (a) during any S&P CDO Model Election Period, the Class Default Differential of the Proposed Portfolio with respect to an assumed rating of “AAA” by S&P is positive and (b) during any S&P CDO Formula Election Period, the S&P CDO Adjusted BDR is equal to or greater than the S&P CDO SDR. The S&P CDO Monitor Test will be considered to be improved if the Class Default Differential of the Proposed Portfolio is at least equal to the corresponding Class Default Differential of the Current Portfolio.

The "Class Break-Even Default Rate" is, with respect to any Class of Rated Notes then rated by S&P, the maximum percentage of defaults, at any time, which the Current Portfolio or the Proposed Portfolio, as applicable, can sustain, as determined by S&P through application of the S&P CDO Monitor chosen by the Collateral Manager in accordance with the definition of “S&P Test Matrix” that is applicable to the portfolio of Collateral Debt Obligations, which, after giving effect to S&P's assumptions on recoveries, defaults and timing and to the Priorities of Payments, will result in sufficient funds remaining for the payment of such Class or Classes of Notes in full. S&P will provide the Collateral Manager with the Class Break-Even Default Rates for each S&P CDO Monitor based upon the Recovery Rate Case and S&P Test Matrix Spread to be associated with such S&P CDO Monitor as selected by the Collateral Manager (with a copy to the Collateral Administrator) as set out in the Collateral Management Agreement or any other Recovery Rate Case or S&P Test Matrix Spread selected by the Collateral Manager from time to time.

The "Class Default Differential" is, with respect to any Class of Rated Notes then rated by S&P, at any time, the rate calculated by subtracting the Class Scenario Default Rate at such time for such Class of Notes from the Class Break-Even Default Rate for such Class of Notes at such time.

The "Class Scenario Default Rate" is, with respect to any Class of Rated Notes then rated by S&P, 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 of Notes, determined by application by the Collateral Manager of the S&P CDO Monitor at such time.

The "Current Portfolio" means, as of any date of determination, the portfolio of Collateral Debt Obligations (included at their Principal Balance provided that in respect of Mezzanine Obligations, the Principal Balance shall exclude all accrued interest including any interest accrued following the date of acquisition thereof) and Eligible Investments existing prior to the sale, maturity or other disposition of a Collateral Debt Obligation or a proposed reinvestment of Principal Proceeds in a Substitute Collateral Debt Obligation, as the case may be.

The "Proposed Portfolio" means, as of any date of determination, the portfolio of Collateral Debt Obligations (included at their Principal Balance provided that in respect of Mezzanine Obligations, the Principal Balance shall exclude all accrued interest including any interest accrued following the date of acquisition thereof) and Eligible Investments resulting from the sale, maturity or other disposition of a Collateral Debt Obligation or a proposed reinvestment of Principal Proceeds in a Substitute Collateral Debt Obligation, as the case may be.

"S&P CDO Adjusted BDR" means the value calculated based on the following formula (or such other published formula by S&P that the Collateral Manager provides to the Collateral Administrator):

\[
\text{BDR} \times \left( \frac{A}{B} \right) + \frac{(B-A)}{(B \times (1-WARR))}
\]

where

<table>
<thead>
<tr>
<th>Term</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>BDR</td>
<td>S&amp;P CDO BDR</td>
</tr>
<tr>
<td>A</td>
<td>Target Par Amount</td>
</tr>
<tr>
<td>B</td>
<td>Aggregate Collateral (excluding the Aggregate Principal Balance of the Collateral Debt Obligations other than S&amp;P CLO Specified Assets) plus the S&amp;P Collateral Value of the Collateral Debt Obligations other than S&amp;P CLO Specified Assets</td>
</tr>
<tr>
<td>WARR</td>
<td>S&amp;P Weighted Average Recovery Rate</td>
</tr>
</tbody>
</table>

"S&P CDO BDR" means the value calculated based on the following formula (or such other published formula by S&P that the Collateral Manager provides to the Collateral Administrator):

\[
C0 + (C1 \times \text{WAS}) + (C2 \times \text{WARR}),
\]

where

<table>
<thead>
<tr>
<th>Term</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>C0</td>
<td>0.219146</td>
</tr>
<tr>
<td>C1</td>
<td>3.496810</td>
</tr>
<tr>
<td>C2</td>
<td>0.959572</td>
</tr>
<tr>
<td>WAS</td>
<td>The sum of (a) the Weighted Average Floating Spread and (b) the Weighted Average Fixed Coupon Adjustment Percentage</td>
</tr>
<tr>
<td>WARR</td>
<td>S&amp;P Weighted Average Recovery Rate</td>
</tr>
</tbody>
</table>
"S&P CDO Formula Election Date" means the date designated by the Collateral Manager upon prior written notice to S&P, the Trustee and the Collateral Administrator as the date on which the Issuer will begin to utilise the S&P CDO Adjusted BDR; provided that an S&P CDO Formula Election Date may only occur once.

"S&P CDO Formula Election Period" means (i) the period until the occurrence of an S&P CDO Model Election Date and (ii) thereafter, any date on and after an S&P CDO Formula Election Date so long as no S&P CDO Model Election Date has occurred since such S&P CDO Formula Election Date.

"S&P CDO Model Election Date" means the date designated by the Collateral Manager upon at least five Business Days’ prior written notice to S&P, the Trustee and the Collateral Administrator as the date on which the Issuer will begin to utilise the S&P CDO Monitor.

"S&P CDO Model Election Period" means any date on and after an S&P CDO Model Election Date so long as no S&P CDO Formula Election Date has occurred since such S&P CDO Model Election Date.

"S&P CDO Monitor" means the model that is currently available at www.sp.sfproducttools.com. The inputs to the S&P CDO Monitor shall be chosen by the Collateral Manager and include either (x) an S&P Weighted Average Recovery Rate and a Weighted Average Floating Spread from Annex B or (y) an S&P Weighted Average Recovery Rate and a Weighted Average Floating Spread confirmed in writing by S&P; provided that as of the date such inputs to the S&P CDO Monitor are selected, the S&P Weighted Average Recovery Rate for the most junior Class of Rated Notes issued on the Issue Date with a rating of "AAA" by S&P then Outstanding equals or exceeds the S&P Weighted Average Recovery Rate for such Class chosen by the Collateral Manager and the Weighted Average Floating Spread equals or exceeds the Weighted Average Floating Spread chosen by the Collateral Manager. In calculating the scenario default rate in respect of a Class of Notes, the S&P CDO Monitor considers each Obligor’s issuer credit rating, the number of Obligors in the portfolio, the Obligor and industry concentrations in the portfolio and the remaining weighted average maturity of the Collateral Debt Obligations and Eligible Investments and calculates a cumulative default rate based on the statistical probability of distributions or defaults on the Collateral Debt Obligations and Eligible Investments.

"S&P CDO SDR" means the value calculated based on the following formula (or such other published formula by S&P that the Collateral Manager provides to the Collateral Administrator):

\[
0.329915 + (1.210322 \times \text{EPDR}) - (0.586627 \times \text{DRD}) + (2.538684 / \text{ODM}) + (0.216729 / \text{IDM}) + (0.0575539 / \text{RDM}) - (0.0136662 \times \text{WAL})
\]

<table>
<thead>
<tr>
<th>Term</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPDR</td>
<td>S&amp;P Expected Default Rate</td>
</tr>
<tr>
<td>DRD</td>
<td>S&amp;P Default Rate Dispersion</td>
</tr>
<tr>
<td>ODM</td>
<td>S&amp;P Obligor Diversity Measure</td>
</tr>
<tr>
<td>IDM</td>
<td>S&amp;P Industry Diversity Measure</td>
</tr>
<tr>
<td>RDM</td>
<td>S&amp;P Regional Diversity Measure</td>
</tr>
<tr>
<td>WAL</td>
<td>S&amp;P Weighted Average Life</td>
</tr>
</tbody>
</table>

"S&P CLO Specified Assets" means Collateral Debt Obligations with an S&P Rating equal to or higher than "CCC-".
"S&P Default Rate" means, for each S&P CLO Specified Asset, the assumed default rate contained within Standard & Poor’s default rate table (see "CDO Evaluator 6.3 Parameters Required To Calculate S&P Portfolio Benchmarks" published Feb. 24, 2015, or such other published table by S&P that the Collateral Manager provides to the Collateral Administrator) using the S&P CLO Specified Asset’s S&P Rating and the number of years to maturity. If the number of years to maturity is not an integer, the default rate is determined using linear interpolation.

"S&P Default Rate Dispersion" means the value calculated by the Collateral Manager by multiplying the Principal Balance for each S&P CLO Specified Asset by the absolute value of the difference between the S&P Default Rate and the S&P Expected Portfolio Default Rate, then summing the total for the portfolio, then dividing this result by the Aggregate Principal Balance of the S&P CLO Specified Assets.

"S&P Expected Default Rate" means the value calculated by the Collateral Manager by multiplying the Principal Balance of each S&P CLO Specified Asset by the S&P Default Rate, then summing the total for the portfolio, and then dividing this result by the Aggregate Principal Balance of all of the S&P CLO Specified Assets.

"S&P Industry Classification Group" means an industry classification set out in the table below or as otherwise modified, amended or replaced by S&P from time to time:

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<thead>
<tr>
<th>Asset Code</th>
<th>Asset Description</th>
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<tbody>
<tr>
<td>1020000</td>
<td>Energy Equipment and Services</td>
</tr>
<tr>
<td>1030000</td>
<td>Oil, Gas and Consumable Fuels</td>
</tr>
<tr>
<td>2020000</td>
<td>Chemicals</td>
</tr>
<tr>
<td>2030000</td>
<td>Construction Materials</td>
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<tr>
<td>2040000</td>
<td>Containers and Packaging</td>
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<tr>
<td>2050000</td>
<td>Metals and Mining</td>
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<td>2060000</td>
<td>Paper and Forest Products</td>
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<td>Aerospace and Defense</td>
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<td>Independent Power and Renewable Electricity Producers</td>
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<td>Life Sciences Tools and Services</td>
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</tbody>
</table>
"S&P Industry Diversity Measure" means the value calculated by the Collateral Manager by determining the Aggregate Principal Balance of the S&P CLO Specified Assets within each S&P Industry Classification Group, then dividing each of these amounts by the Aggregate Principal Balance of the S&P CLO Specified Assets from all the industries, squaring the result for each industry, then taking the reciprocal of the sum of these squares.

"S&P Obligor Diversity Measure" means the value calculated by the Collateral Manager by determining the Aggregate Principal Balance of the S&P CLO Specified Assets from each obligor and its affiliates, then dividing each of these amounts by the Aggregate Principal Balance of S&P CLO Specified Assets from all the obligors in the portfolio, squaring the result for each obligor, then taking the reciprocal of the sum of these squares.

"S&P Recovery Identifier" means, with respect to a Collateral Debt Obligation for which an S&P Recovery Rate is being determined, the identifier published by S&P, incorporating the S&P Recovery Rating and the S&P Recovery Range based upon the tables set forth in Annex B hereto.

"S&P Recovery Range" means, with respect to a Collateral Debt Obligation for which an S&P Recovery Rate is being determined, the upper or lower range assigned by S&P for a given S&P Recovery Rating based upon the tables set forth in Annex B hereto.

"S&P Regional Diversity Measure" means the value calculated by determining the Aggregate Principal Balance of the S&P CLO Specified Assets within each Standard & Poor's region categorization (see "CDO Evaluator 6.3 Parameters Required To Calculate S&P Portfolio Benchmarks," published Feb. 24, 2015, or such other published table by S&P that the Collateral Manager provides to the Collateral Administrator), then dividing each of these amounts by the Aggregate Principal Balance of the S&P CLO Specified Assets from all regions in the portfolio, squaring the result for each region, then taking the reciprocal of the sum of these squares.

"S&P Weighted Average Life" means the value calculated by determining the number of years between the current date and the maturity date of each S&P CLO Specified Asset, then multiplying each S&P CLO Specified Asset’s Principal Balance by its number of years, summing the results of all S&P CLO Specified Assets, and dividing this amount by the Aggregate Principal Balance of all S&P CLO Specified Assets.

The Minimum Weighted Average Spread Test

The "Minimum Weighted Average Spread Test" will be satisfied if, as at any Determination Date, the Weighted Average Floating Spread as at such Determination Date plus the Weighted Average Coupon Adjustment Percentage as at such Determination Date equals or exceeds the Minimum Weighted Average Floating Spread as at such Determination Date.

The "Minimum Weighted Average Floating Spread", as of any Determination Date, means the greater of:

(a) the weighted average spread (expressed as a percentage) applicable to the current S&P Test Matrix selected by the Collateral Manager; and
the weighted average spread (expressed as a percentage) applicable to the current Moody’s Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) reduced by the Moody’s Weighted Average Recovery Adjustment, provided such reduction may not reduce the Minimum Weighted Average Floating Spread below 2.50 per cent.

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

(a) the amount equal to (A) the Aggregate Funded Spread plus (B) the Aggregate Unfunded Spread plus (C) (save for the purposes of the S&P CDO Monitor Test) the Aggregate Excess Funded Spread; by

(b) an amount equal to the Aggregate Principal Balance of all Floating Rate Collateral Debt Obligations as of such Determination Date, in each case, excluding (x) Defaulted Obligations, Partial PIK Obligations (in respect of any non-cash paying interest) and the unfunded portion of any Delayed Drawdown Collateral Debt Obligations and Revolving Obligations and (y) any interest capitalised pursuant to the terms of such instruments other than, with respect to a Mezzanine Obligation and a PIK Obligation, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Obligation,

in each case adjusted for any withholding tax deducted in respect of the relevant obligation which is neither grossed up nor recoverable under any applicable double tax treaty.

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

(a) in the case of each Floating Rate Collateral Debt Obligation (including only the required non-deferrable, current cash pay interest required by the Underlying Instruments thereon and excluding Non-Euro Obligations, Defaulted Obligations, Deferring Securities, Partial PIK Obligations (in respect of any non-cash paying interest) and the unfunded portion of any Delayed Drawdown Collateral Debt Obligation and Revolving Debt Obligation) that bears interest at a spread over EURIBOR, (i) the stated interest rate spread on such Collateral Debt Obligation above EURIBOR multiplied by (ii) the Principal Balance of such Collateral Debt Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Debt Obligation or Revolving Obligation) (for the purposes of this paragraph (a) only, each reference to "EURIBOR" so far as it relates to a Collateral Debt Obligation shall mean EURIBOR as determined pursuant to the Underlying Instrument in respect of such Collateral Debt Obligation);

(b) in the case of each Floating Rate Collateral Debt Obligation (including only the required non-deferrable, current cash pay interest required by the Underlying Instruments thereon and excluding Non-Euro Obligations, Defaulted Obligations, Deferring Securities, Partial PIK Obligations (in respect of any non-cash paying interest) and the unfunded portion of any Delayed Drawdown Collateral Debt Obligation and Revolving Obligation) that bears interest at a spread over an index other than EURIBOR, (i) the excess of the sum of such spread and such index over the EURIBOR rate that has an equivalent frequency and setting date to the corresponding interest rate in respect of such Floating Rate Collateral Debt Obligation as of the immediately preceding interest determination date pursuant to the relevant Underlying Instrument (which spread or excess may be expressed as a negative percentage) multiplied by (ii) the Principal Balance of each such Collateral Debt Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Debt Obligation or Revolving Obligation);
EURIBOR (in respect of the applicable Hedge Agreement) payable by the applicable Hedge Counterparty to the Issuer under the related Asset Swap Transaction multiplied by (ii) the Principal Balance of such Non-Euro Obligation; and

(d) in the case of each Floating Rate Collateral Debt Obligation which is a Non-Euro Obligation (including, only the required non-deferrable, current cash pay interest required by the Underlying Instruments thereon and excluding Defaulted Obligations, Deferring Securities, Partial PIK Obligations (in respect of any non-cash paying interest) and the unfunded portion of any Delayed Drawdown Collateral Debt Obligation and Revolving Obligation) and which is not subject to an Asset Swap Transaction, the Euro equivalent of 50 per cent. of (1) the interest amount payable by the relevant obligor, less (2) the product of (x) the EURIBOR rate that has an equivalent frequency and setting date to the corresponding interest rate in respect of such of such Floating Rate Collateral Debt Obligation as of the immediately preceding interest determination date pursuant to the relevant Underlying Instrument (which spread or excess may be expressed as a negative percentage) multiplied by (y) its outstanding principal amount (excluding any interest capitalised pursuant to the terms of such instrument other than, with respect to a Mezzanine Obligation and a PIK Obligation, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Obligation).

If a Floating Rate Collateral Debt Obligation is subject to a EURIBOR or other benchmark floor, the margin shall include, if positive: (x) the EURIBOR (or such other floating rate of interest) floor value minus (y) the greater of (i) EURIBOR (or such other floating rate of interest) applicable in respect of such Floating Rate Collateral Debt Obligation on such Measurement Date and (ii) zero.

The "Aggregate Unfunded Spread" is, as of any Determination Date, the sum of the products obtained by multiplying (i) for each Delayed Drawdown Collateral Debt Obligation and Revolving Obligation (other than Defaulted Obligations, Deferring Securities and Partial PIK Obligations (in respect of any non-cash paying interest)), the related commitment fee then in effect as of such date and (ii) the undrawn commitments of each such Delayed Drawdown Collateral Debt Obligation and Revolving Obligation as of such date.

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

(a) EURIBOR applicable to the Rated Notes during the Accrual Period in which such Determination Date occurs; by

(b) the amount (not less than zero) equal to (i) the Aggregate Principal Balance of the Collateral Debt Obligations (excluding (x) for any Deferring Security or Partial PIK Obligations (in respect of any non-cash paying interest) any interest that has been deferred and capitalised thereon and (y) the Principal Balance of any Defaulted Obligation and (z) the principal balance of any Fixed Rate Collateral Debt Obligation) as of such Determination Date minus (ii) the Target Par Amount minus (iii) the aggregate amount of Principal Proceeds received from the issuance of additional notes pursuant to the Trust Deed.

The "Weighted Average Coupon Adjustment Percentage" means a percentage equal as of any Measurement Date to a number obtained by multiplying (a) the result of the Weighted Average Coupon minus the Reference Weighted Average Coupon by (b) the number obtained by dividing the Aggregate Principal Balance of all Fixed Rate Collateral Debt Obligations by the Aggregate Principal Balance of all Floating Rate Collateral Debt Obligations, and which product may, for the avoidance of doubt, be negative.

The "Reference Weighted Average Fixed Coupon" means, if any of the Collateral Debt Obligations are Fixed Rate Collateral Debt Obligations, 4.75 per cent., and otherwise zero per cent.
The "Weighted Average Coupon", as of any Measurement Date, is the number obtained by dividing:

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

(b) an amount equal to the Aggregate Principal Balance of all Fixed Rate Collateral Debt Obligations as of such Determination Date, in each case, excluding (x) Defaulted Obligations, Partial PIK Obligations and the unfunded portion of any Delayed Drawdown Collateral Debt Obligations and Revolving Obligations) and (y) any interest capitalised pursuant to the terms of such instruments other than, with respect to a Mezzanine Obligation and a PIK Obligation, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Obligation.

The "Aggregate Coupon" is, as of any Determination Date, the sum of (i) with respect to any Fixed Rate Collateral Debt Obligation which is a Non-Euro Obligation and subject to an Asset Swap Transaction and excluding Defaulted Obligations, Deferring Securities, Partial PIK Obligations (in respect of any non-cash paying interest) and the unfunded portion of any Delayed Drawdown Collateral Debt Obligations and Revolving Obligations, the product (including, for any Collateral Debt Obligation, only the required, non-deferrable current cash pay interest required by the Underlying Instruments thereon) of (x) stated coupon on such Non-Euro Obligation expressed as a percentage and (y) the Principal Balance of such Non-Euro Obligation (ii) with respect to any Fixed Rate Collateral Debt Obligation which is a Non-Euro Obligation and not subject to an Asset Swap Transaction and excluding Defaulted Obligations, Deferring Securities, Partial PIK Obligations (in respect of any non-cash paying interest) and the unfunded portion of any Delayed Drawdown Collateral Debt Obligations and Revolving Obligations, an amount equal to the Euro equivalent of 50 per cent. of the product (including, for any Collateral Debt Obligation, only the required, non-deferrable current cash pay interest required by the Underlying Instruments thereon) of (1) the coupon payable by the relevant obligor and (2) its outstanding principal amount (excluding any interest capitalised pursuant to the terms of such instrument other than, with respect to a Mezzanine Obligation and a PIK Obligation, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Obligation), and (iii) with respect to all other Fixed Rate Collateral Debt Obligations and excluding Defaulted Obligations, Partial PIK Obligations and Revolving Obligations, the sum of the products obtained by multiplying, in the case of each Fixed Rate Collateral Debt Obligation (including, for any Collateral Debt Obligation, only the required, non-deferrable current cash pay interest required by the Underlying Instruments thereon), (x) the stated coupon on such Collateral Debt Obligation expressed as a percentage and (y) the Principal Balance of such Collateral Debt Obligation.

Weighted Average Life Test

The "Weighted Average Life Test" will be satisfied on any Measurement Date if the Weighted Average Life as of such date is less than or equal to the number of years (rounded up to the nearest one hundredth thereof) during the period from the earlier of such Measurement Date or the end of the Reinvestment Period to 21 January 2026.

"Weighted Average Life" is, as of any Measurement Date with respect to all Collateral Debt Obligations other than Defaulted Obligations and Deferring Securities, the number of years following such date obtained by summing the products obtained by multiplying:

(a) the Average Life at such time of each such Collateral Debt Obligation by the Principal Balance of such Collateral Debt Obligation,

and dividing such sum by:

(b) the Aggregate Principal Balance at such time of all Collateral Debt Obligations (other than Defaulted Obligations).
"Average Life" is, on any Measurement Date with respect to any Collateral Debt Obligation, the quotient obtained by dividing (i) the sum of the products of (a) the number of years (rounded to the nearest one hundredth thereof) from such Determination Date to the respective dates of each successive scheduled distribution of principal of such Collateral Debt 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 Debt Obligation.

7. Rating Definitions

Moody’s Ratings Definitions

"Assigned Moody’s Rating" means the monitored publicly available rating or the unpublished monitored loan rating or the credit estimate expressly assigned to a debt obligation (or facility) by Moody’s which addresses the full amount of principal and interest to be paid (or repaid) thereunder, provided that, in respect of a credit estimate, if such credit estimate is valid, current and has been in existence (and not otherwise refreshed) for more than 12 months but less than 15 months from receipt thereof by the Issuer or Collateral Manager, as the case may be, then the Assigned Moody’s Rating is one subcategory lower than the credit estimate, and provided further that, if such credit estimate is valid, current and has been in existence (and not otherwise refreshed) for more than 15 months from receipt thereof by the Issuer or Collateral Manager, as the case may be, then such Collateral Debt Obligation shall be deemed to have an Assigned Moody’s Rating of "Caa3".

"CFR" means, with respect to an obligor of a Collateral Debt Obligation, if such obligor has a corporate family rating by Moody’s, then such corporate family rating; provided, if such obligor does not have a corporate family rating by Moody’s but any entity in the obligor’s corporate family does have a corporate family rating, then the CFR is such corporate family rating.

"Moody’s Default Probability Rating" means, with respect to any Collateral Debt Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if the Obligor of such Collateral Debt Obligation has a CFR by Moody’s, then such CFR;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody’s Rating, then the Assigned Moody’s Rating on such obligation as selected by the Collateral Manager in its sole discretion;

(c) if not determined pursuant to clause (a) or (b) above, if the Obligor of such Collateral Debt Obligation has one or more senior secured obligations with an Assigned Moody’s Rating, then the Moody’s rating that is one subcategory lower than the Assigned Moody’s Rating on any such senior secured obligation as selected by the Collateral Manager in its sole discretion;

(d) if not determined pursuant to clause (a), (b) or (c) above, if a credit estimate has been assigned to such Collateral Debt Obligation by Moody’s upon the request of the Issuer, the Collateral Manager, then the Moody’s Default Probability Rating is such credit estimate provided that, if such credit estimate is valid, current and has been in existence (and not otherwise refreshed) for more than 13 months but less than 15 months from receipt thereof by the Issuer or Collateral Manager, as the case may be, then the Moody’s Default Probability Rating is one subcategory lower than the credit estimate, and provided further that, if such credit estimate is valid, current and has been in existence (and not otherwise refreshed) for more than 15 months from receipt thereof by the Issuer or Collateral Manager, as the case may be, then such Collateral Debt Obligation shall be deemed to have a Moody’s Default Probability Rating of "Caa3";

(e) if not determined pursuant to clause (a), (b), (c) or (d) above, the Moody’s Derived Rating; and
if not determined pursuant to clause (a), (b), (c), (d) or (e) above, the Collateral Debt 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, respectively, as having been upgraded or downgraded by one rating subcategory, as the case may be.

"Moody’s Derived Rating" means, with respect to any Collateral Debt Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

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

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

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

<table>
<thead>
<tr>
<th>Obligation Category of Rated Obligation</th>
<th>Rating of Rated Obligation</th>
<th>Number of Subcategories Relative to Rated Obligation Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior secured obligation</td>
<td>greater than or equal to B2</td>
<td>-1</td>
</tr>
<tr>
<td>Senior secured obligation</td>
<td>less than B2</td>
<td>-2</td>
</tr>
<tr>
<td>Subordinated obligation</td>
<td>greater than or equal to B3</td>
<td>+1</td>
</tr>
<tr>
<td>Subordinated obligation</td>
<td>less than B3</td>
<td>0</td>
</tr>
</tbody>
</table>

(d) if not determined pursuant to clause (a), (b) or (c) above, if the Obligor of such Collateral Debt Obligation has a corporate family rating by Moody’s, then one subcategory below such corporate family rating;

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

(i) pursuant to the table below:

<table>
<thead>
<tr>
<th>Type of Collateral Debt Obligation</th>
<th>S&amp;P Rating (Public and Monitored)</th>
<th>Number of Subcategories Relative to Rated Obligation Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Structured Finance Obligation</td>
<td>≥BBB-</td>
<td>Not a Loan or Participation in Loan -1</td>
</tr>
<tr>
<td>Not Structured Finance Obligation</td>
<td>≤BB+</td>
<td>Not a Loan or Participation in Loan -2</td>
</tr>
</tbody>
</table>
(ii) if such Collateral Debt Obligation is not rated by S&P but another security or obligation of the Obligor has a public and monitored rating by S&P (a "parallel security"), then the rating of such parallel security will at the election of the Collateral Manager be determined in accordance with the table set forth in sub clause (e)(i) above, and the Moody’s Derived Rating for the purposes of clause (d) of the definition of Moody’s Rating and Moody’s Default Probability Rating (as applicable) of such Collateral Debt Obligation will be determined in accordance with the methodology set forth in clause (a) above (for such purposes treating the parallel security as if it were rated by Moody’s at the rating determined pursuant to this sub clause (e)(ii)); or

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

(f) if such Collateral Debt Obligation is not rated by Moody’s or S&P and no other security or obligation of the issuer of such Collateral Debt Obligation is rated by Moody’s or S&P, and if Moody’s has been requested by the Issuer, the Collateral Manager or the issuer of such Collateral Debt Obligation to assign a rating or rating estimate with respect to such Collateral Debt Obligation but such rating or rating estimate has not been received, pending receipt of such estimate, the Moody’s Derived Rating for purposes of clause (d) of the definition of Moody’s Rating and Moody’s Default Probability Rating (as applicable) of such Collateral Debt Obligation shall be (x) "B3" if the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Collateral Manager believes that such estimate will be at least "B3" and if the Aggregate Principal Balance of Collateral Debt Obligations determined pursuant to this clause (f) does not exceed 5 per cent. of the Aggregate Collateral Balance of all Collateral Debt Obligations or (y) otherwise, "Caa2".

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, respectively, as having been upgraded or downgraded by one rating subcategory, as the case may be.

"Moody’s Rating" means,

(a) with respect to a Collateral Debt Obligation that is a Senior Secured Loan or Senior Secured Bond:

(i) if such Collateral Debt Obligation has an Assigned Moody’s Rating, such Assigned Moody’s Rating;

(ii) if such Collateral Debt Obligation does not have an Assigned Moody’s Rating but the Obligor of such Collateral Debt Obligation has a CFR, then the Moody’s rating that is one sub-category higher than such CFR;

(iii) if neither clause (i) nor (ii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody’s Rating but the obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody’s Rating, then the Moody’s rating that is two sub-categories higher than the Assigned Moody’s Rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(iv) if none of clauses (i) through (iii) above apply, at the election of the Collateral Manager, the Moody’s Derived Rating; and
(v) if none of clauses (i) through (iv) above apply, the Collateral Debt Obligation will be deemed to have a Moody’s Rating of “Caa3”;

(b) with respect to a Collateral Debt Obligation other than a Senior Secured Loan or Senior Secured Bond:

(i) if such Collateral Debt Obligation has an Assigned Moody’s Rating, such Assigned Moody’s Rating;

(ii) if such Collateral Debt Obligation does not have an Assigned Moody’s Rating but the obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody’s Rating, then the Assigned Moody’s Rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(iii) if neither clause (i) nor (ii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody’s Rating but the obligor of such Collateral Debt Obligation has a CFR, then the Moody’s rating that is one sub-category lower than such CFR;

(iv) if none of clauses (i), (ii) or (iii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody’s Rating but the obligor of such Collateral Debt Obligation has one or more subordinated debt obligations with an Assigned Moody’s Rating, then the Moody’s rating that is one sub-category higher than the Assigned Moody’s Rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(v) if none of clauses (i) through (iv) above apply, at the election of the Collateral Manager, the Moody’s Derived Rating; and

(vi) if none of clauses (i) through (v) above apply, the Collateral Debt Obligation will be deemed to have a Moody’s Rating of “Caa3”.

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.

"Moody’s Senior Secured Loan” means:

(a) a loan that:

(i) is not (and cannot by its terms become) subordinate in right of payment to any other debt obligation of the obligor of the loan; other than borrowed money, trade claims, capitalised leases or other similar obligations, or no other obligation of the Obligor has any higher priority security interest in such assets or stock, provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more advances to be made to the borrower may have a higher priority security interest in such assets or stock in the event of an enforcement in respect of such loan representing up to 15 per cent. of the Obligor’s senior debt (or more if Rating Agency Confirmation from Moody’s has been obtained);

(ii) (x) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the obligor’s obligations under the loan and (y) such specified collateral does not consist entirely of equity securities or common stock; provided that any loan that would be considered a Moody’s Senior Secured Loan but for clause (y) above shall be considered a Moody’s Senior Secured Loan if it is a loan made to a parent entity and as to which the Collateral Manager determines in good faith that the value of the common stock of the subsidiary (or other
equity interests in the subsidiary) securing such loan at or about the time of acquisition of such loan by the Issuer has a value that is at least equal to the outstanding principal balance of such loan and the outstanding principal balances of any other obligations of such parent entity that are pari passu with such loan, which value may include, among other things, the enterprise value of such subsidiary of such parent entity; and

(iii) the value of the collateral securing the loan together with other attributes of the obligor (including, without limitation, its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) is adequate (in the reasonable judgment of the Collateral Manager) to repay the loan in accordance with its terms and to repay all other loans of equal seniority secured by a first lien or security interest in the same collateral); and

(b) the loan is not:

(i) a Corporate Rescue Loan; or

(ii) a loan for which the security interest or lien (or the validity or effectiveness thereof) in substantially all of its collateral attaches, becomes effective, or otherwise "springs" into existence after the origination thereof.

"Moody’s Senior Secured Floating Rate Note" means, a Senior Secured Floating Rate Note that (x) has a Moody’s facility rating and the obligor of such note has a Moody’s corporate family rating and (y) such Moody’s facility rating is not lower than such Moody’s corporate family rating.

S&P Ratings Definitions

The "S&P Rating" means, with respect to any Collateral Debt Obligation will be, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if there is an S&P Issuer Credit Rating of the issuer of such Collateral Debt Obligation by S&P as published by S&P, or the guarantor which unconditionally and irrevocably guarantees such Collateral Debt Obligation pursuant to a form of guarantee approved by S&P for use in connection with this transaction, then the S&P Rating shall be such rating (regardless of whether there is a published rating by S&P on the Collateral Debt Obligations of such issuer, held by the Issuer, provided that private ratings (that is, ratings provided at the request of the Obligor) may be used for purposes of this definition if the related Obligor has consented to the disclosure thereof and a copy of such consent has been provided to S&P);

(b) if, there is no S&P Issuer Credit Rating of the issuer or guarantor by S&P but:

(i) there is a senior secured rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Debt Obligation shall be one sub-category below such rating;

(ii) if clause (i) above does not apply, but there is a senior unsecured rating on any obligation or security of the issuer, the S&P Rating of such Collateral Debt Obligation shall equal such rating; and

(iii) if neither clause (i) nor clause (ii) above applies, but there is a subordinated rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Debt Obligation shall be one sub-category above such rating;
with respect to any Collateral Debt Obligation that is a Current Pay Obligation, the S&P Rating applicable to such obligation shall be the issue level rating thereof and if there is no such issue level rating, the S&P Rating applicable to such Current Pay Obligation shall be "CCC-";

with respect to any Collateral Debt Obligation, that is a Corporate Rescue Loan:

(i) falling within paragraph (a) of the definition of Corporate Rescue Loan, and if S&P has assigned a public rating to such Corporate Rescue Loan, the S&P Rating for such Corporate Rescue Loan shall be such public rating; or

(ii) falling within paragraph (b) of the definition of Corporate Rescue Loan, and if S&P has assigned an S&P Issuer Credit Rating or credit estimate to such Corporate Rescue Loan, the S&P Rating for such Corporate Rescue Loan shall be such S&P Issuer Credit Rating or credit estimate; or

(iii) upon application by the Issuer (or the Collateral Manager on behalf of the Issuer) to S&P for a credit estimate, the applicable Corporate Rescue Loan shall be deemed to have an S&P Rating of "D"; and

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 (other than in the case of Corporate Rescue Loans) pursuant to paragraphs (i) and (ii) below:

(i) if such an obligation of the issuer is not a Corporate Rescue Loan and is publicly rated by Moody’s and any successors thereto, then the S&P Rating will be determined in accordance with the methodologies for establishing the S&P Rating set forth above except that the S&P Rating of such obligation will be (A) one sub-category below the S&P equivalent of the Moody’s rating if such Moody’s rating is "Baa3" or higher and (B) two sub-categories below the S&P equivalent of the Moody’s rating if such Moody’s rating is "Ba1" or lower, provided that in each case (1) the S&P Rating will be a further sub-category below the S&P equivalent of the Moody’s rating of the applicable obligation if the relevant Moody’s rating is on "credit watch negative" by Moody’s and (2) if the Aggregate Principal Balance of Collateral Debt Obligations where the S&P Rating is determined pursuant to this paragraph (e)(i) exceeds 15.0 per cent. of the Adjusted Aggregate Collateral Balance, the S&P Rating of the excess of the Aggregate Principal Balance of the Collateral Debt Obligations where the S&P Rating is determined pursuant to this paragraph (e)(i) over an amount equal to 15.0 per cent. of the Adjusted Aggregate Collateral Balance shall be "CCC-" (for the purposes of this paragraph (e)(i)(2), the Collateral Debt Obligations whose S&P Rating is determined pursuant to this paragraph (e)(i) with the lowest S&P Collateral Value (expressed as a percentage of the Principal Balance of such Collateral Debt Obligation as of the relevant date of determination) shall be determined to comprise such excess);

(ii) the S&P Rating may be based on a credit estimate provided by S&P, and in connection therewith, the Issuer, the Collateral Manager on behalf of the Issuer or the issuer of such Collateral Debt Obligation shall, prior to or within thirty calendar days after the acquisition of such Collateral Debt Obligation, apply (and concurrently submit all available information in respect of such application) to S&P for a credit estimate which shall be its S&P Rating; provided that, if such information is submitted within such thirty day period, then, for a period of up to ninety calendar days after acquisition of such Collateral Debt Obligation shall have an S&P Rating as determined by the Collateral Manager in its sole discretion if (A) the Collateral Manager certifies to the Trustee and the Collateral Administrator (upon which certificate the Trustee and the Collateral Administrator shall rely absolutely and without enquiry or liability) that it believes that such S&P Rating determined by the Collateral Manager is commercially reasonable and that the S&P Rating will be at least equal to such rating and (B) the Aggregate Principal Balance of the Collateral Debt Obligations subject to an S&P Rating determined by the
Collateral Manager in accordance with (A) does not exceed 5.0 per cent. of the Aggregate Collateral Balance (for such purpose, the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value); provided further that (x) if such information is not submitted within such thirty day period and (y) following the end of the ninety day period set forth above, pending receipt from S&P of such estimate, the Collateral Debt Obligation shall have an S&P Rating of "CCC-"; unless, in the case of clause (y) above, during such ninety day period, the Collateral Manager has requested the extension of such period and S&P, in its sole discretion, has granted such request; provided further that if the Collateral Debt Obligation has had a public rating by S&P that S&P has withdrawn or suspended within six months prior to the date of such application for a credit estimate in respect of such Collateral Debt Obligation, the S&P Rating in respect thereof shall be "CCC-", pending receipt from S&P of such estimate and S&P may elect not to provide such estimate until a period of six months have elapsed after the withdrawal or suspension of the public rating; provided further that such credit estimate shall expire twelve months after the acquisition of such Collateral Debt Obligation, following which such Collateral Debt Obligation shall have an S&P Rating of "CCC-" unless, during such twelve-month period, the Issuer (or the Collateral Manager acting on behalf of the Issuer) applies for renewal thereof in accordance with the Collateral Management Agreement in which case such credit estimate shall continue to be the S&P Rating of such Collateral Debt Obligation until S&P has confirmed or revised such credit estimate, upon which such confirmed or revised credit estimate shall be the S&P Rating of such Collateral Debt Obligation; provided further that such confirmed or revised credit estimate shall expire on the next succeeding twelve-month anniversary of the date of the acquisition of such Collateral Debt Obligation and (when renewed annually in accordance with the Collateral Management Agreement) on each twelve-month anniversary thereafter; and

(f) with respect to a Collateral Debt Obligation that is not a Defaulted Obligation, the S&P Rating of such Collateral Debt Obligation will at the election of the Issuer (at the direction of the Collateral Manager) be "CCC-"; provided that (i) neither the Obligor of such Collateral Debt Obligation nor any of its Affiliates are subject to any bankruptcy or reorganisation proceedings; (ii) the Obligor thereof has not defaulted on any payment obligation in respect of any debt security or other obligation of such Obligor at any time within the two year period ending on such date of determination and all such debt securities and other obligations of the Obligor are current and the Collateral Manager reasonably expects them to remain current; and (iii) the Collateral Debt Obligation is current and the Collateral Manager reasonably expects it to remain current,

and provided that, for purposes of the determination of the S&P Rating, (x) if the applicable rating assigned by S&P to an Obligor or its obligations is on "credit watch positive" by S&P, such rating will be treated as being one sub-category above such assigned rating, (y) if the applicable rating assigned by S&P to an Obligor or its obligations is on "credit watch negative" by S&P, such rating will be treated as being one sub-category below such assigned rating and (z) only ratings assigned on the basis of ongoing surveillance (including any rating assigned by Moody's) will be applicable for the purposes of determining the S&P Rating of a Collateral Debt Obligation, and provided further that in the case only where the S&P Rating is derived from a rating assigned by Moody's then the rating assigned by Moody's from which such S&P Rating is derived shall (x) if the applicable rating assigned by Moody’s to an Obligor or its obligations is on "credit watch positive" by Moody’s, be treated as being one sub category above such assigned rating and (y) if the applicable rating assigned by Moody's to an Obligor or its obligations is on "credit watch negative" by Moody's, such rating will be treated as being one sub-category below such assigned rating.

"S&P Issuer Credit Rating" means, in respect of a Collateral Debt Obligation, a publicly available issuer credit rating by S&P in respect of the Obligor thereof.

The "S&P Recovery Rate" means, in respect of each Collateral Debt Obligation and each Class of Rated Notes, an S&P Recovery Rate determined in accordance with the Collateral Management Agreement or as advised by S&P.
Extracts of the S&P Recovery Rates applicable under the Collateral Management Agreement are set out in Annex B (S&P Recovery Rates) of this Offering Circular.

"S&P Weighted Average Recovery Rate" means, as of any Measurement Date, the most junior Class of Rated Notes issued on the Issue Date with a rating of "AAA" by S&P, the number (expressed as a percentage) obtained by summing the products obtained by multiplying the Principal Balance (excluding Purchased Accrued Interest) of each Collateral Debt Obligation, by its S&P Recovery Rate, dividing such sum by the Aggregate Principal Balance of all Collateral Debt Obligations, and rounding up to the nearest 0.1 per cent. For the purposes of this rate, the Principal Balance of any Defaulted Obligation shall be deemed to be zero.

8. The Coverage Tests

The Coverage Tests will consist of the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test, the Class E Par Value Test, the Class F Par Value Test, the Class A/B Interest Coverage Test, the Class C Interest Coverage Test and the Class D Interest Coverage Test.

The Coverage Tests will be used primarily to determine whether interest may be paid on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes, whether Principal Proceeds may be reinvested in Substitute Collateral Debt Obligations, or whether Interest Proceeds and, to the extent needed, Principal Proceeds, in the event of failure to satisfy the Class A/B Coverage Tests, must instead be used to pay principal on the Class X Notes and the Class A Notes (on a pro rata and pari passu basis) and, after redemption in full thereof, principal on the Class B Notes, to the extent necessary to cause the Class A/B Coverage Tests to be satisfied if recalculated immediately following such redemption; or, in the event of failure to satisfy the Class C Coverage Tests, to pay principal on the Class X Notes and the Class A Notes (on a pro rata and pari passu basis) and, after redemption in full thereof, principal on the Class B Notes and, after redemption in full thereof, principal on the Class C Notes and, after redemption in full thereof, principal on the Class D Notes to the extent necessary to cause the Class D Coverage Tests to be satisfied if recalculated immediately following such redemption; or, in the event of failure of the Class E Par Value Test, to pay principal on the Class X Notes and the Class A Notes (on a pro rata and pari passu basis) and, after redemption in full thereof, principal on the Class B Notes and, after redemption in full thereof, principal on the Class C Notes and, after redemption in full thereof, principal on the Class D Notes and, after redemption in full thereof, principal on the Class E Notes to the extent necessary to cause the Class E Par Value Test to be satisfied if recalculated immediately following such redemption; or, in the event of failure to satisfy the Class F Par Value Test, to pay principal on the Class X Notes and the Class A Notes (on a pro rata and pari passu basis) and, after redemption in full thereof, principal on the Class B Notes and, after redemption in full thereof, principal on the Class C Notes and, after redemption in full thereof, principal on the Class D Notes and, after redemption in full thereof, principal on the Class E Notes and, after redemption in full thereof, principal on the Class F Notes to the extent necessary to cause the Class E Par Value Test to be satisfied if recalculated immediately following such redemption.

Each of the Class A/B Par Value Test, the Class A/B Interest Coverage Test, the Class C Par Value Test, the Class C Interest Coverage Test, the Class D Par Value Test, the Class D Interest Coverage Test, the Class E Par Value Test and the Class F Par Value Test shall apply on a Determination Date and shall be satisfied on a Determination Date if the corresponding Par Value Ratio or Interest Coverage Ratio (as the case may be) is at least equal to the percentage specified in the table below in relation to that Coverage Test.
<table>
<thead>
<tr>
<th>Coverage Test and Ratio</th>
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<td>Class C Par Value</td>
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<td>Class E Par Value</td>
<td>106.83</td>
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<tr>
<td>Class F Par Value</td>
<td>103.88</td>
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DESCRIPTION OF THE COLLATERAL MANAGEMENT AGREEMENT

The following description of the Collateral Management Agreement consists of a summary of certain provisions of the Collateral Management Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement.

General

The Collateral Manager will perform certain investment management functions, including directing the purchase and sale of Collateral Debt Obligations and performing certain administrative functions on behalf of the Issuer in accordance with the applicable provisions of the Collateral Management Agreement. The Collateral Manager agrees, and will be authorised, to (i) select the Collateral Debt Obligations to be acquired by the Issuer, (ii) monitor the portfolio of Collateral Debt Obligations on an ongoing basis and advise the Issuer as to which Collateral Debt Obligations to sell and which Collateral Debt Obligations to acquire and (iii) assist the Issuer in the preparation of reports, orders and other documents, in each case to the extent required pursuant to the Collateral Management Agreement.

The Collateral Management Agreement also permits the Collateral Manager, in its discretion, to engage on behalf of the Issuer in (a) cross transactions between the Issuer and another client of the Collateral Manager provided it has reasonable grounds to believe that any such cross transaction is justified from the perspective of the Issuer and is consistent with the Issuer’s investment policies and (b) agency cross transactions effected through a broker-dealer affiliated with the Collateral Manager, in each case upon the terms and subject to the conditions set out in the Collateral Management Agreement.

The Collateral Management Agreement also permits the Collateral Manager to engage on behalf of the Issuer in principal transactions, subject to procedures developed by the Collateral Manager to address conflicts of interest. The Collateral Manager’s current procedures regarding principal transactions require that it obtain, prior to effecting any principal transaction, the consent of the board of directors of the Issuer to such principal transaction. Those procedures require that the Collateral Manager disclose to the board of directors of the Issuer (i) the capacity in which it is acting; (ii) that the transaction is a purchase or sale for no consideration other than cash payment against prompt delivery of the Collateral Debt Obligation for which market quotations are readily available; (iii) that the transaction is consistent with the investment policies of the Issuer; and (v) that no brokerage commission or fee (except for customary transfer fees or other remuneration) will be paid in connection with the transaction.

Neither the Collateral Manager nor any Collateral Manager Related Person will be liable to the Issuer, the Trustee, the Noteholders or any other Person for any loss incurred as a result of the actions taken by or recommended by the Collateral Manager under the Collateral Management Agreement, except by reason of acts or omissions constituting bad faith, fraud, wilful misconduct, wilful breach, gross negligence (as such concept is interpreted by the New York courts) or reckless disregard in the performance of its obligations thereunder. Subject to the above mentioned standard of conduct, the Collateral Manager, its shareholders, directors, officers, partners, members, managers, attorneys, advisors, agents, employees and each Collateral Manager Related Person will be entitled to indemnification by the Issuer for any losses or liabilities, including legal or other expenses, relating to the issuance of the Notes, the transactions contemplated thereby or the performance of the Collateral Manager’s obligations under the Collateral Management Agreement, which will be payable in accordance with the Priority of Payments.
Resignation of the Collateral Manager

The Collateral Manager may resign, upon 90 days’ (or such shorter notice as is acceptable to the Issuer) written notice to the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and each Rating Agency. Such resignation will not be effective until the date as of which a successor collateral manager has been appointed as described below.

Removal of the Collateral Manager

The Collateral Manager may, following the occurrence of a Collateral Manager Event of Default pursuant to paragraphs (i) to (vi) of the definition thereof, be removed by the Issuer upon 10 Business Days’ prior written notice to the Collateral Manager, the Trustee, the Hedge Counterparties, and each Rating Agency at the direction of (i) the Controlling Class (acting by Extraordinary Resolution) or (ii) holders of the Subordinated Notes (acting by Ordinary Resolution) (in each case, excluding (x) the holders of any CM Non-Voting Exchangeable Notes and CM Non-Voting Notes and (y) those Notes held by the Collateral Manager, the Sub-Manager or any of its Affiliates). Such removal and/or termination will not be effective until the date as of which a successor collateral manager has been appointed as described below.

Pursuant to the terms of the Collateral Management Agreement, if the Collateral Manager becomes aware that a Collateral Manager Event of Default has occurred, the Collateral Manager will be required to give prompt written notice thereof to the Issuer, the Trustee, the Collateral Administrator, the Noteholders, the Hedge Counterparties and each Rating Agency upon the Collateral Manager becoming aware of the occurrence of such Collateral Manager Event of Default.

Termination of the Collateral Management Agreement

The Collateral Management Agreement will automatically terminate upon the earliest to occur of (i) the payment in full of the Notes, in accordance with their terms, (ii) the liquidation of the Portfolio and the final distribution of the proceeds of such liquidation as provided in the Transaction Documents, and (iii) the determination in good faith by the Issuer that the Issuer or the Portfolio has become required to be registered under the Investment Company Act, and the Issuer notifies the Collateral Manager thereof.

Appointment of Successor

Upon any removal or resignation of the Collateral Manager (except in the circumstances where it has become illegal for the Collateral Manager to carry on its duties under the Collateral Management Agreement), the Collateral Manager will continue to act in such capacity until the appointment by the Issuer, at the direction of the holders of the Subordinated Notes, acting by way of an Ordinary Resolution (excluding any Subordinated Notes held by the Collateral Manager, the Sub-Manager or any of their respective Affiliates), of a successor manager meeting the Successor Criteria in accordance with the terms of the Collateral Management Agreement, provided that the Controlling Class, acting by Extraordinary Resolution (excluding the holders of any CM Non-Voting Exchangeable Notes, CM Non-Voting Notes and any Notes held by the Collateral Manager, the Sub-Manager or any of their respective Affiliates), does not object in writing to such successor within 45 days after receipt of notice of such nomination. If within three months following a notice of resignation or removal, no successor collateral manager has been appointed and accepted such appointment, then the holders of the Controlling Class, acting by Extraordinary Resolution (excluding the holders of any CM Non-Voting Exchangeable Notes and CM Non-Voting Notes and any Notes held by the Collateral Manager, the Sub-Manager or any of their respective Affiliates), may appoint a successor collateral manager and the Issuer shall appoint such successor provided it is acceptable to each Rating Agency and to the holders of the Subordinated Notes acting by way of an Ordinary Resolution (excluding any Notes held by the Collateral Manager, the Sub-Manager or any of their respective Affiliates).
If within four months following a notice of resignation or removal, no successor collateral manager has been appointed and accepted such appointment, then the holders of the Subordinated Notes, acting by way of an Ordinary Resolution (excluding any Subordinated Notes held by the Collateral Manager, the Sub-Manager or any of their respective Affiliates), may appoint a successor collateral manager and the Issuer shall appoint such successor provided it is acceptable to each Rating Agency and to the holders of the Controlling Class, acting by Extraordinary Resolution (excluding the holders of any CM Non-Voting Exchangeable Notes, CM Non-Voting Notes and any Notes held by the Collateral Manager, the Sub-Manager or any of their respective Affiliates).

If within five months following a notice of resignation or removal no successor collateral manager has been appointed and accepted such appointment, the Collateral Manager may make such appointment, which appointment shall be final. For the avoidance of doubt, no Notes held in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes or held by or on behalf of the Collateral Manager, the Sub-Manager or any of their respective Affiliates shall have any voting rights with respect to and shall not be counted for the purposes of determining a quorum and the results of voting on any CM Replacement Resolution or with respect to the selection or appointment of the successor collateral manager following a CM Removal Resolution.

Any successor collateral manager is required to be an established entity that satisfies the following criteria (collectively, the “Successor Criteria”):

(a) has the ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager under the Collateral Management Agreement;

(b) is legally qualified and has the capacity to act as Collateral Manager under the Collateral Management Agreement;

(c) its appointment does not cause the Issuer to become chargeable to taxation in any jurisdiction other than Ireland;

(d) its appointment will not cause the Collateral Manager to breach the terms of the Retention Letter or, if such successor is to commit to retain the Retention Notes subject to and in accordance with the EU Retention Requirements, such successor enters into an agreement on substantially the same terms as the Retention Letter to acquire the Retention Notes on the date of its appointment as collateral manager;

(e) it shall not cause the Issuer or the Collateral to become required to be registered under the provisions of the Investment Company Act;

(f) it is located in a jurisdiction where the performance of its activities as collateral manager will not subject the Issuer to net income tax or franchise tax; and

(g) for so long as any Notes are rated by S&P, the Issuer has received Rating Agency Confirmation from S&P.

Assignment

The Collateral Manager may assign or transfer its rights and/or obligations under the Collateral Management Agreement subject to, and in accordance with, the Collateral Management Agreement, provided that the assignee/transferee satisfies the criteria set out in the Successor Criteria. The consent of the Controlling Class acting by way of Ordinary Resolution and the consent of the Subordinated Noteholders acting by way of Ordinary Resolution shall be required for any assignment or transfer by the Collateral Manager of its rights and/or obligations under the Collateral Management Agreement where the proposed assignee or transferee is not an Affiliate of the Collateral Manager. The Collateral Manager will provide notice to the Trustee (for forwarding to Noteholders and each Rating Agency) of any assignment or transfer of the Collateral Manager’s rights and/or
obligations under the Collateral Management Agreement. The Collateral Manager may grant security over its rights to the Collateral Management Fees under the Collateral Management Agreement, including to secure any retention financing (see “Risk Factors – Regulatory Initiatives – Retention Financing”).

**Fees and expenses**

As compensation for the performance of its obligations as Collateral Manager, the Collateral Manager will be entitled to receive a fee, which will be payable to the Collateral Manager in arrear on each Payment Date (pro-rated for the related Accrual Period), in an amount equal to the sum of (a) 0.20 per cent. per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months) of the Fee Basis Amount for such Payment Date (exclusive of any VAT) (the “Senior Collateral Management Fee”), (b) 0.30 per cent. per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months) of the Fee Basis Amount for such Payment Date (exclusive of any VAT) (the “Subordinated Collateral Management Fee”) and (c) after the Subordinated Notes have realised the Incentive Collateral Management Fee IRR Threshold, an amount equal to, as applicable on such Payment Date, the sum of 20 per cent. of any remaining Interest Proceeds distributable pursuant to clause (DD) of the Interest Proceeds Priority of Payments, 20 per cent. of any remaining Principal Proceeds distributable pursuant to clause (S) of the Principal Proceeds Priority of Payments and 20 per cent. of any remaining proceeds distributable pursuant to clause (AA) of the Post Acceleration Priority of Payments (such payments described in this paragraph (c), being exclusive of any VAT thereon and collectively, the “Incentive Collateral Management Fee” and, together with the Senior Collateral Management Fee and the Subordinated Collateral Management Fee, the “Collateral Management Fee”).

On any Payment Date, the Collateral Manager may, in its sole discretion, elect to defer any Senior Collateral Management Fees or Subordinated Collateral Management Fees. Any amounts so deferred shall be applied in accordance with the Priorities of Payments.

Any due and unpaid Collateral Management Fees will accrue interest (in arrear) for the period commencing on the Payment Date on which such amount was due to (but excluding) the Payment Date on which it is repaid in accordance with the Priorities of Payments at the EURIBOR rate applicable to the Rated Notes for each Accrual Period that such amount is unpaid. Such accrued and unpaid interest thereon will be payable on any subsequent Payment Date to the extent funds are available for such purpose in accordance with the Priorities of Payments. Notwithstanding the foregoing, Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts shall not accrue interest.

The Collateral Manager may also, in its sole discretion, elect to designate the Senior Collateral Management Fee or the Subordinated Collateral Management Fee for reinvestment to be used to purchase substitute Collateral Debt Obligations, or to purchase Rated Notes in accordance with the Conditions (or to be deposited in the Principal Account pending such reinvestment or purchase in accordance with the Conditions).

If on any Payment Date there are insufficient funds to pay any amount in respect of the Collateral Management Fee in full, the amount not so paid will be deferred and will be payable on such later Payment Date on which funds are available therefor in accordance with the Priorities of Payments.

On the Issue Date, the Collateral Manager will be reimbursed by the Issuer for certain of its expenses incurred in connection with the offering of the Refinancing Notes and the negotiation and documentation of the Transaction Documents, including the Collateral Management Agreement (including legal fees and expenses and any irrecoverable VAT thereon).

**No Voting Rights**

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

Any Notes (including any Class of Rated Notes and Subordinated Notes) held by or on behalf of the Collateral Manager, the Sub-Manager or any of their respective Affiliates shall have no voting rights with respect to, and shall not be counted for the purposes of determining a quorum and the results of, voting on any CM Removal Resolution or CM Replacement Resolution.
DESCRIPTION OF THE COLLATERAL SUB-MANAGEMENT AGREEMENT

The following description of the Collateral Sub-Management Agreement consists of a summary of certain provisions of the Collateral Sub-Management Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement.

Pursuant to a collateral sub-management agreement (the "Collateral Sub-Management Agreement") entered into on 21 May 2015, as amended and restated on the Issue Date, between the Issuer, Collateral Manager and CVC Credit Partners Investment Management Limited (the "Sub-Manager") the Collateral Manager delegated certain of its duties and obligations under the collateral management agreement entered into on 21 May 2015, as amended and restated on the Issue Date, between, amongst others, the Issuer and the Collateral Manager (the "Collateral Management Agreement") to the Sub-Manager, such delegated duties and obligations to be provided by the Sub-Manager to the Collateral Manager and not to the Issuer. Any delegation of duties by the Collateral Manager in accordance with the Collateral Management Agreement shall not relieve the Collateral Manager from any liability thereunder.

The Collateral Sub-Management Agreement provides that:

(a) the Sub-Manager shall perform its obligations under the Collateral Sub-Management Agreement in good faith and with reasonable care, using a degree of skill and attention equivalent to that which the Sub-Manager exercises with respect to comparable assets that it manages for itself and others having similar investment objectives and restrictions, and, without limiting the foregoing, in a manner consistent with practices and procedures followed by institutional investment managers or advisers of international standing relating to assets of the nature and character of the Portfolio;

(b) the Sub-Manager may, if required by the Collateral Manager at any time during the term of the Collateral Sub-Management Agreement, seek the Collateral Manager’s approval prior to exercising any discretion under the Collateral Sub-Management Agreement;

(c) the Sub-Manager shall, at all times, comply with the terms and conditions of any Transaction Documents which affect the duties and functions to be performed by it under the Collateral Sub-Management Agreement;

(d) the Sub-Manager shall comply with any restrictions or policy statements for the time being contained in the governing instruments of or which are otherwise applicable to the Issuer;

(e) the Sub-Manager shall have regard to any other matter to which a prudent manager or sub-manager to an investment portfolio should reasonably pay regard in the proper discharge of its duties;

(f) the Sub-Manager shall comply with the provisions of the Collateral Management Agreement (including, without limitation, the terms and conditions of any Transaction Documents to which it is a party to the extent the terms of such Transaction Documents may be applicable thereunder or under the Collateral Sub-Management Agreement);

(g) the Sub-Manager’s duties and authority to act as Sub-Manager under the Collateral Sub-Management Agreement are limited to the duties and authority of the Collateral Manager specifically provided in the Collateral Management Agreement including without limitation to the extent required to determine the Market Value of Collateral Debt Obligations in accordance with the definition thereof. The Sub-Manager shall not be deemed to assume the obligations of the Issuer under any Transaction Document or under any other document or agreement to which the Collateral Manager or the Issuer is a party;
(h) the Sub-Manager undertakes to carry out its duties and exercise its powers under the Collateral Sub-Management Agreement at all times in accordance with the standards, methodology and procedures set out in the Collateral Management Agreement; and

(i) the Sub-Manager undertakes to provide the Collateral Manager with such reasonable assistance and information so as to enable the Collateral Manager to comply with its regulatory obligations and with its obligations to the Issuer under the Collateral Management Agreement.

**Fees**

The Sub-Manager shall be paid the Sub-Manager Services Fee by the Collateral Manager for performing the collateral management functions described herein.
DESCRIPTION OF THE REPORTS

Monthly Reports

The Collateral Administrator, not later than the fifteenth Business Day after the last Business Day of each month (save in respect of any month for which a Payment Date Report has been prepared), on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager and the Sub-Manager, shall compile and make available a monthly report (and shall include a version in excel format) via a secured website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Collateral Manager, the Placement Agent, the Sub-Manager, the Hedge Counterparties, the Liquidity Facility Provider, the Rating Agencies and the Noteholders from time to time) which shall be accessible to the Issuer, the Trustee, the Collateral Manager, the Placement Agent, the Sub-Manager, each Hedge Counterparty, the Liquidity Facility Provider and the Rating Agencies and to any holder of a beneficial interest in any Note by way of a unique password which, in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification (upon which certification the Collateral Administrator may rely absolutely and without further enquiry or liability) that such holder is a holder of a beneficial interest in any Notes (the "Monthly Report"). The first such Monthly Report was made available by the Collateral Administrator in December 2016. Each Monthly Report shall contain, without limitation, the information set out below with respect to the Portfolio, determined by the Collateral Administrator as at the last Business Day of each month in consultation with the Collateral Manager.

Each Monthly Report shall include notice that: (A) each Noteholder must be either (x) a QIB that is a QP or (y) a person outside the United States that is not a U.S. Person (as defined in Regulation S); and (B) the Notes may only be transferred to investors which also meet such criteria.

Portfolio

(a) the Aggregate Principal Balance of the Collateral Debt Obligations and Eligible Investments representing Principal Proceeds;

(b) the Aggregate Collateral Balance of the Collateral Debt Obligations;

(c) the Adjusted Aggregate Collateral Balance of the Collateral Debt Obligations;

(d) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Debt Obligation, its Principal Balance (in the case of Deferring Securities, both including and excluding capitalised or deferring interest), LoanX ID, CUSIP number, ISIN or identification thereof, annual interest rate or spread (and with any EURIBOR floor, if any), facility, Collateral Debt Obligation Stated Maturity, Obligor, the Domicile of the Obligor, currency, Moody’s Recovery Rate, Moody’s Rating, S&P Rating, S&P Recovery Rate and any other public rating (other than any confidential credit estimate), its Moody’s industry category and S&P Industry Classification Group;

(e) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Debt Obligation, whether such Collateral Debt Obligation is a Senior Secured Loan, Senior Secured Bond Senior Unsecured Obligation, Second Lien Loan, Mezzanine Obligation or High Yield Bond, Fixed Rate Collateral Debt Obligation, Semi-Annual Obligation, Annual Obligation, Corporate Rescue Loan, PIK Obligation, Current Pay Obligation, Revolving Obligation, Delayed Drawdown Collateral Debt Obligation, Bridge Loan, Discount Obligation or a Deferring Security;

(f) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Enhancement Debt Obligation and Exchanged Security (to the extent applicable), its Principal Balance, face amount,
annual interest rate, Collateral Debt Obligation Stated Maturity and Obligor, details of the type of instrument it represents and details of any amounts payable thereunder or other rights accruing pursuant thereto;

(g) subject to any confidentiality obligations binding on the Issuer, the number, identity and, if applicable, Principal Balance of, respectively, any Collateral Debt Obligations, Collateral Enhancement Debt Obligations or Exchanged Securities that were released for sale or other disposition (specifying the reason for such sale or other disposition and the section in the Collateral Management Agreement pursuant to which such sale or other disposition was made), the Aggregate Principal Balances of Collateral Debt Obligations released for sale or other disposition at the Collateral Manager’s discretion (expressed as a percentage of the Adjusted Aggregate Collateral Balance and measured at the date of determination of the last Monthly Report) and the sale price thereof and identity of any of the purchasers thereof (if any) that are Affiliated with the Collateral Manager;

(h) subject to any confidentiality obligations binding on the Issuer, the purchase or sale price of each Collateral Debt Obligation, Eligible Investment and Collateral Enhancement Debt Obligation acquired by the Issuer and in which the Issuer has granted a security interest to the Trustee, and each Collateral Debt Obligation, Eligible Investment and Collateral Enhancement Debt Obligation sold by the Issuer since the date of determination of the last Monthly Report and the identity of the purchasers or sellers thereof, if any, that are Affiliated with the Issuer or the Collateral Manager;

(i) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Debt Obligation which became a Defaulted Obligation or Deferring Security or in respect of which an Exchanged Security has been received since the date of determination of the last Monthly Report and the identity and Principal Balance of each Moody’s Caa Obligation, S&P CCC Obligation and Current Pay Obligation;

(j) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Debt Obligation which became a Restructured Obligation and its Obligor, as well as, where applicable, the name of the Obligor prior to the restructuring and the Obligor’s new name after the Restructuring Date;

(k) the Aggregate Principal Balance of Collateral Debt Obligations which were upgraded or downgraded since the most recent Monthly Report and of which the Collateral Administrator or the Collateral Manager has actual knowledge;

(l) the approximate Market Value of, respectively, the Collateral Debt Obligations and the Collateral Enhancement Debt Obligations as provided by the Collateral Manager;

(m) in respect of each Collateral Debt Obligation, its Moody’s Rating and S&P Rating (other than any confidential credit estimate) as at (i) the date of acquisition; (ii) the date of the previous Monthly Report; and (iii) the date of the current Monthly Report;

(n) the inputs used in sub-paragraphs (i) and (ii) of the definition of Originator Requirement;

(o) the Aggregate Principal Balance of Collateral Debt Obligations comprising Participations in respect of which the Selling Institutions are not the lenders of record; and

(p) for so long as any Notes are rated by S&P, the applicable point in the S&P Test Matrix being applied for the purposes of the Collateral Quality Test.
Accounts

(a) the Balances standing to the credit of each of the Accounts;
(b) the S&P rating (if any) and Moody’s Rating (if any) of any Eligible Investments; and
(c) the name of the Account Bank.

Incentive Collateral Management Fee

(a) the accrued Incentive Collateral Management Fee.

Hedge Transactions

(a) the outstanding notional amount of each Hedge Transaction and the current rate of EURIBOR;
(b) the amount scheduled to be received and paid by the Issuer pursuant to each Hedge Transaction on or before the next Payment Date;
(c) the then current S&P rating and, if applicable, Moody’s Rating in respect of each Hedge Counterparty and whether such Hedge Counterparty satisfies the Rating Requirements;
(d) the name of the Hedge Counterparty; and
(e) the maturity date, the strike price and the underlying currency notional amount of each currency option, the upfront premium paid or payable by the Issuer thereunder and, in relation to each currency option exercised, the date of exercise, the spot foreign exchange rate at the time of exercise, the notional amount of the optional exercised, the aggregate notional amount of the option which remains unexercised and the aggregate premium received.

Frequency Switch Event

(a) whether a Frequency Switch Event has occurred and the date of such Frequency Switch Event (in the case of a Frequency Switch Event occurring under paragraph (ii) of the definition thereof, to the extent notified by the Collateral Manager to the Collateral Administrator).

Coverage Tests and Collateral Quality Tests

(a) a statement as to whether each of the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test, the Class E Par Value Test and the Class Par Value Test is satisfied and details of the relevant Par Value Ratios;
(b) a statement as to whether each of the Class A/B Interest Coverage Test, the Class C Interest Coverage Test and the Class D Interest Coverage Test is satisfied and details of the relevant Interest Coverage Ratios;
(c) during the Reinvestment Period only, a statement as to whether the Interest Diversion Test is satisfied;
(d) the Weighted Average Life and a statement as to whether the Weighted Average Life Test is satisfied;
(e) the Weighted Average Floating Spread (shown as (x) including and excluding any EURIBOR floor and (y) including and excluding the Aggregate Excess Funded Spread), a statement as to whether the
Minimum Weighted Average Spread Test is satisfied and the amount of the Aggregate Excess Funded Spread;

(f) the Weighted Average Coupon and the Weighted Average Coupon Adjustment Percentage;

(g) so long as any Notes rated by Moody’s are Outstanding, the Adjusted Weighted Average Moody’s Rating Factor and a statement as to whether the Moody’s Maximum Weighted Average Rating Factor Test is satisfied;

(h) so long as any Notes rated by Moody’s are Outstanding, (i) the Weighted Average Moody’s Recovery Rate and a statement as to whether the Moody’s Minimum Weighted Average Recovery Rate Test is satisfied and (ii) subject to any confidentiality undertakings binding on the Issuer, with respect to each Collateral Debt Obligation, (A) the name of the Obligor; (B) the Moody’s Default Probability Rating (if public); (C) the name of the Collateral Debt Obligation as documented in its Underlying Instrument (or, where it is not practicable to provide this information, such information shall, upon request from Moody’s, be provided to Moody’s in the event that Moody’s is unable to map such name to its database); (D) the seniority of the Collateral Debt Obligation; (E) the Moody’s Rating of the Collateral Debt Obligation (if public); and (F) the Moody’s assigned recovery rate (if the relevant Collateral Debt Obligation has a Moody’s Rating which is public);

(i) so long as any Notes rated by Moody’s are Outstanding, the Diversity Score and a statement as to whether the Moody’s Minimum Diversity Test is satisfied;

(j) so long as any Notes rated by S&P are Outstanding, the S&P Weighted Average Recovery Rate;

(k) (other than following the expiry of the Reinvestment Period) the S&P Expected Default Rate, S&P Default Rate Dispersion, S&P Obligor Diversity Measure, S&P Industry Diversity Measure, S&P Regional Diversity Measure and S&P Weighted Average Life (each as defined in the Collateral Management Agreement) and a statement as to whether the S&P CDO Monitor Test is satisfied; and

(l) a statement identifying any Collateral Debt Obligation in respect of which the Collateral Manager has made its own determination of “Market Value” (pursuant to the definition thereof) for the purposes of any of the Coverage Tests.

Portfolio Profile Tests

(a) in respect of each Portfolio Profile Test, a statement as to whether such test is satisfied;

(b) the identity and S&P Rating and Moody’s Rating of each Selling Institution, together with any changes in the identity of such entities since the date of determination of the last Monthly Report and details of the aggregate amount of Participations entered into with each such entity; and

(c) a statement as to whether the limits specified in the Bivariate Risk Table are met by reference to the S&P Ratings and Moody’s Ratings of Selling Institutions and, if such limits are not met, a statement as to the nature of the non compliance.

Risk Retention

(a) confirmation that the Collateral Administrator has received written confirmation from the Retention Holder that:
(i) it continues to hold not less than 5 per cent. of the Principal Amount Outstanding of each Class of Notes; and

(ii) it has not sold, hedged or otherwise mitigated its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except to the extent permitted in accordance with the EU Retention Requirements;

(b) a statement as to whether the Originator Requirement has been satisfied;

(c) confirmation of any other information or agreements supplied by the Retention Holder as reasonably required to satisfy the EU Retention Requirements from time to time, subject to and in accordance with the Retention Letter; and

(d) confirmation from the originator that it has established and is managing the securitisation scheme constituted by the issuance of the Notes by the Issuer.

**CM Voting Notes / CM Non-Voting Exchangeable Notes / CM Non-Voting Notes**

In respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes:

(a) the aggregate Principal Amount Outstanding of CM Voting Notes;

(b) the aggregate Principal Amount Outstanding of CM Non-Voting Exchangeable Notes; and

(c) the aggregate Principal Amount Outstanding of CM Non-Voting Notes.

**Payment Date Report**

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager, shall render an accounting report (the "Payment Date Report") (and shall include a version in excel format), prepared and determined as of each Determination Date, and made available via a secured website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Collateral Manager, the Placement Agent, the Hedge Counterparties, the Liquidity Facility Provider, the Rating Agencies and the Noteholders from time to time) which shall be accessible to the Collateral Manager, the Issuer, the Trustee, the Placement Agent, the Registrar, each Hedge Counterparty, the Liquidity Facility Provider, the Rating Agencies and any holder of a beneficial interest in any Note by way of a unique password (which, in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification (upon which certification the Collateral Administrator may rely absolutely and without further enquiry or liability) that such holder is a holder of a beneficial interest in any Notes) not later than the Business Day preceding the related Payment Date. Upon receipt of each Payment Date Report, the Collateral Administrator, in the name and at the expense of the Issuer, shall notify the Irish Stock Exchange of the Principal Amount Outstanding of each Class of Notes after giving effect to the principal payments, if any, on the next Payment Date. The Payment Date Report shall contain the following information.

Each Payment Date Report shall include notice that: (A) each Noteholder must be either (x) a QIB that is a QP or (y) a person outside the United States that is not a U.S. Person (as defined in Regulation S); and (B) the Notes may only be transferred to investors which also meet such criteria.
Portfolio

(a) the Aggregate Principal Balance of the Collateral Debt Obligations as of the close of business on such Determination Date, after giving effect to (A) Principal Proceeds received on the Collateral Debt Obligations with respect to the related Due Period and the reinvestment of such Principal Proceeds in Substitute Collateral Debt Obligations during such Due Period and (B) the disposal of any Collateral Debt Obligations during such Due Period;

(b) subject to any confidentiality obligations binding on the Issuer, a list of, respectively, the Collateral Debt Obligations and Collateral Enhancement Debt Obligations indicating the Principal Balance and Obligor of each; and

(c) the information required pursuant to "Monthly Reports - Portfolio" above.

Notes

(a) the Principal Amount Outstanding of the Notes of each Class and such aggregate amount as a percentage of the original aggregate Principal Amount Outstanding of the Notes of such Class at the beginning of the Accrual Period, the amount of principal payments to be made on the Notes of each Class on the related Payment Date, and the aggregate amount of the Notes of each Class Outstanding and such aggregate amount as a percentage of the original aggregate amount of the Notes of such Class Outstanding after giving effect to the principal payments, if any, on the next Payment Date;

(b) the interest payable in respect of each Class of Notes (as applicable), including the amount of any Deferred Interest payable on the related Payment Date (in the aggregate and by Class);

(c) the Interest Amount payable in respect of each Class of Notes on the next Payment Date; and

(d) EURIBOR for the related Due Period and the Floating Rate of Interest applicable to each Class of Rated Notes during the related Due Period.

(e) whether a Frequency Switch Event has occurred and the date of such Frequency Switch Event (in the case of a Frequency Switch Event occurring under paragraph (ii) of the definition thereof, to the extent notified by the Collateral Manager to the Collateral Administrator).

Payment Date Payments

(a) the amounts payable pursuant to the Interest Proceeds Priority of Payments, the Principal Proceeds Priority of Payments and the Post-Acceleration Priority of Payments;

(b) the Trustee Fees and Expenses, the amount of any Collateral Management Fees and Administrative Expenses payable on the related Payment Date, in each case, on an itemised basis; and

(c) any Asset Swap Termination Payments, any Interest Rate Hedge Termination Payments and any Defaulted Hedge Termination Payments.

Accounts

(a) the Balance standing to the credit of the Interest Account at the end of the related Due Period;

(b) the Balance standing to the credit of the Principal Account at the end of the related Due Period;
(c) the Balance standing to the credit of the Interest Account immediately after all payments and deposits to be made on the next Payment Date;

(d) the Balance standing to the credit of the Principal Account immediately after all payments and deposits to be made on the next Payment Date;

(e) the amounts payable from the Interest Account through a transfer to the Payment Account pursuant to the Priorities of Payments on such Payment Date;

(f) the amounts payable from the Principal Account through a transfer to the Payment Account pursuant to the Priorities of Payments on such Payment Date;

(g) the amounts payable from any other Accounts (through a transfer to the Payment Account) pursuant to the Priorities of Payments on such Payment Date, together with details of whether such amounts constitute Interest Proceeds or Principal Proceeds;

(h) the Balance standing to the credit of each of the other Accounts at the end of the related Due Period;

(i) the Principal Proceeds received during the related Due Period;

(j) the Interest Proceeds received during the related Due Period; and

(k) the Collateral Enhancement Debt Obligation Proceeds received during the related Due Period.

**Coverage Tests, Collateral Quality Tests and Portfolio Profile Tests**

(a) the information required pursuant to "Monthly Reports - Coverage Tests and Collateral Quality Tests" above and information on each item included under the definition of Interest Coverage Amount; and

(b) the information required pursuant to "Monthly Reports - Portfolio Profile Tests" above.

**Hedge Transactions**

(a) The information required pursuant to "Monthly Reports - Hedge Transactions" above.

**Risk Retention**

(a) The information required pursuant to "Monthly Reports - Risk Retention" above.

**CM Voting Notes / CM Non-Voting Exchangeable Notes / CM Non-Voting Notes**

The information required pursuant to "Monthly Reports - CM Voting Notes / CM Non-Voting Exchangeable Notes / CM Non-Voting Notes" above.

**Miscellaneous**

Each Report shall state that it is for the purposes of information only, that certain information included in the report is estimated, approximated or projected and that it is provided without any representations or warranties as to the accuracy or completeness thereof and that none of the Collateral Administrator, the Trustee, the Issuer or the Collateral Manager will have any liability for estimates, approximations or projections contained therein.

Each Monthly Report and Payment Date Report will be made available via the website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the
Issuer, the Trustee, the Collateral Manager, the Placement Agent, the Hedge Counterparties, the Rating Agencies and the Noteholders from time to time). It is not intended that such Reports will be made available in any other format, save in limited circumstances with the Collateral Administrator’s agreement. The website does not form part of the information provided for the purposes of this Offering Circular and disclaimers may be posted with respect to the information posted thereon. Registration may be required for access to such website and persons wishing to access such website may be required to certify that they are Noteholders or otherwise entitled to access such website.

In addition, the Collateral Administrator shall provide the Issuer with such other information and in such a format relating to the Portfolio as the Issuer may reasonably request and which is in the possession of the Collateral Administrator, in order for the Issuer to satisfy its obligation to make certain filings of information with the Central Bank of Ireland and in respect of the preparation of its financial statements and tax returns.
DESCRIPTION OF THE LIQUIDITY FACILITY AGREEMENT

The following description of the Liquidity Facility Agreement consists of a summary of certain provisions of the Liquidity Facility Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement.

Liquidity Facility Agreement

Commitment

The maximum amount of the facility (the "Liquidity Facility") under the Liquidity Facility Agreement is the Commitment.

The Issuer, the Trustee, the Collateral Administrator, the Collateral Manager and Citibank, N.A. London Branch, as a liquidity facility provider (the "Liquidity Facility Provider"), entered into a liquidity facility agreement (the "Liquidity Facility Agreement") dated 21 May 2015, as amended and restated on the Issue Date.

Purposes

For the period (the "Liquidity Facility Commitment Period") from (and including) the Issue Date to (but excluding) the earliest of (a) on the Business Day that is immediately preceding the date that is four years from the Issue Date, subject to renewal for one or two additional one year periods at the Liquidity Facility Provider's sole and absolute discretion; (b) the date on which the Liquidity Facility is cancelled in its entirety in accordance with its terms; and (c) the date on which the Rated Notes are redeemed in full or, in each case, if such day is not a Business Day, the Business Day immediately prior to such day (the "Liquidity Facility Commitment Period End Date"), the Issuer is, subject to satisfaction of certain conditions, entitled to draw under the Liquidity Facility Agreement funds for the purpose of payment of any shortfall in the amount available to pay amounts due and payable in accordance with paragraphs (A) through (DD) (inclusive) (other than amounts payable to the Liquidity Facility Provider pursuant to paragraph (E)) of the Interest Proceeds Priority of Payments on any Drawdown Date that is a Payment Date or to the extent requested, the refinancing of any Initial Drawdown (or any refinancing thereof), and not for any other purpose provided that the maximum aggregate amount which may be drawn down for such purposes on any Drawdown Date shall not exceed the applicable amounts referred to below under "Drawings and Repayments".

Drawings and Repayments

Subject to the satisfaction of certain conditions, Initial Drawdowns or Subsequent Drawdowns (each as defined in the Conditions) may be made under the Liquidity Facility Agreement for the purpose of payment of any shortfall in the amount available to pay amounts due and payable pursuant to the Priorities of Payment on any Payment Date by no later than (i) in the case of Initial Drawdowns, four Business Days' notice but no more than seven Business Days' notice and (ii) in the case of Subsequent Drawdowns, two Business Days' notice but no more than seven Business Days' notice. Initial Drawdowns are subject to a limit equal to the lesser of (a) the Available Commitment and (b) any shortfall in the amount of Interest Proceeds available to pay amounts due and payable in accordance with items (A) through (DD) (where the amount payable pursuant to item (DD) of the Interest Proceeds Priority of Payments on such date shall, for the purposes of determining a "Liquidity Shortfall" only, be equal to the remaining Available Commitment assuming a utilisation of the Liquidity Facility in respect of all amounts payable pursuant to items (A) through (CC) (inclusive) of the Interest Proceeds Priority of Payments on such date) (inclusive) (other than amounts payable to the Liquidity Facility Provider pursuant to item (E)) of the Interest Proceeds Priority of Payments that are due and payable on such Payment Date (in each case to the extent that each applicable Coverage Test senior to the payment of the amounts payable in respect of such paragraph is satisfied on
the relevant Determination Date), but only in an amount not exceeding the Accrued Collateral Debt Obligation Interest in respect of such Payment Date.

Liquidity Drawings shall be subject to the following conditions precedent:

(a) the Class A Notes not having been redeemed in full and not being scheduled to be redeemed in full on the immediately following Payment Date (as determined by reference to the circumstances existing on such date of determination);

(b) on both the date on which such Liquidity Drawing is requested and on the relevant Drawdown Date, no Note Event of Default or Liquidity Facility Event of Default is outstanding or would result from the provision of such Liquidity Drawing;

(c) in relation to an Initial Drawdown only, in respect of a shortfall in the amount of Interest Proceeds available to pay amounts due and payable in respect of any paragraph of the Interest Proceeds Priority of Payments, each applicable Coverage Test senior to the payment of the amounts payable in respect of that paragraph is satisfied on the relevant Determination Date, for such purpose assuming that such Liquidity Drawing has already been made;

(d) payment in full of any prior Liquidity Drawing; and

(e) on both the date on which such Liquidity Drawing is requested and on the relevant Drawdown Date, all representations and warranties required to be repeated on that date under the Liquidity Facility Agreement are true and accurate in all material respects.

Each Initial Drawdown shall have an interest period commencing on, with respect to each Initial Drawdown, the relevant Drawdown Date and ending on the earlier of (i) the Early Repayment Date (as defined in the below) and (ii) the Payment Date following the Drawdown Date in respect of such Liquidity Drawing subject in the case of any Subsequent Drawdown to the provisions of the Liquidity Facility Agreement (the “Repayment Date”).

Pursuant to the Liquidity Facility Agreement, the Issuer or the Collateral Manager on behalf of the Issuer, may redraw one or more times, as applicable, an amount thereunder to refinance (in whole or in part) any such Initial Drawdown at any time after the Drawdown Date of the related Initial Drawdown.

Each Subsequent Drawdown may be drawn on two Business Days’ written notice prior to the relevant Repayment Date and shall not exceed the lesser of:

(a) the Available Commitment on the day such Liquidity Drawing is to be made; and

(b) the amount of the Initial Drawdown (or the Subsequent Drawdown, as applicable) which such Subsequent Drawdown is refinancing.

The Issuer shall be required to repay all Liquidity Drawings outstanding under the Liquidity Facility Agreement and the Available Commitment shall automatically be cancelled in full, on the earlier to occur of (a) final redemption of the Notes (other than as a result of a Note Event of Default); (b) the occurrence of a Note Event of Default or the Liquidity Facility is accelerated in accordance with the Liquidity Facility Agreement following the occurrence of an event of default under the Liquidity Facility Agreement; (c) the Moody’s rating assigned to the Class A Notes (or the Class B Notes if the Class A Notes are no longer Outstanding) is below “Ba2” or the S&P rating assigned to the Class A Notes (or the Class B Notes if the Class A Notes are no longer Outstanding) is below “BB” (a “Note Downgrade Event”) and (d) the Payment Date next following the last day of the Liquidity Facility Commitment Period.
Liquidity Drawings (to the extent not refinanced under a Subsequent Drawdown) shall otherwise be repaid on the Payment Date following the Drawdown Date in respect of such Liquidity Drawing, or (if applicable) the Issuer (or the Collateral Manager in its discretion on behalf of the Issuer) may to the extent permissible in accordance with the Conditions, repay any Liquidity Drawing on a date (the "Early Repayment Date") earlier than the Payment Date following the applicable Drawdown Date (subject to the terms of the Liquidity Facility Agreement), to the extent that there are sufficient Interest Proceeds and/or Principal Proceeds pursuant to the Interest Proceeds Priority of Payments and/or Principal Proceeds Priority of Payments and/or Post-Acceleration Priority of Payments to pay such amounts (taking into account all such amounts due and payable in priority thereto had such Liquidity Drawings been repaid on the next Payment Date), provided that any failure to repay any Liquidity Drawing on such Early Repayment Date due to there being insufficient Interest Proceeds or Principal Proceeding shall not constitute an event of default under the Liquidity Facility Agreement.

**Reduction of Available Commitment**

On any Payment Date on which any of the Rated Notes are subject to a redemption (in whole or in part) in accordance with the Priorities of Payments, the Available Commitment shall be reduced by an amount equal to the product of:

(a) €2,000,000; and

(b) an amount (expressed as a percentage) equal to:

(i) the difference between:

(A) the sum of the products obtained by multiplying the Principal Amount Outstanding of each Class of the Rated Notes before any redemption and/or purchase by the Issuer in respect of any of the Rated Notes as at the previous Payment Date (excluding any Deferred Interest) by the Applicable Margin in respect of each Class of Rated Notes respectively; and

(B) the sum of the products obtained by multiplying the Principal Amount Outstanding of each Class of the Rated Notes after any redemption and/or purchase by the Issuer in respect of any of the Rated Notes as at the previous Payment Date (excluding any Deferred Interest) by the Applicable Margin in respect of each Class of Rated Notes respectively; and

divided by

(ii) the sum of the products obtained by multiplying the Principal Amount Outstanding of each Class of the Rated Notes as at their date of issuance by the Applicable Margin in respect of each Class of Rated Notes respectively as at their respective dates of issuance,

as at such Payment Date.

**Renewal of initial Liquidity Facility Commitment Period**

The Issuer or the Collateral Manager on behalf of the Issuer (copied in each case to the Trustee and the Collateral Administrator) may deliver, not more than 30 nor fewer than 15 Business Days before the expiry of the Liquidity Facility Commitment Period, an irrevocable request that the Liquidity Facility Commitment Period be renewed (the "Initial Renewal Request") to the Payment Date falling immediately before the fifth anniversary of the Issue Date. If the Liquidity Facility Provider in its sole and absolute discretion accepts the Initial Renewal Request, the Issuer or the Collateral Manager on its behalf may deliver, not more than 30 nor fewer than 15 Business Days
before the expiry of the Liquidity Facility Commitment Period (as extended), an irrevocable request that the Liquidity Facility Commitment Period (as extended) be renewed (the "Subsequent Renewal Request" and, together with the Initial Renewal Request, the "Renewal Requests") to the Payment Date falling immediately before the sixth anniversary of the Issue Date.

If the Liquidity Facility Provider in its sole and absolute discretion wishes to accept such a request to extend the Liquidity Facility Commitment Period, it shall, not later than 10 days before expiry of the Liquidity Facility Commitment Period, deliver to the Issuer (copied to the Trustee, the Collateral Manager and the Collateral Administrator) an irrevocable notice that it has consented to the request contained in the Renewal Request.

**Interest on Drawings and Available Commitment**

A commitment fee during the Liquidity Facility Commitment Period shall be payable by the Issuer equal to a rate of:

(a) if the Moody’s rating assigned to the Class A Notes is greater than or equal to "Aa3" and the S&P rating assigned to the Class A Notes is greater than or equal to "AA-", 0.55 per cent. per annum;

(b) if the Moody's rating assigned to the Class A Notes is greater than or equal to "Baa2" and the S&P rating assigned to the Class A Notes is greater than or equal to "BBB" but the Moody's rating assigned to the Class A Notes is less than "Aa3" or the S&P rating assigned to the Class A Notes is less than "AA-", 1.10 per cent. per annum; or

(c) if the Moody's rating assigned to the Class A Notes is greater than or equal to "B2" and the S&P rating assigned to the Class A Notes is greater than or equal to "B" but the Moody's rating assigned to the Class A Notes is less than "Baa2" or the S&P rating assigned to the Class A Notes is less than "BBB", 1.50 per cent. per annum,

in each case, on an amount equal to the Available Commitment accruing on each day during the Liquidity Facility Commitment Period.

Accrued and unpaid commitment fee on the Available Commitment shall be payable by the Issuer in arrear on each Payment Date to the extent that there are sufficient Interest Proceeds and, if required, Principal Proceeds or the net proceeds of enforcement of the security over the Collateral, available for payment thereof in accordance with the Priorities of Payments or at any time in accordance with the provisions of the Liquidity Facility Agreement. Any accrued commitment fee is also payable to the Liquidity Facility Provider on the cancelled amount of the Commitment at and up to the time the cancellation takes effect.

The rate of interest on each loan made or to be made under the Liquidity Facility or deemed to be made under the Liquidity Facility (including any Initial Drawdown and/or Subsequent Drawdown) for each interest period is the rate per annum determined by the Liquidity Facility Provider to be the aggregate of EURIBOR for the relevant interest period and:

(a) if the Moody’s rating assigned to the Class A Notes is greater than or equal to "Aa3" and the S&P rating assigned to the Class A Notes is greater than or equal to "AA-", 1.10 per cent. per annum;

(b) if the Moody’s rating assigned to the Class A Notes is greater than or equal to "Baa2" and the S&P rating assigned to the Class A Notes is greater than or equal to "BBB" but the Moody’s rating assigned to the Class A Notes is less than "Aa3" or the S&P rating assigned to the Class A Notes is less than "AA-", 1.65 per cent. per annum; or
(c) if the Moody’s rating assigned to the Class A Notes is greater than or equal to “B2” and the S&P rating assigned to the Class A Notes is greater than or equal to “B” but the Moody’s rating assigned to the Class A Notes is less than “Baa2” or the S&P rating assigned to the Class A Notes is less than “BBB”, 2.65 per cent. per annum.

Accrued interest on any Liquidity Drawing shall be payable on the Repayment Date in respect of such Liquidity Drawing and shall be calculated on the basis of a 360 day year for the actual number of days elapsed.

Arrangement Fee

An arrangement fee was payable by the Issuer on the Original Issue Date to the Liquidity Facility Provider in the amount of €15,000. Provided that the Liquidity Facility Provider has provided an invoice for such amount to the Issuer two Business Days prior to the Original Issue Date, it is a condition precedent to any Initial Drawdown that the arrangement fee has been paid by the Issuer.

Priority of Amounts Due to the Liquidity Facility Provider under the Liquidity Facility Agreement

Pursuant to the Interest Proceeds Priority of Payments and/or the Principal Proceeds Priority of Payments and/or the Post-Acceleration Priority of Payments, interest and commitment fees due and payable under the Liquidity Facility Agreement, together with the repayment of Liquidity Drawings rank senior prior to all amounts payable in respect of the Notes. All other amounts payable under the Liquidity Facility Agreement such as expenses, increased costs and indemnification amounts constitute Administrative Expenses and as such are payable prior to payment of any amounts in respect of the Notes but only to the extent that such amounts do not exceed the Senior Expenses Cap applicable to the relevant Payment Date (except to the extent that a Note Event of Default is continuing). All amounts payable in excess of such cap are payable after payment of, amongst other things, (i) amounts payable to the Principal Account for reinvestment or in redemption of the Notes upon breach of the Interest Diversion Test and (ii) Trustee Fees and Expenses not paid by reason of the Senior Expenses Cap.

Cancellation

The Commitment may only be cancelled by the Liquidity Facility Provider (in whole or in part) on or at any time (a) after the occurrence of an event of default under the Liquidity Facility Agreement (a “Liquidity Facility Event of Default”) upon notice from the Liquidity Facility Provider to the Issuer. A Liquidity Facility Event of Default occurs if (i) the Issuer fails to pay any amount due under the Liquidity Facility Agreement on its due date provided that where any non-payment is a result of an administrative error or omission, such failure continues for a period of at least seven Business Days after the Collateral Manager or the Issuer receives written notice, or has actual knowledge, of the administrative error or omission and as at the date on which such unpaid amount was due and payable, the Available Commitment was equal to zero; (ii) the Notes are accelerated in accordance with Condition 10(b) (Acceleration); (iii) it becomes unlawful for the Issuer to perform any of its obligations under the Liquidity Facility Agreement or any other Liquidity Document (as defined in the Liquidity Facility Agreement); (iv) the Issuer becomes subject to insolvency proceedings; or (v) the Liquidity Facility Agreement is not or ceases to be in full force and effect and legal, valid, binding and enforceable or (b) it becomes unlawful for the Liquidity Facility Provider to give effect to any of its obligations as contemplated by the Liquidity Facility Agreement or fund or maintain any Liquidity Drawing, provided that prior to any such cancellation under paragraph (b), the Liquidity Facility Provider is obligated pursuant to the Liquidity Facility Agreement to notify the Issuer accordingly (with such notices copied to the Collateral Manager, the Trustee and the Collateral Administrator).

Notwithstanding any such cancellations by the Liquidity Facility Provider, the repayment or prepayment of any existing Liquidity Drawings and interest thereon shall not be made until the following Payment Date or otherwise in accordance with the terms of the Liquidity Facility Agreement.
The Available Commitment may be cancelled at the option of the Issuer in whole or in part at any time upon no less than five Business Days’ notice from the Issuer (or the Collateral Manager on its behalf) to the Liquidity Facility Provider (copied to the Trustee and the Collateral Administrator). No requests for Liquidity Drawings purporting to draw all or any part of the amount the subject of such notice of such cancellation may be made during such five Business Day notice period.

The Issuer may, without premium or penalty but subject to payment of accrued interest and Break Costs (as such term is defined in the Liquidity Facility Agreement), by notice to the Liquidity Facility Provider, cancel the whole of the Commitment at any time notice is given to the Noteholders in respect of the final redemption of the Notes pursuant to Condition 7(a) (Final Redemption) or if no such notice is forthcoming, on such redemption.

The Commitment may be cancelled in whole but not in part at the option of the Issuer but subject to payment of accrued interest and Break Costs (as such term is defined in the Liquidity Facility Agreement) without consent of any party at any time upon no less than five Business Days’ notice from the Issuer (or the Collateral Manager on its behalf) to the Liquidity Facility Provider (copied to the Trustee and the Collateral Administrator) if, pursuant to the Liquidity Facility Agreement, the Issuer is required to pay any additional amounts to the Liquidity Facility Provider in respect of the Liquidity Facility Provider’s tax liabilities or any amounts to the Liquidity Facility Provider in respect of the Liquidity Facility Provider’s increased costs.

The Available Commitment will be automatically cancelled in full at close of business on the Liquidity Facility Commitment Period End Date provided a Liquidity Drawing may be made on the Liquidity Facility Commitment Period End Date (other than when the Liquidity Facility has been cancelled in its entirety in accordance with the Liquidity Facility Agreement). Notwithstanding any such cancellation, any outstanding Liquidity Drawings and accrued interest thereon shall continue to be repayable in accordance with the terms of the Liquidity Facility Agreement.

Cancellation Timing

Notwithstanding the delivery of any notice requesting a voluntary cancellation of the Commitment in accordance with the Liquidity Facility Agreement, no cancellation of the Commitment in whole pursuant thereto shall take effect until the following Payment Date.

Assignment

The Liquidity Facility Provider may transfer its interest under the Liquidity Facility Agreement provided certain conditions set out in the Liquidity Facility Agreement are satisfied and the prior consent of the Issuer, Collateral Manager and the Trustee is obtained. The prior consent of the Issuer must not be unreasonably withheld or delayed and will be deemed to have been given if, within ten Business Days of receipt by the Issuer of a request for consent, it has not been expressly refused. No such consent is required from the Issuer if a Liquidity Facility Event of Default or a Note Event of Default has occurred and is continuing, or the proposed assignment, transfer of novation is to an Affiliate of the Liquidity Facility Provider.

Replacement and Additional Liquidity Facilities

Under the Liquidity Facility Agreement the Issuer has covenanted not to enter into additional liquidity facility arrangements at any time prior to the Liquidity Facility Commitment Period End Date.

If a Replacement Liquidity Facility is to be entered into on or following the Liquidity Facility Commitment Period End Date, it must be a condition of such Replacement Liquidity Facility that any outstanding Liquidity Drawings with the existing Liquidity Facility Provider will be repaid in full.
HEDGING ARRANGEMENTS

The following is a summary of the principal terms of the hedging arrangements entered into and to be entered into by the Issuer. The following is a summary only and should not be relied upon as an exhaustive description of the detailed provisions of such documents (copies of which are available from the registered office of the Issuer). Any Hedge Agreement may include additional or different terms to those described below.

Hedge Agreements

Subject to (i) such arrangements at the time they are entered into satisfying the Hedge Agreement Eligibility Criteria, or (ii) the receipt by the Collateral Manager of legal advice from a reputable legal counsel to the effect that the entry into such arrangements shall not require any of the Issuer, its directors or officers or the Collateral Manager to register with the United States Commodities Futures Trading Commission as a commodity pool operator or a commodity trading advisor pursuant to the United States Commodity Exchange Act of 1936, as amended, the Issuer (or the Collateral Manager on its behalf) may enter into hedging transactions as described below and documented under a 1992 (Multicurrency - Cross Border) or 2002 Master Agreement or such other form published by the International Swaps and Derivatives Association, Inc. ("ISDA"). For the avoidance of doubt, an Asset Swap Agreement and an Interest Rate Hedge Agreement may be documented as one Hedge Agreement.

Form Approved Hedge Agreements

The Issuer or the Collateral Manager acting on its behalf, shall provide at least 2 Business Days’ prior written notification to each Rating Agency then rating any Class of Notes each time it enters into a Hedge Transaction in the form of a Form Approved Asset Swap or Form Approved Interest Rate Hedge.

"Form Approved Asset Swap" means an Asset Swap Transaction and the related Asset Swap Agreement, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the name and financial aspects of the related Collateral Debt Obligation, the notional amount, the effective date, the termination date and any other consequential amendments in respect thereof required to reflect the relevant Collateral Debt Obligation) to a form for which Rating Agency Confirmation has been received by the Issuer or which has been approved by the Rating Agencies from time to time provided that any form approved by the Rating Agencies prior to the Issue Date shall, unless otherwise notified to the Issuer by a Rating Agency, constitute a Form Approved Asset Swap.

"Form Approved Interest Rate Hedge" means an Interest Rate Hedge Transaction and the related Interest Rate Hedge Agreement, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the applicable floating rate index, the notional amount, the effective date, the termination date and any other consequential amendments in respect thereof required to reflect the relevant Collateral Debt Obligation) to a form for which Rating Agency Confirmation has been received by the Issuer or which has been approved by the Rating Agencies from time to time provided that any form approved by the Rating Agencies prior to the Issue Date shall, unless otherwise notified to the Issuer by a Rating Agency, constitute a Form Approved Interest Rate Hedge.

Currency Hedging Arrangements

Asset Swap Agreements

The Issuer (or the Collateral Manager on behalf of the Issuer) may purchase Non-Euro Obligations provided that the Collateral Manager, on behalf of the Issuer, for any Non-Euro Obligation, enters into an Asset Swap Transaction with an Asset Swap Counterparty no later than (i) if such Non-Euro Obligation is denominated in a Qualifying Unhedged Obligation Currency and acquired in the Primary Market, within 90 days of the settlement
date of acquisition thereof and (ii) otherwise, the settlement date thereof, pursuant to the terms of which the initial principal exchange is made in connection with funding the Issuer’s acquisition of the related Non-Euro Obligation and the final and, if applicable, interim principal exchanges are made to convert the principal proceeds received in respect thereof at maturity and prior to maturity, respectively and coupon exchanges are made at the exchange rate specified for such transaction.

Transactions entered into under an Asset Swap Agreement are documented in confirmations to such Asset Swap Agreement. Each transaction will be evidenced by a confirmation entered into pursuant to an Asset Swap Agreement (each an "Asset Swap Transaction"). An Asset Swap Transaction, if entered into, will be:

(a) used to hedge the currency (and if applicable, interest rate) mismatch between the Notes and any Non-Euro Obligations;

(b) in the case of a Form Approved Asset Swap, subject to delivery of prior written notice to the Rating Agencies in respect thereof; and

(c) other than in the case of a Form Approved Asset Swap, subject to receipt of Rating Agency Confirmation in respect thereof.

Upon the sale of an Asset Swap Obligation, the Asset Swap Transaction relating thereto shall be terminated on or around the date of such sale in accordance with its terms, resulting in either (i) the Asset Swap Counterparty receiving the proceeds of the sale of the Asset Swap Obligation from the Issuer (which shall be funded outside the Priorities of Payments from the Non-Euro Hedge Account) and returning the Sale Proceeds (in accordance with paragraph (ii) of the definition thereof) to the Issuer or (ii) the Issuer retaining the proceeds of sale of the Asset Swap Obligation (which shall be converted into Euro and paid into the Principal Account in accordance with the Conditions) net of any payments due to the Asset Swap Counterparty in connection with the termination of the Asset Swap Transaction in such circumstances (which the Issuer shall pay to the Asset Swap Counterparty on the date such payment is due in accordance with the applicable Hedge Agreement). Furthermore, upon the insolvency of the Issuer and/or the acceleration of the Notes in accordance with Condition 10(b) (Acceleration), the Hedge Counterparty may, but shall not be obliged to, early terminate any Asset Swap Transaction, in which case any Asset Swap Termination Payment would be paid in accordance with the Post-Acceleration Priority of Payments (other than with respect to any Counterparty Downgrade Collateral which is required to be returned to an Asset Swap Counterparty outside the Priorities of Payments in accordance with the Asset Swap Agreement) and Condition 3(j)(iv) (Counterparty Downgrade Collateral Accounts).

If, following the insolvency of the Issuer and/or the acceleration of the Notes, the Hedge Counterparty elects not to early terminate any Asset Swap Transaction, the Asset Swap Transaction shall terminate in accordance with its terms upon the sale of the relevant Asset Swap Obligation, resulting in the Asset Swap counterparty receiving the proceeds of the sale of the Asset Swap Obligation from the Issuer and returning the Sale Proceeds (in accordance with paragraph (ii) of the definition thereof) to the Issuer. An Asset Swap Transaction may also terminate in accordance with its terms upon repayment in full of the related Asset Swap Obligation and related final exchange under such Asset Swap Transaction.

**Replacement Asset Swap Transactions**

In the event that any Asset Swap Transaction terminates in whole at any time in circumstances in which the applicable Asset Swap Counterparty is the "Defaulting Party" or sole "Affected Party" (each as defined in the applicable Asset Swap Agreement) the Issuer, or the Collateral Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Asset Swap Transaction within 30 days of the termination thereof with a counterparty which (or whose guarantor) satisfies, among other things, the applicable Rating Requirement and any applicable regulatory requirements.
In the event of termination of an Asset Swap Transaction in the circumstances referred to above, any Asset Swap Termination Receipt will be paid into the relevant Hedge Termination Account and shall be applied towards the costs of entry into a Replacement Asset Swap Transaction, together with, where necessary, Interest Proceeds and/or Principal Proceeds that are available for such purpose on any Payment Date pursuant to the Priorities of Payments, subject to receipt of Rating Agency Confirmation, save:

(a) where the Issuer or the Collateral Manager on its behalf, determines not to replace such Asset Swap Transaction and Rating Agency Confirmation is received in respect of such determination; or

(b) where termination of the Asset Swap Transaction occurs on a Redemption Date pursuant to Conditions 7(a) (Final Redemption), 7(b) (Optional Redemption) (other than in connection with a Refinancing), 7(f) (Redemption following Note Tax Event) or 10(a) (Note Events of Default); or

(c) to the extent that such Asset Swap Termination Receipt is not required for application towards any Asset Swap Replacement Payment,

in which event such Asset Swap Termination Receipt shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

In the event that the Issuer receives any Asset Swap Replacement Receipt upon entry into a Replacement Asset Swap Transaction, such amount shall be paid into the relevant Hedge Termination Account and applied directly by the Collateral Administrator acting on the instructions of the Collateral Manager (acting on behalf of the Issuer) in payment of any Asset Swap Termination Payment payable upon termination of the Asset Swap Transaction being so replaced. To the extent not fully paid out of Asset Swap Replacement Receipts, any Asset Swap Termination Payment payable by the Issuer shall be paid to the applicable Asset Swap Counterparty on the next Payment Date in accordance with the Priorities of Payments. To the extent not required for making any such Asset Swap Termination Payment, such Asset Swap Replacement Receipts shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

Subject to sub-paragraph (a) above, in the event that a Replacement Asset Swap Transaction cannot be entered into in such circumstances, the Collateral Manager, acting on behalf of the Issuer, shall sell the applicable Non-Euro Obligation, pay the proceeds thereof to the applicable Asset Swap Counterparty, to the extent required pursuant to the terms of such Asset Swap Transaction and/or to the extent not so required, shall direct the Collateral Administrator to convert all of such proceeds into Euro at the Applicable Exchange Rate and shall procure that such amounts are paid into the Principal Account. In the event that such proceeds are insufficient to pay any Asset Swap Termination Payments in full, such amount, including any Defaulted Hedge Termination Payment, shall be paid out of Interest Proceeds and/or Principal Proceeds on the next following Payment Date in accordance with the Priorities of Payments.

**Interest Rate Hedging Arrangements**

**Interest Rate Hedge Agreements**

The Issuer (or the Collateral Manager on its behalf) may enter into any additional Interest Rate Hedge Transactions from time to time in order to hedge any interest rate mismatch between the Notes (other than the Subordinated Notes) and the Collateral Debt Obligations, subject to the receipt of Rating Agency Confirmation in respect thereof and provided that the Interest Rate Hedge Counterparty satisfies the applicable Rating Requirement.

**Replacement Interest Rate Hedge Agreements**

In the event that an Interest Rate Hedge Transaction terminates in whole at any time in circumstances which the applicable Interest Rate Hedge Counterparty is the "Defaulting Party" or sole "Affected Party" (each such term as
defined in the applicable Interest Rate Hedge Agreement), the Issuer, or the Collateral Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Interest Rate Hedge Transaction within 30 days of termination thereof with an Interest Rate Hedge Counterparty which (or whose guarantor) satisfies the applicable Ratings Requirement and any applicable regulatory requirements.

**Hedge Agreement Eligibility Criteria**

The Collateral Manager shall only cause the Issuer to enter into a Hedge Agreement that (i) at the time such Hedge Agreement is entered into, satisfies the Hedge Agreement Eligibility Criteria; or (ii) in respect of which, the Issuer obtains legal advice of reputable legal counsel that such Hedge Agreement will not cause the Issuer or Collateral Manager to be required to register as a CPO with the CFTC with respect to the Issuer.

If a responsible representative of the Collateral Manager with knowledge of the Portfolio has actual knowledge of any change in law or regulation that would lead him or her to reasonably question the viability of the Hedge Agreement Eligibility Criteria mentioned above, the Collateral Manager shall cause the Issuer to seek written legal advice in respect of such Hedge Agreement Eligibility Criteria. If the Collateral Manager cannot obtain such advice it shall not cause the Issuer to enter into any further Hedge Agreements unless in respect of any such further Hedge Agreement it obtains written legal advice of reputable legal counsel that such Hedge Agreement will not cause the Issuer or Collateral Manager to be required to register as a CPO with the CFTC with respect to the Issuer.

Notwithstanding anything in the Collateral Management Agreement or the Trust Deed to the contrary, the Collateral Manager may unilaterally elect to modify the Hedge Agreement Eligibility Criteria without the consent of any other party so long as it causes the Issuer to obtain an opinion from reputable legal counsel that Hedge Agreements entered into in compliance with such modified Hedge Agreement Eligibility Criteria will not cause the Issuer or Collateral Manager to be required to register as a CPO with the CFTC with respect to the Issuer.

Notwithstanding the above, if, in the reasonable opinion of the Collateral Manager, entry into a Hedge Agreement would require registration of the Collateral Manager as a Commodity Pool, the Issuer will not be permitted to enter into such Hedge Agreement unless such registration is made by the Collateral Manager with respect to, and at the expense of, the Issuer.

**Interest Rate Cap Transactions**

On or around the Issue Date, the Issuer may enter into the Issue Date Interest Rate Hedge Transactions. The Issuer will have no payment obligations in respect of any such Issue Date Interest Rate Hedge Transactions other than the payment of a premium in respect of each such transaction to the applicable Interest Rate Hedge Counterparty upon entry into such transactions.

The Issuer (or the Collateral Manager on its behalf) shall exercise any such Issue Date Interest Rate Hedge Transaction on any Business Day when EURIBOR is greater than the strike price set out in the applicable Issue Date Interest Rate Hedge Transaction. The Issuer (or the Collateral Manager on behalf of the Issuer) shall not sell or transfer any Issue Date Interest Rate Hedge Transaction other than in circumstances where all of the Rated Notes have been redeemed or Rating Agency Confirmation has been obtained from each Rating Agency in respect of any such sale or transfer.

**Standard Terms of the Hedge Agreements**

Each Hedge Agreement entered into by or on behalf of the Issuer shall contain the following standard provisions, save to the extent that any change thereto is (a) agreed by the Issuer and the applicable Hedge Counterparty and (b)(i) subject to receipt of Rating Agency Confirmation in respect thereof or (ii) included in a Form Approved Hedge.
**Gross up**

Under each Hedge Agreement the Issuer will not, and the applicable Hedge Counterparty may not be obliged to gross up any payments thereunder in the event of any withholding or deduction for or on account of tax required to be paid on such payments. Any such event may however result in a "Tax Event" which is a "Termination Event" for the purposes of the relevant Hedge Agreement. In the event of the occurrence of a Tax Event (as defined in such Hedge Agreement), each Hedge Agreement will include provision for the "Affected Party" (as defined therein), to use reasonable endeavours to (i) (in the case of the Hedge Counterparty thereto) arrange for a transfer of all of its interests and obligations under the Hedge Agreement and all "Transactions" (as defined in the Hedge Agreement) thereunder to an Affiliate that is incorporated in another jurisdiction so as to avoid the requirement to withhold or deduct for or on account of tax; or (ii) (in the case of the Issuer) transfer its residence for tax purposes to another jurisdiction, or if a substitute principal obligor under the Notes has been substituted for the Issuer in accordance with Condition 9 (Taxation), arrange for a transfer of all of its interest and obligations under the applicable Hedge Agreement and all Transactions thereunder to that substitute principal obligor so as to avoid the requirement to withhold or deduct for or on account of tax subject to satisfaction of the conditions specified therein (including receipt of Rating Agency Confirmation).

**Limited Recourse and Non-Petition**

The obligations of the Issuer under each Hedge Agreement will be limited to the proceeds of enforcement of the Collateral as applied in accordance with the Priorities of Payments set out in Condition 3(c) (Priorities of Payments), provided that any Counterparty Downgrade Collateral standing to the credit of the Counterparty Downgrade Collateral Accounts shall be applied and delivered by the Issuer (or by the Collateral Manager on its behalf) in accordance with Condition 3(j)(iv) (Counterparty Downgrade Collateral Accounts). The Issuer will have the benefit of limited recourse and non-petition language similar to the language set out in Condition 4(c) (Limited Recourse and Non-Petition).

**Termination Provisions**

Each Hedge Agreement may terminate by its terms, whether or not the Notes have been paid in full prior to such termination, upon the occurrence of a number of events (which may include without limitation):

(a) certain events of bankruptcy, insolvency, receivership or reorganisation of the Issuer or the related Hedge Counterparty;

(b) failure on the part of the Issuer or the related Hedge Counterparty to make any payment under the applicable Hedge Agreement after taking into account the applicable grace period;

(c) a change in law making it illegal for either the Issuer or the related Hedge Counterparty to be a party to, or to perform its obligations under, any applicable Hedge Agreement;

(d) the principal due in respect of the Notes is declared to be due and payable in accordance with the terms of the Trust Deed;

(e) failure by a Hedge Counterparty to comply with the requirements of the Rating Agencies in the event that it (or, in the context of an Asset Swap Counterparty whose obligations are irrevocably and unconditionally guaranteed, its guarantor) is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement;

(f) the Notes are redeemed in whole prior to the Maturity Date (otherwise than as a result of an Event of Default thereunder);
(g) representations related to certain regulatory matters prove to be incorrect;

(h) if the Issuer becomes subject to the AIFMD, or if the Issuer or the Collateral Manager is required to register as a "commodity pool operator" and such party does not so register pursuant to the United States Commodity Exchange Act of 1936, as amended or certain representations relating to EMIR prove to be incorrect;

(i) other regulatory changes or changes to the regulatory status of the Issuer occur (each as further described in the relevant Hedge Agreement);

(j) material changes are made to the Transaction Documents without the consent of a Hedge Counterparty which could have a material adverse effect on the rights and obligations of a Hedge Counterparty; and

(k) any other event as specified in the relevant Hedge Agreement.

A termination of a Hedge Agreement or Hedge Transaction does not constitute a Note Event of Default under the Notes though the repayment in full of the Notes may be an additional termination event under a Hedge Agreement.

Upon the occurrence of any Event of Default or Termination Event (each as defined in the applicable Hedge Agreement), a Hedge Agreement may be terminated by the Hedge Counterparty or the Issuer (or the Collateral Manager on its behalf) in accordance with the detailed provisions thereof and a lump sum (the "Termination Payment") may become payable by the Issuer to the applicable Hedge Counterparty or vice versa. Depending on the terms of the applicable Hedge Agreement, such Termination Payment may be determined by the applicable Hedge Counterparty and/or Issuer (or the Collateral Manager on its behalf) by reference to market quotations obtained in respect of the entry into a replacement swap(s) on the same terms as that terminated or as otherwise described in the applicable Hedge Agreement or, subject and in accordance with the terms of the relevant Hedge Agreement, any loss suffered by a party.

Asset Swap Agreements may also contain provisions which allow an Asset Swap Transaction to terminate upon the occurrence of certain credit events related to the underlying Non-Euro Obligation. These credit events could potentially be triggered in circumstances where the related Collateral Debt Obligation would not constitute a Defaulted Obligation (as such term is defined in the Conditions). In such instances the related Asset Swap Transaction would terminate and the Issuer (or the Collateral Manager acting on its behalf) may need to sell the related Non-Euro Obligation unless a new Asset Swap Transaction can be entered into.

**Rating Downgrade Requirements**

Each Hedge Agreement shall contain the terms and provisions required by the Rating Agencies for the type of derivative transaction described in this Offering Circular in the event of the downgrade or withdrawal of the Hedge Counterparty’s rating (or, if applicable, its guarantor’s) to below the applicable Rating Requirement. Such provisions may include a requirement that a Hedge Counterparty downgraded below certain minimum levels consistent with the ratings of the Notes must post collateral; or transfer the Hedge Agreement to another entity meeting the applicable Rating Requirement (or, as relevant, whose guarantor meets the applicable Rating Requirement); or procure that an eligible guarantor meeting the applicable Rating Requirement guarantees its obligations under the Hedge Agreement; or take other actions subject to Rating Agency Confirmation.

**Transfer and Modification**

The Collateral Manager acting on behalf of the Issuer, may not modify any Hedge Transaction or Hedge Agreement without Rating Agency Confirmation in relation to such modification, save to the extent that it would constitute a Form Approved Asset Swap or a Form Approved Interest Rate Hedge (as applicable) following such modification. A Hedge Counterparty may transfer its rights and obligations under a Hedge Agreement to any...
institution which (or whose credit support provider (as defined in the applicable Hedge Agreement)) satisfies the
applicable Rating Requirement.

Any of the requirements set out herein may be modified in order to meet any new or additional requirements of any
Rating Agency then rating any Class of Notes.

**Governing Law**

Each Hedge Agreement together with each Hedge Transaction thereunder in each case, including any non-
contractual obligations arising out of or in relation thereto, will be governed by, and construed in accordance with,
the laws of England.

**Reporting of Specified Hedging Data**

The Collateral Manager, on behalf of the Issuer, may from time to time enter into agreements (each a "**Reporting
Delegation Agreement**") in a form approved by the Rating Agencies for the delegation of certain derivative
transaction reporting obligations to one or more Hedge Counterparties or third parties (each, in such capacity, a
"**Reporting Delegate**").
TAX CONSIDERATIONS

General

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

Potential purchasers who are in any doubt about their tax position on purchase, ownership, transfer or exercise of any Note should consult their own tax advisers. In particular, no representation is made as to the manner in which payments under the Notes would be characterised by any relevant taxing authority. Potential investors should be aware that the relevant fiscal rules or their interpretation may change, possibly with retrospective effect, and that this summary is not exhaustive. This summary does not constitute legal or tax advice or a guarantee to any potential investor of the tax consequences of investing in the Notes.

Irish Taxation

The following is a summary of certain Irish tax consequences for investors on the purchase, ownership, transfer, disposal, redemption or sale of the Notes based on the laws and practice in force at the date of this Offering Circular in Ireland and may be subject to change, which changes may apply with retrospective effect. This summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant. The summary only relates to the tax position of investors beneficially owning the Notes. Particular rules may apply to certain classes of taxpayers holding the Notes (for example, dealers in Notes etc). The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption, disposal or sale of the Notes and the receipt of interest thereon under the laws of Ireland as well as under the laws of their country of residence, citizenship or domicile.

Tax Residency

The Issuer is incorporated in Ireland. The Issuer will be resident for tax purposes in Ireland if it is centrally managed and controlled in Ireland. It is intended that the directors of the Issuer will conduct the affairs of the Issuer in a manner that will allow for this.

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest which may include interest payable on the Notes (section 246 (as amended) of the Taxes Consolidation Act, 1997 (as amended) (the "TCA"). However, an exemption from withholding on interest payments exists under Section 64 of the TCA for certain securities ("quoted Eurobonds") issued by a body corporate (such as the Issuer) which are interest bearing and quoted on a recognised stock exchange in the jurisdiction where it is established (which would indicate the Irish Stock Exchange).

Any interest paid on such quoted Eurobonds can be paid free of withholding tax provided:

(a) the person by or through whom the payment is made is not in Ireland; or

(b) the payment is made by or through a person in Ireland, and either:

(i) the quoted Eurobond is held in a clearing system recognised by the Irish Revenue Commissioners (Euroclear and Clearstream Luxembourg, amongst others, are so recognised), or
(ii) the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to a relevant person (such as an Irish paying agent, if any) in the prescribed form.

So long as the Notes are quoted on a recognised stock exchange and are held in any of Euroclear and Clearstream Luxembourg, interest on the Notes can be paid by any paying agent acting on behalf of the Issuer without any withholding or deduction for or on account of Irish income tax.

If, for any reason, the quoted Eurobond exemption referred to above ceases to apply, the Issuer can still pay interest on the Notes free of withholding tax provided it is a "qualifying company" (within the meaning of Section 110 of the TCA, as amended "Section 110") and provided the interest is paid to a person resident in a "relevant territory" (i.e. a Member State of the European Union (other than Ireland) or in a country with which Ireland has signed a double taxation agreement). For this purpose, residence is determined by reference to the law of the country in which the recipient claims to be resident. This exemption from withholding tax will not apply, however, if the interest is paid to a company in connection with a trade or business carried on by it through a branch or agency located in Ireland.

**Encashment Tax**

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

**Taxation of Noteholders**

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax, the Noteholder may still be liable to pay Irish income tax. Interest paid on the Notes may have an Irish source and therefore be within the charge to Irish income tax, the universal social charge and/or PRSI. Ireland operates a self-assessment system in respect of income tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope. A Note issued by the Issuer may be regarded as property situated in Ireland (and be treated as Irish source income) on the grounds that the debt is deemed to be situate where the debtor resides. Any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within the scope of Irish income tax and levies. Persons who are resident in Ireland are liable to Irish tax on their world-wide income.

However, interest on the Notes will be exempt from Irish income tax if the recipient of the interest is resident in a relevant territory provided:

(a) the Notes are quoted Eurobonds and are exempt from withholding tax as set out above; or

(b) in the event of the Notes ceasing to be quoted Eurobonds exempt from withholding tax, if the Issuer is a qualifying company within the meaning of Section 110 and the interest is paid out of the assets of the Issuer; or

(c) if the Issuer has ceased to be a qualifying company, the recipient of the interest is a company resident in a relevant territory that generally taxes interest receivable by companies from foreign sources, or the interest is exempt from income tax under the provisions of a double taxation agreement that was then in force when the interest was paid or would have been exempt had a double taxation agreement that was signed at the date the interest was paid been in force at that date.
Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

In addition, provided that the Notes are quoted Eurobonds and are exempt from withholding tax as set out above, the interest on the Notes will be exempt from Irish income tax if the recipient of the interest is (i) a company under the control, directly or indirectly, of persons who are resident in a relevant territory and that person or persons are not themselves under the control, whether directly or indirectly, of persons who are not resident in a relevant territory, or (ii) a company, the principal class of shares of such company, or another company of which the recipient company is a 75% subsidiary or a company wholly owned by two or more such companies, is substantially and regularly traded on one or more recognised stock exchanges in a relevant territory or a stock exchange approved by the Irish Minister for Finance.

For the purposes of the exemptions described at (a) and (b) above, the residence of the recipient in a relevant territory is determined by reference to:

(i) the relevant treaty between Ireland and the relevant territory, where such treaty has been entered into and has the force of law;

(ii) under the laws of that territory, where there is no relevant treaty which has the force of law.

Interest on the Notes which does not fall within the above exemptions may be within the charge to Irish income tax.

In certain limited circumstances, a payment under the Notes, other than a payment equal to the amount subscribed for the Notes, which is considered dependent on the result of the Issuer's business or which represents more than a reasonable commercial return can be re-characterised as a distribution which could be subject to Irish dividend withholding tax.

A payment will not be re-characterised as a distribution to which dividend withholding tax could apply where, broadly,

(A) the Noteholder is an Irish tax resident person;

(B) the interest is subject to tax in a relevant territory, being a tax which generally applies to profits, income or gains received from sources outside that territory without any reduction computed by reference to the amount of that payment;

(C) for so long as the Notes remain quoted Eurobonds, the Noteholder is not a person which is a company which directly or indirectly controls the Issuer or which is controlled by a third company which directly or indirectly controls the Issuer or a person (including any connected persons):

(I) from whom the Issuer has acquired assets,

(II) to whom the Issuer has made loans or advances, or

(III) with whom the Issuer has entered into a return agreement (as defined in section 110(1) TCA),

where the aggregate value of such assets, loans, advances or agreements represents 75% or more of the assets of the Issuer (any person falling within this category of person being a "Specified Person");
(D) the Noteholder is an exempt pension fund, government body or other resident in a Relevant Territory (and is not a Specified Person); or

(E) the Issuer deducts from the payment an amount as interest withholding tax under section 246(2) TCA.

**Capital Gains Tax**

A holder of the Notes will be subject to Irish tax on capital gains on a disposal of the Notes unless such holder is neither resident nor ordinarily resident in Ireland and does not carry on a trade in Ireland through a branch or agency in respect of which the Notes are used or held or to which or to whom the Notes are attributable.

**Capital Acquisitions Tax**

A gift or inheritance comprising Notes will be within the charge to capital acquisitions tax if either (i) the disponer or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponer is domiciled in Ireland irrespective of his residence or that of the donee/successor) or (ii) if the Notes are regarded as property situate in Ireland. Bearer notes are generally regarded as situated where they are physically located at any particular time. Registered notes are generally regarded as situated where the principal register of noteholders is maintained or required to be maintained, but the Notes may be regarded as situated in Ireland regardless of their physical location or the location of the register as they secure a debt due by an Irish resident debtor and they may be secured over Irish property. Accordingly, if such Notes are comprised in a gift or inheritance, the gift or inheritance may be within the charge to tax regardless of the residence status of the disponer or the donee/successor.

**Stamp Duty**

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

**FATCA Implementation in Ireland**

On 21 December 2012, the Governments of Ireland and the United States signed the Ireland IGA. The IGA is of a type commonly known as a "model 1" agreement. In July 2014, Ireland enacted Financial Accounts Reporting (United States of America) Regulations 2014 ("the Irish FATCA Regulations").

The Ireland IGA and Irish FATCA Regulations will increase the amount of tax information automatically exchanged between Ireland and the United States. They provide for the automatic reporting and exchange of information in relation to accounts held in Irish "financial institutions" by U.S persons and the reciprocal exchange of information regarding U.S. financial accounts held by Irish residents.

The Issuer intends to carry on its business in such a way as to ensure that it is treated as complying with FATCA pursuant to the terms of the Ireland IGA and the Irish FATCA Regulations. The Issuer expects to be treated as a "financial institution". Unless an exception applies, the Issuer shall be required to register with the US Internal Revenue Service as a "reporting financial institution" for FATCA purposes. In order for the Issuer to comply with its FATCA obligations it will be required to report certain information to the Irish Revenue Commissioners relating to Noteholders who, for FATCA purposes, are specified US persons, non-participating financial institutions or passive non-financial foreign entities ("NFFEs") that are controlled by specified US persons. Any information reported by the Issuer to the Irish Revenue Commissioners will be communicated to the US Internal Revenue Service pursuant to the IGA. It is possible that the Irish Revenue Commissioners may also communicate this
information to other tax authorities pursuant to the terms of any applicable double tax treaty, intergovernmental agreement or exchange of information regime.

The Issuer or its agents shall be entitled to require Noteholders to provide any information regarding their FATCA status, identity or residency required by the Issuer to satisfy its FATCA obligations. Noteholders will be deemed, by their subscription for or holding of Notes to have authorised the automatic disclosure of such information by the Issuer or any other authorised person to the relevant tax authorities.

The Issuer should not generally be subject to FATCA withholding tax in respect of its US source income for so long as it complies with its FATCA obligations. However, FATCA withholding tax may arise on US source payments to the Issuer if the Issuer does not comply with its FATCA registration and reporting obligations and the US Internal Revenue Service specifically identified the Issuer as being a ‘non-participating financial institution’ for FATCA purposes. In addition, the Issuer may be unable to comply with its FATCA obligations if Noteholders do not provide the required certifications or information. If an amount in respect of FATCA Withholding were to be deducted or withheld either from amounts due to the Issuer or from interest, principal or other payments made in respect of the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected. Noteholders should consult their own tax advisors as to the potential implication of the reporting requirements imposed on the Issuer by FATCA before investing.

The Common Reporting Standard in Ireland

On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters was published by the OECD and this includes the Common Reporting Standard ("CRS"). The CRS provides that certain entities (known as Financial Institutions) shall identify "Accounts" (as defined, broadly equity and debt interests in the Financial Institution) held by persons who are tax resident in other CRS participating jurisdiction. That information is then subject to annual automatic exchange between governments in CRS participating jurisdictions.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation ("DAC II") implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis commencing in 2017 in respect of the 2016 calendar year. Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 ("the CRS Regulations"). The Irish Revenue Commissioners have indicated that Irish Financial Institutions will be obliged to make a single return in respect of CRS and DAC II. CRS applies in Ireland from 1 January 2016.

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

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

Section 22 of the Irish Finance Act, 2016 amends Section 110 TCA. It applies to qualifying companies which carry on a business of holding, managing or both holding and managing "specified mortgages".

A "specified mortgage" for this purpose is:

(a) a loan which is secured on, and which derives its value from, or the greater part of its value from, directly or indirectly, land in Ireland;

(b) a specified agreement which derives all of its value, or the greater part of its value, directly or indirectly, from land in Ireland or a loan to which paragraph (a) applies. A specified agreement is defined in Section 110 TCA and includes certain derivatives, swaps or similar arrangements. A specified mortgage does not include a specified agreement which derives its value or the greater part of its value from a CLO transaction, a CMBS/RMBS transaction, a loan origination business or a sub-participation transaction (as defined in Section 110 TCA);

(c) any portion of a security issued by another qualifying company which carries on the business of holding or managing specified mortgages and which carries a right to results dependent or non-commercial interest; or

(d) units in an Irish Real Estate Fund (within the meaning of Chapter 1B of Part 27 TCA).

Such activity is defined as a "specified property business". Where the qualifying company carries on a specified property business in addition to other activities, it must treat the specified property business as a separate business and apportion its expenses on a just and reasonable basis between the separate businesses.

Where the qualifying company has financed itself with loans carrying interest which is dependent on the results of that company's business or interest which represents more than a reasonable commercial return for the use of the principal, or has entered into specified agreements (such as swaps) then the interest or return payable will not be deductible for Irish tax purposes to the extent it exceeds a reasonable commercial return which is not dependent on the results of the qualifying company.

This restriction is subject to a number of exceptions. Transactions which qualify as "CLO transactions" should not be subject to the restrictions described above. A CLO transaction is defined as a securitisation transaction carried out in conformity with:

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

(ii) listing particulars, where any securities issued by the qualifying company are listed on an exchange, other than the main exchange, of Ireland or a relevant EU member state; or

(iii) where the securities issued by the qualifying company will not be listed on an exchange in Ireland or a relevant EU member state, legally binding documents. In addition, the transaction:

(A) may provide for a warehousing period, which means a period not exceeding 3 years during which the qualifying company is preparing to issue securities; and

(B) provide for investment eligibility criteria that govern the type and quality of assets to be acquired.
Finally, based on the documents referred to in paragraphs (i) to (iii) and the activities of the qualifying company, in order for a transaction to be a CLO transaction it must not be reasonable to consider that the main purpose, or one of the main purposes, of the qualifying company was to acquire specified mortgages.

In order to benefit from the exception, the qualifying company must not carry out any activities, other than activities which are incidental or preparatory to the transaction or business of a CLO transaction.

As such, the restrictions on deductibility should not apply if either:

(I) the Issuer does not hold or manage specified mortgages; or

(II) the Issuer's activities fall within the definition of a CLO transaction.

In addition, the legislation does contain other provisions which could limit or eliminate the restrictions on deductibility depending on the structuring of the transaction.

United States Taxation

Introduction

This is a discussion of certain U.S. federal income tax consequences of the acquisition, ownership, disposition, and retirement of the Notes. Except as expressly set out below, this discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular Noteholder based on such Noteholder's particular circumstances, nor does it address any aspect of state, local, or non-U.S. tax laws, alternative minimum tax considerations or the possible application of U.S. federal gift or estate taxes. In particular, except as expressly set out below, this discussion does not address aspects of U.S. federal income taxation that may be applicable to Noteholders that are subject to special treatment, including Noteholders that:

(i) are broker-dealers, securities traders, insurance companies, tax-exempt organisations, financial institutions, real estate investment trusts, regulated investment companies, partnerships or other pass-through entities or grantor trusts;

(ii) are certain former citizens or long-term residents of the United States;

(iii) hold Notes as part of a "straddle", "hedge", "conversion", "integrated transaction" or "constructive sale" with other investments; or

(iv) own or are deemed to own 10 per cent. or more, by voting power or value, of the equity of the Issuer (including Subordinated Notes and any other Notes treated as equity for U.S. federal income tax purposes).

This discussion considers only Noteholders that will hold Notes as capital assets and does not address special tax consequences that apply to U.S. Noteholders (as defined below) whose functional currency is not the U.S. dollar. This discussion is generally limited to the tax consequences to initial Noteholders that purchase Notes upon their initial issue at their issue price (as defined below).

For purposes of this discussion, "U.S. Noteholder" means a beneficial owner of Notes that is, for U.S. federal income tax purposes:

(i) a citizen or individual resident of the United States;
(ii) a corporation created or organised under the laws of the United States or any political subdivision thereof or therein;

(iii) an estate, the income of which is subject to U.S. federal income tax regardless of the source; or

(iv) a trust, (i) that validly elects to be treated as a U.S. person for U.S. federal income tax purposes; or (ii)(A) if a court within the U.S. is able to exercise primary supervision over the administration of the trust; and (B) one or more U.S. persons have the authority to control all substantial decisions of the trust.

The term “non-U.S. Noteholder” means, for purposes of this discussion, a beneficial owner of Notes that is neither a U.S. Noteholder nor a partnership (or an entity treated as a partnership for U.S. federal income tax purposes).

If a partnership (or any other entity treated as a partnership for U.S. federal income tax purposes) holds the Notes, the tax treatment of the partnership and a partner in such partnership generally will depend on the status of the partner and the activities of the partnership. Such a partner or partnership should consult its own tax adviser as to the consequences of the acquisition, ownership, disposition and retirement of the Notes.

This discussion is based upon the U.S. Internal Revenue Code of 1986, as amended (the "Code"), existing and proposed regulations thereunder, and current administrative rulings and court decisions, each as available and in effect as of the date hereof. All of the foregoing are subject to change, possibly on a retroactive basis, and any such change could affect the continuing validity of this discussion. Furthermore, there are no cases or rulings by the U.S. Internal Revenue Service (the "IRS") addressing entities similar to the Issuer or securities similar to the Notes. As a result, the IRS might disagree with all or part of the discussion below. No rulings will be requested of the IRS regarding the issues discussed below or the U.S. federal income tax characterisation of the Notes.

Prospective Noteholders should consult their tax advisers concerning the application of U.S. federal income tax laws, as well as the laws of any state or local taxing jurisdiction, to their particular situation.

Investors should be aware that a Noteholder may, in certain circumstances, provide the Issuer with cash by way of a Contribution in accordance with Condition 2(l) (Contributions). Except as expressly set out below, this discussion does not address the consequences to Noteholders of Contributions.

United States Taxation of the Issuer

Generally. The Issuer will be treated as a foreign corporation for U.S. federal income tax purposes.

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

If it is determined that the Issuer is engaged in a trade or business in the United States for U.S. federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer will be subject under the Code to the regular U.S. federal corporate income tax on its effectively connected taxable income, possibly on a gross basis, and possibly to a 30 per cent. branch profits tax and state and local taxes as well. The imposition of such a tax liability could materially adversely affect the Issuer’s ability to make payments on the Notes. The balance of this summary assumes that the Issuer is not subject to U.S. federal income tax on its net income.

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 Notes. In this regard and subject to certain exceptions, the Issuer may generally only acquire a particular Collateral Debt Obligation if, at the time of commitment to purchase, either the payments thereon are not subject to withholding tax or the issuer of the Collateral Debt Obligation is required to make "gross-up" payments. The Issuer may, however, be subject to withholding or gross income taxes in respect of interest and disposition proceeds in respect of Obligations given rise to U.S. source income if such Obligations are issued or materially modified on or after 1 July, 2014 (as discussed in more detail under "Tax Considerations – Foreign Account Tax Compliance Act"), and such withholding or gross income taxes may not be grossed up.

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

Each holder and beneficial owner of Class E Notes, Class F Notes and Subordinated Notes that is not a "United States person" (as defined in Section 7701(a)(30) of the Code) will make, or by acquiring such Note or an interest therein will be deemed to make, a representation to the effect that (A) either (i) it is not a bank (within the meaning of Section 881(c)(3)(A) of the Code), (ii) it is a person that is eligible for benefits under an income tax treaty with the United States that eliminates U.S. federal income taxation of U.S. source interest not attributable to a permanent establishment in the United States, or (iii) has provided an Internal Revenue Service form W-8ECI representing that all payments received or to be received by it from the Issuer are effectively connected with the conduct of a trade or business in the United States, and (B) it is not purchasing the Note in order to reduce its U.S. federal income tax liability pursuant to a tax avoidance plan within the meaning of U.S. Treasury Regulation Section 1.881-3.

U.S. Characterisation and U.S. Tax Treatment of the Rated Notes

Characterisation of the Rated Notes. Upon the issuance of the Notes, Allen & Overy LLP will deliver an opinion generally to the effect that under current law, assuming compliance with the Transaction Documents, and based on certain assumptions and factual representations made by the Issuer and/or the Collateral Manager, the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be treated, and the Class E Notes should be treated, as debt of the Issuer for U.S. federal income tax purposes. No opinion will be given in respect of the Class F Notes, although the Issuer intends to treat the Class F Notes as debt of the Issuer for U.S. federal income tax purposes.
The Issuer has agreed and, by its acceptance of a Rated Note, each Noteholder of a Rated Note (or any interest therein) will be deemed to have agreed, to treat the Rated Notes as debt of the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law. The determination of whether a Rated 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 Rated Note is issued. 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 characterise as something other than indebtedness any particular Class or Classes of the Rated Notes. Except as discussed under "—Alternative Characterisation of the Rated Notes" below, the balance of this discussion assumes that the Rated Notes of all Classes will be characterised as debt of the Issuer for U.S. federal income tax purposes.

Payments of Interest on the Rated Notes. A U.S. Noteholder of a Rated Note that uses the cash method of accounting must include in income the U.S. dollar value of Euro interest paid when received. Euro interest received is translated at the U.S. dollar spot rate of Euro on the date of receipt, regardless of whether the payment is converted into U.S. dollars on the date of receipt. A cash method U.S. Noteholder therefore generally will not have foreign currency gain or loss on receipt of a Euro interest payment but may have foreign currency gain or loss upon disposing of the Euro received.

A U.S. Noteholder of a Rated Note that uses the accrual method of accounting or any U.S. Noteholder required to accrue original issue discount (as defined below) will be required to include in income the U.S. dollar value of Euro interest accrued during the accrual period. An accrual basis U.S. Noteholder may determine the amount of income recognised with respect to such interest using either of two methods, in either case regardless of whether the payments are in fact converted into U.S. dollars on the date of receipt. Under the first method, the U.S. dollar value of accrued interest is translated at the average Euro rate for the interest accrual period (or, with respect to an accrual period that spans two taxable years, the partial period within the taxable year). An accrual method U.S. Noteholder of a Rated Note that uses this first method will therefore recognise foreign currency gain or loss, as the case may be, on interest paid to the extent that the U.S. dollar/Euro exchange rate on the date the interest is received differs from the rate at which the interest income was accrued. Under the second method, the U.S. Noteholder can elect to accrue interest at the Euro spot rate on the last day of an interest accrual period (or, in the case of an accrual period that spans two taxable years, at the exchange rate in effect on the last day of the partial period within the taxable year) or, if the last day of an interest accrual period is within five business days of the receipt of such interest, the spot rate on the date of receipt. An election to accrue interest at the spot rate generally will apply to all foreign currency denominated debt instruments held by the U.S. Noteholder, and is irrevocable without the consent of the IRS. Regardless of the method used to accrue interest, a U.S. Noteholder may have additional foreign currency gain or loss upon a subsequent disposition of the Euro received. Any exchange gain or loss will be treated as ordinary income or loss, but generally will not be treated as an adjustment to interest income, and will generally be treated as U.S. source income or loss.

For U.S. federal income tax purposes, original issue discount ("OID") is the excess of the "stated redemption price at maturity" of a debt instrument over its "issue price", if that excess equals or exceeds ¼ of 1 per cent. of the debt instrument's stated redemption price at maturity multiplied by the number of complete years from its issue date to its maturity or weighted average maturity in the case of instalment obligations (the "OID de minimis amount"). The "stated redemption price at maturity" of a debt instrument such as the Rated Notes is the sum of all payments required to be made on the Rated Note other than "qualified stated interest" payments. The "issue price" of a Rated Note generally is the first offering price to the public at which a substantial amount of the debt instrument is sold. The term "qualified stated interest" generally means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer), or that is treated as constructively received, at least annually at a single fixed rate or, under certain conditions discussed below, at a variable rate.

Prospective U.S. Noteholders should note that to the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (together the "Deferrable Notes") are not made on a relevant Payment Date, such unpaid interest amounts will be deferred and the amount thereof added to the aggregate principal amount of such Notes. Consequently, such interest is not unconditionally payable in cash or property at
least annually and will not be treated as “qualified stated interest”. Therefore, all of the stated interest payments on each of the Deferrable Notes, will be included in the stated redemption price at maturity of such Notes, and as a result the Deferrable Notes will be treated as issued with OID.

The Rated 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) of the Code.

If a U.S. Noteholder holds a Rated Note with OID (an "OID Note") such U.S. Noteholder may be required to include OID in income before receipt of the associated cash payment, regardless of the U.S. Noteholder's accounting method for tax purposes. If the U.S. Noteholder is an initial purchaser of an OID Note, the amount of the OID includible in income is the sum of the daily accruals of the OID for the Note for each day during the taxable year (or portion of the taxable year) in which such U.S. Noteholder held the OID Note. The daily portion is determined by allocating the OID for each day of the accrual period. An accrual period may be of any length and the accrual periods may even vary in length over the term of the OID Note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs either on the first day of an accrual period or on the final day of an accrual period. The amount of OID allocable to an accrual period is equal to the difference between: (a) the product of the "adjusted issue price" of the OID Note at the beginning of the accrual period and its yield to maturity (computed generally on a constant yield method and compounded at the end of each accrual period, taking into account the length of the particular accrual period); and (b) the amount of any qualified stated interest allocable to the accrual period. The "adjusted issue price" of an OID Note at the beginning of any accrual period is the sum of the issue price of the OID Note plus the amount of OID allocable to all prior accrual periods reduced by any payments the U.S. Noteholder received on the OID Note that were not qualified stated interest. Under these rules, the U.S. Noteholder generally will have to include in income increasingly greater amounts of OID in successive accrual periods.

Each class of Rated Notes will be "variable rate debt instruments" if such class of Rated Notes (a) has an issue price that does not exceed the total non-contingent principal payments on such class of Rated Notes by more than an amount equal to the lesser of: (i) 0.015 multiplied by the product of such total non-contingent principal payments and the number of complete years to maturity of such class of Rated Notes; and (ii) 15 per cent. of the total non-contingent principal payments on such class of Rated Notes; (b) provides for stated interest (compounded or paid at least annually) at the current value of one or more qualified floating rates, including the EURIBOR rate, on such class of Rated Notes; and (c) does not provide for any principal payments that are contingent. The Rated Notes will qualify as variable rate debt instruments, provided the issue price is not more than 115,000 Euros per 100,000 Euro principal amount. Interest payments on certain "variable rate debt instruments" may be considered qualified stated interest.

If a debt instrument that provides for a variable rate of interest does not qualify as a variable rate debt instrument, the debt instrument will be treated as a contingent payment debt instrument. Thus, if any class of the Rated Notes does not qualify as a variable rate debt instrument, a U.S. Noteholder would be required to report income in respect of such Notes in accordance with U.S. Treasury regulations relating to contingent payment debt instruments, which generally require gain to be ordinary income and a U.S. Noteholder to accrue interest on a constant yield basis based on a projected payment schedule determined by the Issuer. The contingent payment debt instrument rules are complex and investors should consult with their own tax advisors with respect to the potential taxation of the Notes under the contingent payment debt instrument rules.

Because the OID rules are complex, each U.S. Noteholder of an OID Note should consult with its own tax advisor regarding the acquisition, ownership and disposition of such Note.
Interest on the Notes received by a U.S. Noteholder will generally be treated as foreign source "passive income" for U.S. foreign tax credit purposes, or, in certain cases, "general category income".

Amounts contributed to the Issuer as a Contribution that otherwise would have been distributed as Interest Proceeds will be deemed (for federal income tax purposes) paid to the contributing Noteholder and then contributed to the Issuer. Noteholders should consult their own tax advisors with respect to the federal income tax treatment of any Contribution, including the likelihood that such Contribution will be treated as an equity interest in the Issuer.

**Sale, Exchange, Redemption or Repayment of the Rated Notes.** Unless a non-recognition provision applies, a U.S. Noteholder generally will recognise gain or loss on the sale, exchange, repayment or other disposition of a Rated Note equal to the difference between the amount realised plus the fair market value of any property received on the disposition (other than amounts attributable to accrued but unpaid interest) and the U.S. Noteholder's adjusted tax basis in such Rated Note.

The amount realised on the sale, exchange, redemption or repayment of a Rated Note generally is determined by translating the Euro proceeds into U.S. dollars at the spot rate on the date the Rated Note is disposed of, while a U.S. Noteholder's adjusted tax basis in a Rated Note generally will be the cost of the Rated Note to the U.S. Noteholder, determined by translating the Euro purchase price into U.S. dollars at the spot rate on the date the Rated Note was purchased, and increased by the amount of any OID accrued and reduced by any payments other than payments of qualified stated interest of such Note. If, however, the Rated Notes are traded on an established securities market, a cash basis U.S. Noteholder or electing accrual basis U.S. Noteholder will determine the amount realised on the settlement date. An election by an accrual basis U.S. Noteholder to apply the spot exchange rate on the settlement date will be subject to the rules regarding currency translation elections described above, and cannot be changed without the consent of the IRS. The amount of foreign currency gain or loss realised with respect to accrued but unpaid interest is the difference between the U.S. Dollar value of the interest based on the spot exchange rate on the date the Rated Notes are disposed of and the U.S. Dollar value at which the interest was previously accrued. Foreign currency gain or loss on a sale, exchange, redemption or repayment of a Rated Note is recognised only to the extent of total gain or loss on the transaction.

Foreign currency gain or loss recognised by a U.S. Noteholder on the sale, exchange or other disposition of a Rated Note (including repayment at maturity) generally will be treated as ordinary income or loss. Gain or loss in excess of foreign currency gain or loss on a Rated Note generally will be treated as capital gain or loss. The deductibility of capital losses is subject to limitations. In the case of a non-corporate U.S. Noteholder, preferential rates may apply to any capital gain if such U.S. Noteholder's holding period for such Rated Notes exceeds one year.

Amounts contributed to the Issuer as a Contribution that otherwise would have been distributed as Principal Proceeds will be deemed (for federal income tax purposes) paid to the contributing Noteholder and then contributed to the Issuer. Noteholders should consult their own tax advisors with respect to the federal income tax treatment of such Contribution, including the likelihood that such Contribution will be treated as an equity interest in the Issuer.

**Disposition of Euro.** A U.S. Noteholder will have a tax basis in foreign currency received as payment of qualified stated interest or OID on the Refinancing Notes, or on the sale, exchange, retirement or other taxable disposition, equal to the U.S. dollar value of foreign currency received determined at the spot exchange rate on the date the foreign currency is received. Any gain or loss realised by a U.S. Noteholder on a sale or other disposition of the foreign currency (including their exchange for U.S. dollars) will be U.S. source ordinary income or loss. A U.S. Noteholder that converts the Euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

**Alternative Characterisation of the Rated Notes.** It is possible that the IRS may contend that any Class of Rated Notes should be treated in whole or in part as equity interests in the Issuer. Such a recharacterisation might result in
material adverse U.S. federal income tax consequences to U.S. Noteholders. If U.S. Noteholders of one or more Classes of the Rated Notes were treated as owning equity interests in the Issuer, the U.S. federal income tax consequences to those U.S. Noteholders would be as described under "—U.S. Tax Treatment of U.S. Noteholders of the Subordinated Notes" and "—Transfer and Other Reporting Requirements."

U.S. Tax Treatment of U.S. Noteholders of the Subordinated Notes

The Issuer has agreed and, by its acceptance of a Subordinated Note, each Noteholder of a Subordinated Note will be deemed to have agreed, to treat all Subordinated Notes as equity in the Issuer for U.S. federal income tax purposes, except as otherwise required by any governmental authority. If U.S. Noteholders of the Subordinated Notes were treated as owning debt of the Issuer, the U.S. federal income tax consequences to those U.S. Noteholders would be as described under "—U.S. Characterisation and U.S. Tax Treatment of the Rated Notes". The balance of this discussion assumes that the Subordinated Notes will be treated as equity in the Issuer. Prospective investors should consult their own tax advisors regarding the consequences of acquiring, holding or disposing of the Subordinated Notes.

Amounts contributed to the Issuer as a Contribution that otherwise would have been distributed on the Notes will be deemed (for federal income tax purposes) paid to the contributing Noteholder and then contributed to the Issuer. In addition, a Contribution may be treated as equity in the Issuer and could affect the allocation of income to all of the Subordinated Notes under the QEF and CFC rules discussed below. Prospective Noteholders should consult their own tax advisors with respect to the federal income tax treatment of a Contribution (including the likelihood that such Contribution will be treated as an equity interest in the Issuer).

Investment in a Passive Foreign Investment Company. A non-U.S. corporation will be classified as a Passive Foreign Investment Company (a "PFIC") for U.S. federal income tax purposes if 75 per cent. or more of its gross income (including the pro rata share of the gross income of any corporation in which the non-U.S. corporation is considered to own 25 per cent. or more of the shares by value) in a taxable year is passive income. Alternatively, a non-U.S. corporation will be classified as a PFIC if at least 50 per cent. of its assets, averaged over the year and generally determined based on fair market value (including the pro rata share of the assets of any corporation in which the Issuer is considered to own 25 per cent. or more of the shares by value) are held for the production of, or produce, passive income.

Based on the assets that the Issuer expects to hold and the income anticipated thereon, it is highly likely that the Issuer will be classified as a PFIC for U.S. federal income tax purposes. Accordingly, the following discussion assumes that the Issuer will be a PFIC throughout the term of the Subordinated Notes, and U.S. Noteholders of Subordinated Notes should assume that they will be subject to the U.S. federal income tax consequences described below that result from owning stock in a PFIC (subject to the discussion below under "Investment in a Controlled Foreign Corporation").

Unless a U.S. Noteholder elects to treat the Issuer as a "qualified electing fund" (as described in the next paragraph), upon certain distributions ("excess distributions") by the Issuer and upon a disposition of the Subordinated Notes at a gain, the U.S. Noteholder will be liable to pay tax at the highest tax rate on ordinary income in effect for each period to which the income is allocated plus interest on the tax, as if such distributions and gain had been recognised rateably over the U.S. Noteholder's holding period for the Subordinated Notes. An interest charge is also applied to the deferred tax amount resulting from the deemed rateable distribution.

If a U.S. Noteholder elects to treat the Issuer as a "qualified electing fund" (a "QEF"), distributions and gain will not be taxed as if recognised rateably over the U.S. Noteholder's holding period or subject to an interest charge. Instead, a U.S. Noteholder that makes a QEF election is required for each taxable year to include in income the U.S. Noteholder's pro rata share of the ordinary earnings of the qualified electing fund as ordinary income and a pro rata share of the net capital gain of the qualified electing fund as capital gain, regardless of whether such earnings or gain have in fact been distributed (assuming the discussion below under "Investment in a Controlled..."
Foreign Corporation” does not apply), and subject to a separate election to defer payment of taxes, which deferral is subject to an interest charge. Consequently, in order to comply with the requirements of a QEF election, a U.S. Noteholder must receive from the Issuer certain information (“QEF Information”). The Issuer will cause its independent accountants to provide U.S. Noteholders of the Subordinated Notes, upon request by such U.S. Noteholder and at the U.S. Noteholder's expense, with the information reasonably available to the Issuer that a U.S. Noteholder would need to make a QEF election. Except as expressly noted, the discussion below assumes that a QEF election will not be made. The cost charged to the U.S. Noteholder by the Issuer for providing the information may be significant.

As a result of the nature of the Collateral Debt Obligations that the Issuer intends to hold, the Issuer may hold investments treated as equity of non-United States corporations that are PFICs. In such a case, assuming that the Issuer is a PFIC, a U.S. Noteholder would be treated as owning its pro rata share of the stock of the PFIC owned by the Issuer. Such a U.S. Noteholder would be subject to the rules generally applicable to shareholders of PFICs discussed above with respect to distributions received by the Issuer from such a PFIC and dispositions by the Issuer of the stock of such a PFIC (even though the U.S. Noteholder may not have received the proceeds of such distribution or disposition). Assuming the Issuer receives the necessary information from the PFIC in which it owns stock, certain U.S. Noteholders may make the QEF election discussed above with respect to the stock of the PFIC owned by the Issuer. However, no assurance can be given that the Issuer will be able to provide U.S. Noteholders with such information.

If the Issuer is a PFIC, each U.S. Noteholder of a Subordinated Note must make an annual return on IRS Form 8621, reporting distributions received and gains realised with respect to each PFIC in which the U.S. Noteholder holds a direct or indirect interest. Prospective purchasers should consult their tax advisors regarding the potential application of the PFIC rules. 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. If a U.S. Noteholder does not file Form 8621, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. Noteholder for the related tax year may not close before the date which is three years after the date on which such report is filed. Prospective investors should consult their own tax advisors regarding the potential application of the PFIC rules.

**Investment in a Controlled Foreign Corporation.** Depending on the degree of ownership of the Subordinated Notes and other equity interests in the Issuer by U.S. Noteholders and whether the Subordinated Notes are treated as voting securities, the Issuer may constitute a controlled foreign corporation (“CFC”). In general, a foreign corporation will constitute a CFC if more than 50 per cent. of the shares of the corporation, measured by reference to combined voting power or value, are owned, directly or indirectly, by "U.S. 10 per cent. Shareholders”. A "U.S. 10 per cent. Shareholder", for this purpose, is any U.S. person that owns or is treated as owning under specified attribution rules, 10 per cent. or more of the combined voting power of all classes of shares of a corporation. It is possible that the IRS may assert that the Subordinated Notes should be treated as voting securities, and consequently that the U.S. Noteholders owning Subordinated Notes so treated, or any combination of such Subordinated Notes and other voting securities of the Issuer, that constitute 10 per cent. or more of the combined voting power of all classes of shares of the Issuer are "U.S. 10 per cent. Shareholders” and that, assuming more than 50 per cent. of the Subordinated Notes and other voting securities of the Issuer are held by such U.S. 10 per cent. Shareholders, the Issuer is a CFC.

If the Issuer were treated as a CFC, a U.S. 10 per cent. Shareholder of the Issuer would be treated, subject to certain exceptions, as receiving a dividend at the end of the taxable year of the Issuer in an amount equal to that person's pro rata share of the "subpart F income” and investments in U.S. property of the Issuer. Among other items, and subject to certain exceptions, "subpart F income” includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is likely that, if the Issuer were to constitute a CFC, substantially all of its income would be subpart F income. In addition, special rules apply to determine the appropriate exchange rate to be used to translate such amounts treated as a dividend and the amount of any foreign
currency gain or loss with respect to distributions of previously taxed amounts attributable to movements in exchange rates between the times of deemed and actual distributions and certain "dividends" from such CFC could be recharacterised as U.S. source income for U.S. foreign tax credit purposes. Unless otherwise noted, the discussion below assumes that the Issuer is not a CFC. U.S. Noteholders should consult their tax advisors regarding these special rules.

If the Issuer were to constitute a CFC, for the period during which a U.S. Noteholder of Subordinated Notes is a U.S. 10 per cent. Shareholder of the Issuer, such Noteholder generally would be taxable on the subpart F income and investments in U.S. property of the Issuer under rules described in the preceding paragraph and not under the PFIC rules previously described. A U.S. Noteholder that is a U.S. 10 per cent. Shareholder of the Issuer subject to the CFC rules for only a portion of the time during which it holds Subordinated Notes should consult its own tax advisor regarding the interaction of the PFIC and CFC rules.

The Issuer intends to supply, at the requesting U.S. Noteholder's expense, U.S. Noteholders of the Subordinated Notes with the information needed for such U.S. Noteholders to comply with the controlled foreign corporation rules. However, the cost charged to the U.S. Noteholder by the Issuer for providing the information may be significant.

**Distributions on the Subordinated Notes.** Except to the extent that distributions are attributable to amounts previously taxed pursuant to the CFC rules or a QEF election is made (as discussed above), some or all of any distributions with respect to the Subordinated Notes may constitute excess distributions, taxable as previously described. Distributions of current or accumulated earnings and profits of the Issuer which are not excess distributions will be taxed as dividends when received. The amount of such income is determined by translating Euro received into U.S. dollars at the spot rate on the date of receipt. A U.S. Noteholder may realise foreign currency gain or loss on a subsequent disposition of the Euro received. Dividends on the Subordinated Notes received by a U.S. Noteholder generally will be treated as foreign source income for foreign tax credit limitation purposes. For this purpose, dividends on the Subordinated Notes should generally constitute "passive category income", or in the case of certain U.S. Noteholders, "general category income".

It is not expected that dividends received on the Subordinated Notes will be eligible for taxation at the lower rates applicable to long-term capital gains that are available on certain dividends paid to non-corporate U.S. Noteholders of shares of U.S. corporations and certain non-U.S. corporations.

**Disposition of the Subordinated Notes.** In general, a U.S. Noteholder of a Subordinated Note will recognise gain or loss upon the sale or exchange of the Subordinated Note equal to the difference between the amount realised and such Noteholder's adjusted tax basis in such Subordinated Note. Initially, the tax basis of a U.S. Noteholder should equal the amount paid for a Subordinated Note. Such basis will be increased by amounts taxable to such Noteholder by virtue of the QEF or CFC rules (if applicable), and decreased by actual distributions from the Issuer that are deemed to consist of such previously taxed amounts or are treated as a non-taxable return of capital. A U.S. Noteholder that receives foreign currency upon the sale or other disposition of the Subordinated Notes generally will realise an amount equal to the U.S. Dollar value of the foreign currency on the date of sale. A U.S. Noteholder will have a tax basis in the foreign currency received equal to the U.S. Dollar amount realised. Any gain or loss realised by a U.S. Noteholder on a subsequent conversion of the foreign currency for a different amount will be foreign currency gain or loss. If, however, the Subordinated Notes are traded on an established securities market, a cash basis U.S. Noteholder or electing accrual basis U.S. Noteholder will determine the amount realised on the settlement date.

Unless a QEF election is made, it is highly likely that any gain realised on the sale or exchange of a Subordinated Note will be treated as an excess distribution and taxed as ordinary income under the special tax rules described above (assuming that the PFIC rules apply and not the CFC rules). If a QEF election is in effect, any gain or loss recognised generally will be capital gain or loss and will be long-term capital gain or loss if the Subordinated Note
has been held for more than one year. Non-corporate U.S. Noteholders may be entitled to reduced tax rates in respect of long-term capital gains. The deductibility of capital losses is subject to limitations.

Subject to a special limitation for individual U.S. Noteholders that have held the Subordinated Notes for more than one year, if the Issuer were treated as a CFC and a U.S. Noteholder were treated as a U.S. 10 per cent. Shareholder therein, then any gain realised by such Noteholder upon the disposition of Subordinated Notes would be treated as ordinary income to the extent of the U.S. Noteholder's pro rata share of current and accumulated earnings and profits of the Issuer and any of its subsidiaries. In this respect, earnings and profits would not include any amounts previously taxed pursuant to the CFC rules. U.S. individuals that have held their stock for more than one year may be entitled to reduce the amount otherwise characterised as ordinary income.

**Foreign Currency Gain or Loss.** A U.S. Noteholder of Subordinated Notes (or other Notes treated as equity interests in the Issuer) that recognises income from the Subordinated Notes under the QEF or CFC rules discussed above will recognise foreign currency gain or loss attributable to movement in foreign exchange rates between the date when it recognised income under those rules and the date when the income actually is distributed. Any such foreign currency gain or loss will be treated as ordinary income or loss from the same source as the associated income inclusion.

A U.S. Noteholder that purchases Subordinated Notes with previously owned foreign currency generally will recognise foreign currency gain or loss in an amount equal to any difference between the U.S. Noteholder's tax basis in the foreign currency and the U.S. dollar value of the foreign currency at the spot rate on the date the Notes are purchased. A U.S. Noteholder that receives foreign currency upon the sale or other disposition of the Subordinated Notes generally will realise an amount equal to the U.S. dollar value of the foreign currency on the date of sale. A U.S. Noteholder will have a tax basis in the foreign currency received equal to the U.S. dollar amount realised. Any gain or loss realised by a U.S. Noteholder on a subsequent conversion of the foreign currency for a different amount will be foreign currency gain or loss.

**Transfer and Other Reporting Requirements**

In general, U.S. Noteholders who acquire Subordinated Notes (or any Class of Notes that is recharacterised 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. Noteholder owns (directly or indirectly) immediately after the transfer, at least 10 per cent. 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. Noteholder that is required to file fails to file such form, that U.S. Noteholder could be subject to a penalty of up to U.S.$100,000 (computed as 10 per cent. 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. Noteholder of the Subordinated Notes (or any Class of Notes that is recharacterised as equity in the Issuer) that owns (actually or constructively) at least 10 per cent. 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. Noteholder of the 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 per cent. by vote or value of the Issuer. U.S. Noteholders should consult their own tax advisors regarding whether they are required to file IRS Form 5471. In the event a U.S. Noteholder that is required to file such form fails to file such form, the U.S. Noteholder could be subject to a penalty of U.S.$10,000 for each such failure to file (in addition to other consequences).

Prospective investors in the Subordinated Notes (or any other Class of Notes or other interest that could be recharacterised 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 U.S. federal income tax returns or U.S. federal information returns and recognise losses 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. Noteholder of the Subordinated Notes if the Issuer both participates in certain
types of transactions that are treated as "reportable transactions," such as a transaction in which its loss exceeds a
specified threshold, and either (x) such U.S. Noteholder owns 10 per cent. 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. Noteholder is a "U.S. Shareholder" (as defined above) of the Issuer. If the Issuer becomes aware that it
participated 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.

Certain U.S. Noteholders will be subject to reporting obligations with respect to their Notes if they do not hold
them in an account maintained by a financial institution and the aggregate value of their Notes and certain other
"specified foreign financial assets" exceeds $50,000 on the last day of the taxable year (or $75,000 on any day
during the taxable year). Significant penalties can apply if a U.S. Noteholder is required to disclose its Notes and
fails to do so.

U.S. Noteholders of the Subordinated Notes may be required to report certain information on United States
Treasury FinCEN Report 114 (the "FBAR") for any calendar year in which they hold such Notes. The FBAR must
be received by the United States Treasury by June 30 to report on accounts in the preceding calendar year, is not
filed as part of an annual tax return, and the reporting requirements thereunder are not governed by the Code.
Purchasers of the Subordinated Notes should consult their own tax advisors regarding these reporting requirements.

U.S. Tax Treatment of Non-U.S. Noteholders of Notes

Subject to the discussion below under "Information Reporting and Backup Withholding", payments, including
interest, OID and any amounts treated as dividends, on a Note to a non-U.S. Noteholder and gain realised on the
sale, exchange or retirement of a Note by a non-U.S. Noteholder, will not be subject to U.S. federal income or
withholding tax, unless (a) such income is effectively connected with a trade or business conducted by such non-
U.S. Noteholder in the United States; or (b) in the case of federal income tax imposed on gain, such non-U.S.
Noteholder is a non-resident alien individual who holds a Note as a capital asset and is present in the United States
for 183 days or more in the taxable year of sale and certain other conditions are satisfied.

Information Reporting and Backup Withholding

The amount of interest and principal paid or accrued on the Notes, and the proceeds from the sale of a Note, in
each case, paid within the United States or by a U.S. payor or U.S. middleman to a U.S. person (other than a
corporation or other exempt recipient) will be reported to the IRS. Under the Code, a U.S. person may be subject,
under certain circumstances, to "backup withholding tax" with respect to interest and principal on a Note or the
gross proceeds from the sale of a Note paid within the United States or by a U.S. middleman or United States payor
to a U.S. Person. Backup withholding tax generally applies only if the U.S. person: (a) fails to furnish its social
security or other taxpayer identification number within a reasonable time after the request therefore; (b) furnishes
an incorrect taxpayer identification number; (c) is notified by the IRS that it has failed to properly report interest,
OID or dividends; or (d) fails, under certain circumstances, to provide a certified statement, signed under penalty of
perjury, that it has furnished a correct taxpayer identification number and has not been notified by the IRS that it is
subject to backup withholding tax for failure to report interest and dividend payments.

Non-U.S. Noteholders or, in certain cases, their beneficial owners may be required to comply with certification
procedures to establish that they are not U.S. Noteholders in order to avoid information reporting and backup
withholding tax.

Backup withholding is not an additional tax. The amount of any backup withholding collected from a payment will
be allowed as a credit against the recipient's U.S. federal income tax liability and may entitle the recipient to a
refund, so long as the required information is properly furnished to the IRS. Noteholders should consult their own
tax advisers about any additional reporting requirements that may arise as a result of their purchasing, holding or disposing of Notes.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR NOTEHOLDER. EACH PROSPECTIVE NOTEHOLDER IS STRONGLY URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE NOTEHOLDER'S OWN CIRCUMSTANCES.

Foreign Account Tax Compliance Act

As discussed above under "Irish Taxation – FATCA Implementation in Ireland", pursuant to FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Ireland) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("IGAs"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019 and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

Each Noteholder may be required to provide certifications and identifying information about itself and its owners (or beneficial owners) in order to enable the Issuer (or an intermediary) to identify and report on the Noteholder and certain of the Noteholder's direct and indirect U.S. beneficial owners to the IRS or an Irish tax authority. Further, the Noteholder will be required to permit the Issuer to share such information with the relevant taxing authority. Although certain exceptions to these disclosure requirements could apply, each Noteholder should assume that if it fails to provide the required information or otherwise prevents the Issuer from achieving FATCA Compliance, the Issuer generally will have the right to force the sale of the Noteholder's Notes (and such sale could be for less than its then fair market value).

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.
CERTAIN ERISA CONSIDERATIONS

ERISA imposes certain requirements on "employee benefit plans" subject thereto, including entities (such as collective investment funds, insurance company separate accounts and some insurance company general accounts) the underlying assets of which include the assets of such plans (collectively, "ERISA Plans"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA’s general fiduciary requirements, including the requirement of prudence, diversification and investments being made in accordance with the documents governing the plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan’s particular circumstances and all of the facts and circumstances of the investment.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan, as well as assets of those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts and so-called "Keogh” plans, and entities the underlying assets of which include the assets of such plans (together with ERISA Plans, "Plans") and certain persons (referred to as "parties in interest" under ERISA or "disqualified persons" under the Code (collectively, "Parties in Interest") and each a "Party in Interest") having certain relationships to such Plans, unless a statutory or administrative exception or exemption is applicable to the transaction. A Party in Interest who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and the transaction may have to be rescinded at significant cost to the Issuer.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility or prohibited transaction provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to substantially similar rules under Federal, state, local or non-U.S. laws, and may be subject to the prohibited transaction rules of Section 503 of the Code.

Under ERISA and a regulation issued by the United States Department of Labor (29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA, the "Plan Asset Regulation"), if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act of 1940, the Plan’s assets are deemed to include both the equity interest and an undivided interest in each of the entity’s underlying assets, unless it is established (a) that the entity is an "operating company,” as that term is defined in the Plan Asset Regulation, or (b) that less than 25 per cent. of the total value of each class of equity interest in the entity, disregarding the value of any equity interests held by persons (other than Benefit Plan Investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee with respect to such assets (such as the Collateral Manager), and their respective Affiliates (each a "Controlling Person"), is held by Benefit Plan Investors (the "25 per cent. Limitation"). A "Benefit Plan Investor" means (1) an employee benefit plan (as defined in Section 3(3) of ERISA), subject to the provisions of part 4 of Subtitle B of Title I of ERISA, (2) a plan to which Section 4975 of the Code applies, or (3) any entity whose underlying assets include plan assets by reason of such an employee benefit plan or plan’s investment in such entity.

If the underlying assets of the Issuer are deemed to be Plan assets, the obligations and other responsibilities of Plan sponsors, Plan fiduciaries and Plan administrators, and of Parties in Interest, under Parts 1 and 4 of Subtitle B of Title I of ERISA and Section 4975 of the Code, as applicable, may be expanded, and there may be an increase in their exposure to liability under these and other provisions of ERISA and the Code. In addition, various providers of fiduciary or other services to the entity, and any other parties with authority or control with respect to the Issuer, could be deemed to be Plan fiduciaries or otherwise parties in interest or disqualified persons by virtue of their provision of such services (and there could be an improper delegation of authority to such providers).
The Plan Asset Regulation defines an "equity interest" as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and that has no substantial equity features. Although it is not free from doubt, the Class X Notes, Class A Notes, Class B Notes, Class C Notes and Class D Notes offered hereby will be treated by the Issuer as indebtedness with no substantial equity features for purposes of ERISA. However, the characteristics of the Class E Notes, the Class F Notes and the Subordinated Notes for purposes of the Plan Asset Regulation are less certain. The Class E Notes, the Class F Notes and the Subordinated Notes may be considered "equity interests" for purposes of the Plan Asset Regulation. Accordingly, the Issuer intends to limit investments by Benefit Plan Investors in such Class E Notes, Class F Notes and Subordinated Notes. In reliance on representations made by investors in the Class E Notes, the Class F Notes and the Subordinated Notes, the Issuer intends to limit investment by Benefit Plan Investors in each of the Class E Notes, the Class F Notes and the Subordinated Notes to less than 25 per cent. of the total value of each of the Class E Notes, the Class F Notes and the Subordinated Notes at all times (excluding for purposes of such calculation Class E Notes, Class F Notes and Subordinated Notes held by a Controlling Person). Each prospective purchaser (including a transferee) of a Class E Note, a Class F Note or a Subordinated Note will be required to make certain representations regarding its status as a Benefit Plan Investor and Controlling Person and other ERISA matters as described under the "Transfer Restrictions" section of this Offering Circular. No Class E Notes, Class F Notes or Subordinated Notes will be sold or transferred to purchasers that have represented that they are Benefit Plan Investors or Controlling Persons to the extent that such sale may result in Benefit Plan Investors owning 25 per cent. or more of the Class E Notes, the Class F Notes or the Subordinated Notes (determined separately by class and in accordance with Section 3(42) of ERISA, the Plan Asset Regulation and the Trust Deed). Except as otherwise provided by the Plan Asset Regulation, each Class E Note, Class F Note or Subordinated Note held by persons that have represented that they are Controlling Persons will be disregarded and will not be treated as outstanding for purposes of determining compliance with such 25 per cent. Limitation.

It is possible that an investment in any of the Notes by a Benefit Plan Investor (or with the use of the assets of a Benefit Plan Investor) could be treated as a prohibited transaction under ERISA and/or Section 4975 of the Code. Such a prohibited transaction, however, may be subject to a statutory or administrative exemption. Even if an exemption were to apply, such exemption may not, however, apply to all of the transactions that could be deemed prohibited transactions in connection with an investment in the Notes by a Benefit Plan Investor.

Each of the Issuer, the Placement Agent, the Collateral Manager, or their respective Affiliates may be the sponsor of, or investment adviser with respect to one, or more Plans. Because such parties may receive certain benefits in connection with the sale of the Notes to such Plans, whether or not the Notes are treated as equity interests in the Issuer, the purchase of such Notes using the assets of a Plan over which any of such parties has investment authority might be deemed to be a violation of the prohibited transaction rules of ERISA and/or Section 4975 of the Code for which no exemption may be available. Accordingly, the Notes, may not be acquired using the assets of any Plan if any of the Issuer, the Placement Agent, the Collateral Manager or their respective affiliates has investment authority with respect to such assets (except to the extent (if any) that a favourable statutory or administrative exemption or exception applies or the transaction is not otherwise prohibited).

It should be noted that an insurance company’s general account may be deemed to include assets of Plans under certain circumstances, for example, where a Plan purchases an annuity contract issued by such an insurance company, based on the reasoning of the United States Supreme Court in John Hancock Mutual Life Ins. Co. v. Harris Trust and Savings Bank, 510 U.S. 86 (1993). An insurance company considering the purchase of Notes with assets of its general account should consider such purchase and the insurance company’s ability to make the representations described above in light of John Hancock Mutual Life Ins. Co. v. Harris Trust and Savings Bank, Section 401(c) of ERISA and a regulation promulgated by the U.S. Department of Labor under that Section of ERISA, 29 C.F.R. Section 2550.401c-1.

If you are a purchaser or transferee of a Class X Note, Class A Note, Class B Note, Class C Note or Class D Note or any interest in such Note, you will be deemed to have represented, warranted and agreed that (i) either (A) you are not acting on behalf of (and for so long as you hold any such Note or interest therein will not be, and will not be
acting on behalf of), a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code ("Other Plan Law"), and no part of the assets to be used by you to acquire or hold such Notes or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan, or (B) your acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other Plan, a non-exempt violation of any Other Plan Law, and (ii) you will not sell or transfer such Note (or interest therein) to a transferee acquiring such Notes (or interests therein) unless the transferee makes the foregoing representations, warranties and agreements described in clause (i) hereof.

If you are a purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Regulation S Global Certificate or a Rule 144A Global Certificate, (i) you will be deemed to represent, warrant and agree that (A) you are not, and are not acting on behalf of (and for so long as you hold any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless you receive the written consent of the Issuer, provide an ERISA certificate (substantially in the form of Annex A (Form of ERISA Certificate)) to the Issuer as to your status as a Benefit Plan Investor or Controlling Person and hold such Note in the form of a Definitive Certificate (other than in the case of the Collateral Manager, provided that it has given an ERISA certificate (substantially in the form of Annex A (Form of ERISA Certificate)) to the Issuer, or as otherwise permitted in writing by the Issuer with respect to any Class E Note, Class F Note and Subordinated Note acquired by it, the Collateral Manager may hold such Notes in the form of a Regulation S Global Certificate or a Rule 144A Global Certificate), and (B) (1) if you are, or are acting on behalf of, a Benefit Plan Investor, your acquisition, holding and disposition of such Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (2) if you are a governmental, church, non-U.S. or other plan, (a) you are not, and for so long as you hold such 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 or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer’s assets) to Other Plan Law ("Similar Law") and (b) your acquisition, holding and disposition of such Note will not constitute or result in a non-exempt violation of any Other Plan Law and (ii) you will agree to certain transfer restrictions regarding your interest in such Note.

If you are a purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Definitive Certificate or a Regulation S Definitive Certificate, (i) you will be required to represent and warrant in writing to the Issuer that (A) you are not, and are not acting on behalf of (and for so long as you hold any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless you receive the written consent of the Issuer, provide an ERISA certificate (substantially in the form of Annex A (Form of ERISA Certificate)) to the Issuer as to your status as a Benefit Plan Investor or Controlling Person and hold such Note in the form of a Definitive Certificate and (B) (1) if you are, or are acting on behalf of, a Benefit Plan Investor, your acquisition, holding and disposition of such Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (2) if you are a governmental, church, non-U.S. or other plan, (a) you are not, and for so long as you hold such Note or interest therein will not be, subject to any Similar Law and (b) your acquisition, holding and disposition of such Note will not constitute or result in a non-exempt violation of any Other Plan Law and (ii) you will agree to certain transfer restrictions regarding your interest in such Note.

No transfer of an interest in the Class E Notes, Class F Notes or the Subordinated Notes will be permitted or recognized if it would cause the 25 per cent. Limitation described above to be exceeded with respect to the Class E Notes, Class F Notes or the Subordinated Notes.

In addition, each purchaser and transferee of any Note or interest therein that is a Benefit Plan Investor shall be required or deemed to represent and warrant to the Issuer, on each day from the date on which such beneficial
owner acquires such Note or interest through and including the date on which it disposes of such Note or interest, and at any time when regulation 29 C.F.R. Section 2510.3-21, as modified in 2016, is applicable, that the fiduciary making the decision to invest in the Notes on its behalf (the "Independent Fiduciary") (a) is a bank, insurance company, registered investment adviser, broker-dealer or other person with financial expertise, in each case as described in 29 C.F.R. Section 2510.3-21(c)(1)(i); (b) is an independent plan fiduciary within the meaning of 29 C.F.R. Section 2510.3-21(c); (c) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies; (d) is responsible for exercising independent judgment in evaluating the acquisition, holding and disposition of the Notes; and (e) neither the Benefit Plan Investor nor the Independent Fiduciary is paying or has paid any fee or other compensation to any of the Issuer, the Placement Agent or the Collateral Manager for investment advice (as opposed to other services) in connection with its acquisition or holding of the Notes. In addition, each such purchaser or transferee will be required or deemed to acknowledge and agree that the Independent Fiduciary (x) has been informed that none of the Issuer, the Placement Agent, the Collateral Manager or other persons that provide marketing services, nor any of their affiliates, has provided, and none of them will provide, impartial investment advice and they are not giving any advice in a fiduciary capacity, in connection with the purchaser's or transferee's acquisition or holding of the Notes and (y) has received and understands the disclosure of the existence and nature of the financial interests contained in the offering circular and related materials.

Any Plan fiduciary considering whether to acquire a Note on behalf of a Plan or an employee benefit plan not subject to ERISA or Section 4975 of the Code should consult with its counsel regarding the potential consequences of such investment, the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code and/or similar provisions of Other Plan Law, and the scope of any available exemption relating to such investment.

The sale of Notes to a Plan or an employee benefit plan not subject to ERISA or Section 4975 of the Code is in no respect a representation or warranty by the Issuer, or any other person that this investment meets all relevant legal requirements with respect to investments by Plans or such other plans generally or any particular plan, that any prohibited transaction exemption would apply to the acquisition, holding, or disposition of this investment by such plans in general or any particular plan, or that this investment is appropriate for such plans generally or any particular plan.
PLAN OF DISTRIBUTION

The following section consists of a summary of certain provisions of the Placement Agency Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreements.

Subscription and Placement

Citigroup Global Markets Limited (in its capacity as Placement Agent, the "Placement Agent") has agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe and pay for each Class of the Refinancing Notes (the "Subscribed Notes") pursuant to the Placement Agency Agreement, at the issue price of: 100.00 per cent. in the case of the Class X Notes, 100.00 per cent. in the case of the Class A Notes, 100.00 per cent. in the case of the Class B-1 Notes, 100.00 per cent. in the case of the Class B-2 Notes, 100.00 per cent. in the case of the Class C Notes, 100.00 per cent. in the case of the Class D Notes, 97.00 per cent. in the case of the Class E Notes and 95.00 per cent. in the case of the Class F Notes (in each case less subscription and underwriting fees to be agreed between the Issuer and the Placement Agent). The Placement Agent may offer the Subscribed Notes at other prices in privately negotiated transactions at the time of sale, which may vary among different purchasers. The Placement Agency Agreement entitles the Placement Agent to terminate it in certain circumstances prior to payment being made to the Issuer.

The Retention Holder has agreed with the Placement Agent, subject to the satisfaction of certain conditions, to purchase those Refinancing Notes that are Retention Notes from the Placement Agent on the Issue Date at their respective issue prices described above pursuant to a retention notes purchase agreement to be entered into by the Placement Agent and the Retention Holder.

It is a condition of the issue of the Refinancing Notes of each Class that the Refinancing Notes of each other Class be issued in the following principal amounts: Class X Notes: €2,000,000, Class A Notes: €263,000,000, Class B-1 Notes: €32,000,000, Class B-2 Notes: €30,000,000, Class C Notes: €30,000,000, Class D Notes: €23,000,000, Class E Notes: €28,000,000 and Class F Notes: €13,000,000.

The Issuer has agreed to indemnify the Placement Agent, the Collateral Manager, the Collateral Administrator, the Trustee and certain other participants against certain liabilities or to contribute to payments they may be required to make in respect thereof.

Certain of the Collateral Debt Obligations may have been originally underwritten or placed by the Placement Agent. In addition, the Placement Agent may in the future perform investment banking services or other services for issuers of the Collateral Debt Obligations. In addition, the Placement Agent and its Affiliates may from time to time as a principal or through one or more investment funds that it or they manage, make investments in the equity securities of one or more of the issuers of the Collateral Debt Obligations, with a result that one or more of such issuers may be or may become controlled by the Placement Agent or its Affiliates.

On the Issue Date, the Refinancing Notes may not be purchased by, and during the Restricted Period, the Notes may not be transferred to, any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver from the Collateral Manager. Each holder of a Note or a beneficial interest therein acquired in the initial issuance of the Notes, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer, the Trustee, the Collateral Manager and the Placement Agent that it (1) either (a) is not a Risk Retention U.S. Person or (b) it has received a U.S. Risk Retention Waiver from the Collateral Manager, and (2) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __.20 of the U.S. Risk Retention Rules
described in "Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence - U.S. Risk Retention Requirements"). The Collateral Manager, the Issuer and the Placement Agent have agreed that the determination of the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in Section ___20 of the U.S. Risk Retention Rules is solely the responsibility of the Collateral Manager, and none of the Placement Agent or any person who controls it or any director, officer, employee, agent or Affiliate of the Placement Agent shall have any responsibility for determining the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in Section ___20 of the U.S. Risk Retention Rules, and none of the Placement Agent or any person who controls it or any director, officer, employee, agent or Affiliate of the Placement Agent accepts any liability or responsibility whatsoever for any such determination.

No action has been or will be taken by the Issuer, the Placement Agent or the Retention Holder that would permit a public offering of the Refinancing Notes or possession or distribution of this Offering Circular or any other offering material in relation to the Refinancing Notes in any jurisdiction where action for the purpose 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 which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or the Placement Agent.

United States

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

The Issuer has been advised that the Placement Agent proposes to resell the Subscribed Notes (a) to non-U.S. Persons in offshore transactions in reliance on Regulation S and in accordance with applicable law and (b) to U.S. Persons (directly or through its U.S. broker dealer Affiliate) in reliance on Rule 144A only to or for their own account or for the accounts of, in each case, QIBs/QPs. The Citi Parties may retain a certain proportion of the Notes in their portfolios with an intention to hold to maturity or to trade. The holding or any sale of the Notes by these parties may adversely affect the liquidity of the Notes and may also affect the prices of the Notes in the primary or secondary market.

The Regulation S Notes will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. The Rule 144A Notes sold will be issued in minimum denominations of €250,000 and integral multiples of €1,000 in excess thereof. Any offer or sale of Rule 144A Notes in reliance on Rule 144A will be made by broker dealers who are registered as such under the Exchange Act. After the Refinancing Notes are released for sale, the offering price and other selling terms may from time to time be varied by the Placement Agent.

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

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

The Placement Agent has agreed to comply with the following selling restrictions:

(a) **United Kingdom:** The Placement Agent, which is authorised and regulated by the Financial Conduct Authority, has represented and agreed that:

   (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("FSMA") received by it in connection with the issue or sale of the Refinancing Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

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

(b) **European Economic Area:** In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") the Placement Agent has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of Refinancing 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 Refinancing Notes to the public in that Relevant Member State at any time:

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

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

   (iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Refinancing 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 Refinancing 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 Refinancing Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Refinancing Notes, as the same may be varied in that EU member state by any measure implementing the Prospectus Directive in that EU member state and the expression "Prospectus Directive" means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in each Relevant Member State.

(c) **Austria:** No prospectus has been or will be approved and/or published pursuant to the Austrian Capital Markets Act (Kapitalmarktgeseetz ("the KMG") as amended. Neither this document nor any other document connected therewith constitutes a prospectus according to the Austrian Capital Markets Act and neither this document nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria, save as specifically agreed with the Placement Agent.
document pursuant to Directive 2003/71/EC has been or will be drawn up and approved in Austria and no
document pursuant to Directive 2003/71/EC has been or will bepassported into Austria as the
Refinancing Notes will be offered in Austria in reliance on an exemption from the document publication
requirement under the KMG. The Placement Agent has represented and agreed that it will offer the
Refinancing Notes in Austria only in compliance with the provisions of the KMG, and Notes will
therefore not be publicly offered or (re)sold in Austria without a document being published or an
applicable exemption from such requirement being relied upon.

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

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

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

The Placement Agent has represented and agreed that:

(i) the Refinancing 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 Refinancing 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 Refinancing Notes to
the public in France.

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

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

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

(C) in a transaction that, in accordance with Article L.411-2 of the CMF and Article 211-2
of the Règlement Général of the AMF, does not constitute a public offer.
(f) **Germany:** The Refinancing Notes will not be registered for public distribution in Germany. This Offering Circular does not constitute a sales document pursuant to the German Capital Investment Act (*Vermögensanlagengesetz*). Accordingly, the Placement Agent has represented and agreed that no offer of the Refinancing Notes will be made to the public in Germany. This Offering Circular and any other document relating to the Refinancing Notes, as well as information or statements contained therein, will not be supplied to the public in Germany or used in connection with any offer for subscription of the Refinancing Notes to the public in Germany or any other means of public marketing.

(g) **Ireland:** The Placement Agent has represented and agreed that:

(i) it has not and will not underwrite the issue of, or place the Refinancing Notes otherwise than in conformity with the provisions of S.I. No. 60 of 2007 European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended), and any codes of conduct or rules issued in connection therewith and any conditions or requirements, or their enactments, imposed or approved by the Central Bank of Ireland, and the provisions of the Investor Compensation Act 1998 (as amended);

(ii) it has not and will not underwrite the issue of, or place, the Refinancing Notes, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 to 2015 and any codes of practice made under Section 117(1) of the Irish Central Bank Act 1989 (as amended) or any regulations made pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013 (as amended);

(iii) it has not and will not underwrite the issue of, or place, or do anything in Ireland in respect of the Refinancing Notes, otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended), the Irish Companies Act 2014 and any rules issued under Section 1363 of the Irish Companies Act 2014, by the Central Bank of Ireland; and

(iv) it has not and will not underwrite the issue of, or place, or otherwise act in Ireland in respect of the Refinancing Notes, otherwise than in conformity with the provisions of the European Union (Market Abuse) Regulations 2016, Regulation (EU) No 596/2014 of the European Parliament of the Council of 16 April 2014 on market abuse and any rules issued under Section 1370 of the Irish Companies Act 2014 by the Central Bank of Ireland.

(h) **Netherlands:** The Placement Agent has represented and agreed that it will not make an offer of the Refinancing Notes which are the subject of the offering contemplated by this Offering Circular to the public in The Netherlands in reliance on Article 3(2) of the Prospectus Directive, unless such offer is made exclusively to legal entities which are qualified investors (as defined in the Financial Markets Supervisions Act (*Wet op het financieel toezicht*)) and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management contract) in The Netherlands, provided that no such offer of Notes shall require the Issuer or the Placement Agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expressions (i) an "offer of Notes to the public" in relation to any Notes in The Netherlands; and (ii) "Prospectus Directive", have the meaning given to them above in the section entitled "European Economic Area".

(i) **Sweden:** The Placement Agent has confirmed and agreed that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy Notes or distribute any draft or final document in relation to any such offer, invitation or sale except in circumstances that will not result in a
requirement to prepare a prospectus pursuant to the provisions of the Swedish Financial Instruments Trading Act (lag (1991:980) om handel med finansiella instrument).

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

Neither this Offering Circular nor any other offering or marketing material relating to the offering, nor the Issuer nor the Refinancing Notes have been or will be filed with or approved by any Swiss regulatory authority. The Refinancing Notes are not subject to the supervision by any Swiss regulatory authority, for example, the Swiss Financial Markets Supervisory Authority FINMA, and investors in the Refinancing Notes will not benefit from protection or supervision by such authority.
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.

During the 40-day period from and after the Issue Date (the “Restricted Period”), the Notes may not be transferred to any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver from the Collateral Manager. Each holder of a Note or a beneficial interest therein acquired during the Restricted Period, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer, the Trustee, the Collateral Manager and the Placement Agent that it (1) either (a) is not a Risk Retention U.S. Person or (b) it has received a U.S. Risk Retention Waiver from the Collateral Manager, and (2) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __.20 of the U.S. Risk Retention Rules described in “Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence - U.S. Risk Retention Requirements”). The Collateral Manager, the Issuer and the Placement Agent have agreed that the determination of the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in Section __.20 of the U.S. Risk Retention Rules is solely the responsibility of the Collateral Manager, and none of the Placement Agent or any person who controls it or any director, officer, employee, agent or Affiliate of the Placement Agent shall have any responsibility for determining the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in Section __.20 of the U.S. Risk Retention Rules, and none of the Placement Agent or any person who controls it or any director, officer, employee, agent or Affiliate of the Placement Agent accepts any liability or responsibility whatsoever for any such determination.

Rule 144A Notes

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

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

(a) The purchaser (i) is a QIB/QP, (ii) is aware that the sale of such Rule 144A Notes to it is being made in reliance on Rule 144A, (iii) is acquiring such Notes for its own account or for the account of a QIB and QP as to which the purchaser exercises sole investment discretion, and in a principal amount of not less than €250,000 for the purchaser and for each such account and (iv) will provide notice of the transfer restrictions described herein to any subsequent transferees. If the purchaser acquires such Rule 144A Notes in the initial issuance of the Refinancing Notes or during the Restricted Period, the purchaser (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from the Collateral Manager, and (2) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __.20 of the U.S.

(b) The purchaser understands that such Rule 144A Notes have not been and will not be registered under the Securities Act, and may be reoffered, resold or pledged or otherwise transferred only (i)(x) to a person whom the purchaser reasonably believes is a QIB/QP purchasing for its own account or for the account of a QIB/QP as to which the purchaser exercises sole investment discretion in a transaction meeting the requirements of Rule 144A or (y) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S and (ii) in accordance with all applicable securities laws including the securities laws of any state of the United States. The purchaser understands that the Issuer has not been registered as an investment company under the Investment Company Act and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act. The purchaser understands that before any interest in a Rule 144A Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Notes, the Issuer is required to receive a written certification from the purchaser (in the form provided in the Trust Deed) as to compliance with the transfer restrictions described herein. The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (b) shall be null and void ab initio.

(c) The purchaser is not purchasing such Rule 144A Notes with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act or the U.S. Risk Retention Rules. The purchaser understands that an investment in the Rule 144A Notes involves certain risks, including the risk of loss of its entire investment in the Rule 144A Notes under certain circumstances. The purchaser has had access to such financial and other information concerning the Issuer and the Notes as it deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Rule 144A Notes, including an opportunity to ask questions of, and request information from, the Issuer.

(d) In connection with the purchase of the Rule 144A Notes: (i) none of the Issuer, the Placement Agent, the Trustee, the Collateral Manager or any Agent is acting as a fiduciary or financial or investment advisor for the purchaser; (ii) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Placement Agent, the Trustee, the Collateral Manager or any Agent other than in this Offering Circular for such Notes and any representations expressly set forth in a written agreement with such party; (iii) none of the Issuer, the Placement Agent, the Trustee, the Collateral Manager or any Agent has given to the purchaser (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Rule 144A Notes; (iv) the purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Trust Deed) based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer, the Placement Agent, the Trustee, the Collateral Manager or any Agent; (v) the purchaser has evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Rule 144A Notes with a full understanding of all of the risks thereof (economic and otherwise), and it is capable of assuming and willing to assume (financially and otherwise) those risks; and (vi) the purchaser is a sophisticated investor.

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

(f) In respect of a purchase or transfer of a Class X Note, Class A Note, Class B Note, Class C Note or Class D Note, or any interest in such Note, (i) either (A) it is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code ("Other Plan Law"), and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan, or (B) its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any Other Plan Law, and (ii) it will not sell or transfer such Note (or interest therein) to a transferee acquiring such Note (or interest therein) unless the transferee makes the foregoing representations, warranties and agreements described in clause (i) hereof.

(g) In respect of a purchase or transfer of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate, it will be deemed to represent, warrant and agree that (i) (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer, provides an ERISA certificate (substantially in the form of Annex A (Form of ERISA Certificate)) to the Issuer as to its status as a Benefit Plan Investor or Controlling Person and holds such Note in the form of a Definitive Certificate (other than in the case of the Collateral Manager, provided that it has given an ERISA certificate (substantially in the form of Annex A (Form of ERISA Certificate)) to the Issuer, or as otherwise permitted in writing by the Issuer with respect to any Class E Note, Class F Note and Subordinated Note acquired by it, the Collateral Manager may hold such Notes in the form of a Rule 144A Global Certificate) and (B) (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (2) if it is a governmental, church, non-U.S. or other plan, (a) it is not, and for so long as it holds such 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 or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer’s assets) to Other Plan Law ("Similar Law") and (b) its acquisition, holding and disposition of such Note will not constitute or result in a non-exempt
violation of any Other Plan Law and (ii) it will agree to certain transfer restrictions regarding its interest in such Note.

(h) In respect of a purchase or transfer of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Definitive Certificate, it will be required to represent and warrant in writing to the Issuer that (i) (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer, provides an ERISA certificate (substantially in the form of Annex A (Form of ERISA Certificate)) to the Issuer as to its status as a Benefit Plan Investor or Controlling Person and holds such Note in the form of a Definitive Certificate (other than in the case of the Collateral Manager, provided that it has given an ERISA certificate (substantially in the form of Annex A (Form of ERISA Certificate)) to the Issuer, or as otherwise permitted in writing by the Issuer with respect to any Class E Note, Class F Note and Subordinated Note acquired by it, the Collateral Manager may hold such Notes in the form of a Rule 144A Global Certificate) and (B) (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (2) if it is a governmental, church, non-U.S. or other plan, (a) it is not, and for so long as it holds such Note or interest therein will not be, subject to Similar Law and (b) its acquisition, holding and disposition of such Note will not constitute or result in a non-exempt violation of any Other Plan Law and (ii) it will agree to certain transfer restrictions regarding its interest in such Note.

(i) No transfer of an interest in the Class E Notes, the Class F Notes or the Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation described above to be exceeded with respect to the Class E Notes, the Class F Notes or the Subordinated Notes.

(j) With respect to the purchase or transfer of any Note or interest therein by a Benefit Plan Investor, on each day from the date on which the beneficial owner acquires such Note or interest through and including the date on which it disposes of such Note or interest, and at any time when regulation 29 C.F.R. Section 2510.3-21, as modified in 2016, is applicable, that the fiduciary making the decision to invest in the Notes on its behalf (the "Independent Fiduciary") (a) is a bank, insurance company, registered investment adviser, broker-dealer or other person with financial expertise, in each case as described in 29 C.F.R. Section 2510.3-21(c)(1)(i); (b) is an independent plan fiduciary within the meaning of 29 C.F.R. Section 2510.3-21(c); (c) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies; (d) is responsible for exercising independent judgment in evaluating the acquisition, holding and disposition of the Notes; and (e) neither the Benefit Plan Investor nor the Independent Fiduciary is paying or has paid any fee or other compensation to any of the Issuer, the Placement Agent or the Collateral Manager for investment advice (as opposed to other services) in connection with its acquisition or holding of the Notes. In addition, each such purchaser or transferee will be required or deemed to acknowledge and agree that the Independent Fiduciary (x) has been informed that none of the Issuer, the Placement Agent, the Collateral Manager or other persons that provide marketing services, nor any of their affiliates, has provided, and none of them will provide, impartial investment advice and they are not giving any advice in a fiduciary capacity, in connection with the purchaser's or transferee's acquisition or holding of the Notes and (y) has received and understands the disclosure of the existence and nature of the financial interests contained in the offering circular and related materials.

(k) In respect of a purchase or transfer of a CM Voting Note, or any interest in such Note, the purchaser or transferee understands that such Note carries a right to vote with respect to matters concerning the Collateral Manager as set out in the Conditions of the Notes.

(l) In respect of a purchase or transfer of a CM Non-Voting Exchangeable Note or a CM Non-Voting Note, or any interest in such Note, the purchaser or transferee understands that such Note does not carry a right
to vote with respect to matters concerning the Collateral Manager as set out in the Conditions of the Notes.

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

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


THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-US PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED
PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. NEITHER U.S. PERSONS NOR U.S. RESIDENTS (AS DETERMINED FOR THE PURPOSES OF THE INVESTMENT COMPANY ACT ("U.S. RESIDENTS")) MAY HOLD AN INTEREST IN A REGULATION S GLOBAL CERTIFICATE OR A REGULATION S DEFINITIVE CERTIFICATE. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

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

[LEGEND TO BE INCLUDED IN RELATION TO THE CLASS X NOTES, CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREBIN SHALL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN OR PLAN’S INVESTMENT IN SUCH ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) ("BENEFIT PLAN INVESTOR"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("OTHER PLAN LAW"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD SUCH NOTE OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT
PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTE (OR INTEREST THEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER SUCH NOTE (OR INTEREST THEREIN) TO AN ACQUIROR ACQUIRING SUCH NOTE (OR INTEREST THEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTE TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

[LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND SUBORDINATED NOTES ONLY] [EACH PURCHASER OR TRANSFEREE OF THIS [CLASS E NOTE] [CLASS F NOTE] [SUBORDINATED NOTE] WILL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT THAT (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND HOLDS SUCH NOTE IN THE FORM OF A DEFINITIVE CERTIFICATE (OTHER THAN IN THE CASE OF THE COLLATERAL MANAGER, PROVIDED THAT IT HAS GIVEN AN ERISA CERTIFICATE (SUBSTANTIALLY IN THE FORM OF Annex A (FORM OF ERISA CERTIFICATE)) TO THE ISSUER, OR AS OTHERWISE PERMITTED IN WRITING BY THE ISSUER WITH RESPECT TO ANY CLASS E NOTE, CLASS F NOTE AND SUBORDINATED NOTE ACQUIRED BY IT) AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER’S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("OTHER PLAN LAW"). "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A
PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN’S OR PLAN’S INVESTMENT IN THE ENTITY. "CONTROLLING PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "AFFILIATE" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "CONTROL" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THE [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A [CLASS E NOTE] [CLASS F NOTE] [SUBORDINATED NOTE] OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE ISSUER WILL NOT RECOGNIZE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("25 PER CENT. LIMITATION").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A [CLASS E NOTE] [CLASS F NOTE] [SUBORDINATED NOTE] WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE [CLASS E NOTE] [CLASS F NOTE] [SUBORDINATED NOTE], OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.

EACH PURCHASER AND TRANSFEREE OF THIS NOTE OR INTEREST THEREIN THAT IS A BENEFIT PLAN INVESTOR SHALL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT TO THE ISSUER, ON EACH DAY FROM THE DATE ON WHICH SUCH BENEFICIAL OWNER ACQUIRES THIS NOTE OR INTEREST THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF SUCH NOTE OR INTEREST, AND AT ANY TIME WHEN REGULATION 29 C.F.R. SECTION 2510.3-21, AS MODIFIED IN 2016, IS APPLICABLE, THAT THE FIDUCIARY MAKING THE DECISION TO INVEST IN THE NOTES ON ITS BEHALF (THE "INDEPENDENT FIDUCIARY") (A) IS A BANK, INSURANCE COMPANY, REGISTERED INVESTMENT ADVISER, BROKER-DEALER OR OTHER PERSON WITH FINANCIAL EXPERTISE, IN EACH CASE AS DESCRIBED IN 29 C.F.R. SECTION 2510.3-21(C)(1)(I); (B) IS AN INDEPENDENT PLAN FIDUCIARY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-21(C); (C) IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH REGARD TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES; (D) IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGMENT IN EVALUATING THE ACQUISITION, HOLDING AND DISPOSITION OF THE NOTES; AND (E)
NEITHER THE BENEFIT PLAN INVESTOR NOR THE INDEPENDENT FIDUCIARY IS PAYING OR HAS PAID ANY FEE OR OTHER COMPENSATION TO ANY OF THE ISSUER, THE PLACEMENT AGENT OR THE COLLATERAL MANAGER FOR INVESTMENT ADVICE (AS OPPOSED TO OTHER SERVICES) IN CONNECTION WITH ITS ACQUISITION OR HOLDING OF THE NOTES. IN ADDITION, EACH SUCH PURCHASER OR TRANSFEREE WILL BE REQUIRED OR DEEMED TO ACKNOWLEDGE AND AGREE THAT THE INDEPENDENT FIDUCIARY (X) HAS BEEN INFORMED THAT NONE OF THE ISSUER, THE PLACEMENT AGENT OR THE COLLATERAL MANAGER, OR OTHER PERSONS THAT PROVIDE MARKETING SERVICES, NOR ANY OF THEIR AFFILIATES, HAS PROVIDED, AND NONE OF THEM WILL PROVIDE, IMPARTIAL INVESTMENT ADVICE AND THEY ARE NOT GIVING ANY ADVICE IN A FIDUCIARY CAPACITY, IN CONNECTION WITH THE PURCHASER’S OR TRANSFEREE’S ACQUISITION OR HOLDING OF THE NOTES AND (Y) HAS RECEIVED AND UNDERSTANDS THE DISCLOSURE OF THE EXISTENCE AND NATURE OF THE FINANCIAL INTERESTS CONTAINED IN THE OFFERING CIRCULAR AND RELATED MATERIALS.

[LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND SUBORDINATED NOTES ONLY] [EACH HOLDER AND EACH BENEFICIAL OWNER OF THE NOTE REPRESENTED BY THIS CERTIFICATE, BY ACCEPTANCE OF SUCH NOTE, OR ITS INTEREST IN SUCH NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO REPRESENT, IF IT IS NOT A UNITED STATES PERSON (AS DEFINED IN SECTION 7701(A)(30) OF THE CODE), IT (A) EITHER (I) IS NOT A BANK (WITHIN THE MEANING OF SECTION 7701(A)(30) OF THE CODE), IT (A) EITHER (I) IS NOT A BANK (WITHIN THE MEANING OF SECTION 7701(A)(30) OF THE CODE), (II) IS A PERSON THAT IS ELIGIBLE FOR BENEFITS UNDER AN INCOME TAX TREATY WITH THE UNITED STATES THAT ELIMINATES U.S. FEDERAL INCOME TAXATION OF U.S. SOURCE INTEREST NOT ATTRIBUTABLE TO A PERMANENT ESTABLISHMENT IN THE UNITED STATES OR (III) HAS PROVIDED AN INTERNAL REVENUE SERVICE FORM W-8ECI REPRESENTING THAT ALL PAYMENTS RECEIVED OR TO BE RECEIVED BY IT FROM THE ISSUER ARE EFFECTIVELY CONNECTED WITH THE CONDUCT OF A TRADE OR BUSINESS IN THE UNITED STATES AND (B) IS NOT PURCHASING THE NOTE PURSUANT TO A TAX AVOIDANCE PLAN WITHIN THE MEANING OF U.S. TREASURY REGULATION SECTION 1.881-3.]


EACH PERSON ACQUIRING THIS NOTE AGREES TO PROVIDE THE ISSUER ANY INFORMATION REASONABLY REQUESTED AND NECESSARY (IN THE SOLE DETERMINATION OF THE ISSUER) FOR THE ISSUER (OR ITS AGENT) IN ORDER TO PERMIT THE ISSUER TO ACHIEVE FATCA AND/OR CRS COMPLIANCE. IT UNDERSTANDS AND ACKNOWLEDGES THAT THE ISSUER OR AN AGENT MAY PROVIDE SUCH INFORMATION AND ANY OTHER INFORMATION CONCERNING ITS INVESTMENT IN THE NOTES TO THE U.S. INTERNAL REVENUE SERVICE AND ANY OTHER APPLICABLE NON-U.S. TAXING AUTHORITY.

THE PURCHASER UNDERSTANDS AND ACKNOWLEDGES THAT THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, (1) TO COMPEL ANY BENEFICIAL OWNER OF AN
INTEREST IN THE NOTES THAT FAILS TO COMPLY WITH THE REQUIREMENTS IN THE PARAGRAPH IMMEDIATELY ABOVE OR WHOSE HOLDING OTHERWISE PREVENTS THE ISSUER FROM COMPLYING WITH FATCA OR IF THE ISSUER OTHERWISE REASONABLY DETERMINES SUCH PURCHASER’S ACQUISITION OR HOLDING OF AN INTEREST IN SUCH A NOTE WOULD CAUSE THE ISSUER TO BE UNABLE TO ACHIEVE FATCA COMPLIANCE, TO SELL ITS INTEREST IN SUCH NOTES (OTHER THAN THE RETENTION NOTES), OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER AND (2) TO MAKE ANY AMENDMENTS TO THE TRUST DEED TO ENABLE THE ISSUER TO ACHIEVE FATCA COMPLIANCE. THE PURCHASER UNDERSTANDS AND ACKNOWLEDGES THAT THE ISSUER HAS THE RIGHT, UNDER THE CONDITIONS, TO WITHHOLD 30 PER CENT. ON ALL PAYMENTS MADE TO ANY BENEFICIAL OWNER OF AN INTEREST IN THE NOTES THAT FAILS TO COMPLY WITH THE REQUIREMENTS IN THE PARAGRAPH IMMEDIATELY ABOVE.

[LEGEND TO BE INCLUDED IN RELATION TO THE SUBORDINATED NOTES ONLY] [EACH HOLDER AND EACH BENEFICIAL OWNER OF A SUBORDINATED NOTE REPRESENTED BY THIS CERTIFICATE, BY ACCEPTANCE OF SUCH NOTE, OR ITS INTEREST IN SUCH NOTE, AS THE CASE MAY BE, SHALL BE DEEMED, IF IT OWNS MORE THAN 50 PER CENT. OF THE SUBORDINATED NOTES BY VALUE OR IS OTHERWISE TREATED AS A MEMBER OF THE ISSUER’S "EXPANDED AFFILIATED GROUP" (AS DEFINED IN TREASURY REGULATIONS SECTION 1.1471-5(I) (OR ANY SUCCESSOR PROVISION)), TO (A) CONFIRM THAT ANY MEMBER OF SUCH EXPANDED AFFILIATED GROUP (ASSUMING THAT THE ISSUER IS A "PARTICIPATING FFI" WITHIN THE MEANING OF TREASURY REGULATIONS SECTION 1.1471-1(B)(91) (OR ANY SUCCESSOR PROVISION)) THAT IS TREATED AS A "FOREIGN FINANCIAL INSTITUTION" WITHIN THE MEANING OF SECTION 1471(D)(4) OF THE CODE AND ANY TREASURY REGULATIONS PROMULGATED THEREUNDER IS EITHER A "PARTICIPATING FFI", A "REGISTERED DEEMED-COMPLIANT FFI" OR AN "EXEMPT BENEFICIAL OWNER" WITHIN THE MEANING OF TREASURY REGULATIONS SECTION 1.1471-4(E) (OR ANY SUCCESSOR PROVISION), AND (B) PROMPTLY NOTIFY THE ISSUER IN THE EVENT THAT ANY MEMBER OF SUCH EXPANDED AFFILIATED GROUP THAT IS TREATED AS A "FOREIGN FINANCIAL INSTITUTION" WITHIN THE MEANING OF SECTION 1471(D)(4) OF THE CODE AND ANY TREASURY REGULATIONS PROMULGATED THEREUNDER IS NOT EITHER A "PARTICIPATING FFI", A "REGISTERED DEEMED-COMPLIANT FFI" OR AN "EXEMPT BENEFICIAL OWNER" WITHIN THE MEANING OF TREASURY REGULATIONS SECTION 1.1471-4(E) (OR ANY SUCCESSOR PROVISION), IN EACH CASE EXCEPT TO THE EXTENT THAT THE ISSUER OR ITS AGENTS HAVE PROVIDED SUCH HOLDER OR BENEFICIAL OWNER WITH AN EXPRESS WAIVER OF THIS REQUIREMENT.]

[LEGEND TO BE INCLUDED IN RELATION TO THE RATED NOTES ONLY] [EACH HOLDER AND EACH BENEFICIAL OWNER OF A RATED NOTE, BY ACCEPTANCE OF SUCH RATED NOTE, OR ITS INTEREST IN A RATED NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH RATED NOTE AS DEBT FOR U.S. FEDERAL INCOME TAX PURPOSES EXCEPT AS REQUIRED BY APPLICABLE LAW.]

[LEGEND TO BE INCLUDED IN RELATION TO THE SUBORDINATED NOTES ONLY] [EACH HOLDER AND EACH BENEFICIAL OWNER OF A SUBORDINATED NOTE REPRESENTED BY THIS CERTIFICATE, BY ACCEPTANCE OF SUCH NOTE, OR ITS INTEREST IN SUCH NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH NOTE AS EQUITY FOR U.S. FEDERAL INCOME TAX PURPOSES EXCEPT AS REQUIRED BY APPLICABLE LAW.]
[LEGEND TO BE INCLUDED IN RELATION TO THE CLASS C NOTES, CLASS D NOTES, CLASS E NOTES AND CLASS F NOTES ONLY] [(THE CLASS C NOTES) [(THE CLASS D NOTES) [(THE CLASS E NOTES) [(THE CLASS F NOTES) WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER.]

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

[LEGEND TO BE INCLUDED IN RELATION TO CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF CM VOTING NOTES ONLY] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE AGREED NOT TO TREAT ANY AMOUNTS RECEIVED IN RESPECT OF SUCH NOTE AS DERIVED IN CONNECTION WITH THE ISSUER'S ACTIVE CONDUCT OF A BANKING, FINANCING, INSURANCE, OR OTHER SIMILAR BUSINESS FOR PURPOSES OF SECTION 954(H)(2) OF THE CODE.

(o) Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

(p) Each holder and beneficial owner of a Rule 144A Note, by acceptance of its Rule 144A Note or its interest in a Note, shall be deemed to understand and acknowledge that failure to provide the Issuer, the Trustee, the Registrar or any Paying Agent with the applicable U.S. federal income tax certifications (generally, a U.S. Internal Revenue Service Form W-9 (or successor applicable form) in the case of a person that is a "United States person" within the meaning of Section 7701(a)(30) of the Code or an appropriate U.S. Internal Revenue Service Form W-8 (or successor applicable form) in the case of a person that is not a "United States person" within the meaning of Section 7701(a)(30) of the Code) may result in U.S. federal back up withholding from payments in respect of such Note.

(q) With respect to purchasers of Class E, Class F and Subordinated Notes, if the purchaser is not a United States person (as defined in Section 7701(a)(30) of the Code), such purchaser (A) either (i) is not a bank (within the meaning of Section 881(c)(3)(A) of the Code) or (ii) is a person that is eligible for benefits under an income tax treaty with the United States that eliminates U.S. federal income taxation of U.S. source interest not attributable to a permanent establishment in the United States or (iii) has provided an Internal Revenue Service Form W-8ECI representing that all payments received or to be received by it from the Issuer are effectively connected with the conduct of a trade or business in the United States and (B) such purchaser is not purchasing the Notes in order to reduce its U.S. federal income tax liability pursuant to a tax avoidance plan within the meaning of U.S. Treasury Regulation Section 1.881-3.

(r) The purchaser agrees to provide the Issuer any information reasonably requested and necessary (in the sole determination of the Issuer) for the Issuer (or its agent) in order to permit the Issuer to achieve
FATCA Compliance. It understands and acknowledges that the Issuer or an agent may provide such information and any other information concerning its investment in the Notes to the U.S. Internal Revenue Service and any other applicable non-U.S. taxing authority.

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

(t) The purchaser understands and acknowledges that the Issuer has the right, under the Trust Deed, (1) to compel any beneficial owner of an interest in the Notes that fails to comply with the requirements of clause (r) above or whose holding prevents the Issuer from complying with FATCA or if the Issuer otherwise reasonably determines such purchaser’s acquisition or holding of an interest in such a Note would cause the Issuer to be unable to achieve FATCA Compliance, to sell its interest in such Notes (other than the Retention Notes), or may sell such interest on behalf of such owner and (2) to make any amendments to the Trust Deed to enable the Issuer to achieve FATCA Compliance.

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

(v) Each person acquiring or holding this note or any interest herein shall be deemed to have agreed not to treat any amounts received in respect of such note as derived in connection with the Issuer's active conduct of a banking, financing, insurance, or other similar business for purposes of section 954(h)(2) of the Code.

(w) Each holder and each beneficial owner of a Subordinated Note, by acceptance of such Note, or its interest in such Note, as the case may be, shall be deemed to have agreed to treat, and shall treat, such note as equity for U.S. federal income tax purposes except as required by applicable law.

(x) Each holder and each beneficial owner of a Rated Note, by acceptance of such Note, or its interest in such Note, as the case may be, shall be deemed to have agreed to treat, and shall treat, such note as debt for U.S. federal income tax purposes except as required by applicable law.

(y) No purchase or transfer of a Class E Note, a Class F Note or a Subordinated Note in the form of a Definitive Certificate will be recorded or otherwise recognized unless the purchaser or transferee has provided the Issuer with certificates substantially in the form of Annex A hereto.

(z) The purchaser understands and acknowledges that the Issuer has the right under the Trust Deed to compel any Non-Permitted Holder or Non-Permitted ERISA Holder to sell its interest in the Notes, or may sell such interest in its Notes on behalf of such Non-Permitted Holder or Non-Permitted ERISA Holder.
The purchaser acknowledges that the Issuer, the Placement Agent, the Retention Holder, the Trustee, the Collateral Manager and the Collateral Administrator and their agents and Affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

**Regulation S Notes**

Each purchaser of Regulation S Notes will be deemed to have made the representations set forth in clauses (d), (f) through (m) (inclusive) and (p) through (z) (inclusive) above (except that references to Rule 144A Notes shall be deemed to be references to Regulation S Notes) and to have further represented and agreed as follows:

(a) The purchaser is located outside the United States and is not a U.S. Person. If the purchaser acquires such Regulation S Notes in the initial issuance of the Refinancing Notes or during the Restricted Period, the purchaser (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from the Collateral Manager, and (2) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __.20 of the U.S. Risk Retention Rules described in "Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence – U.S. Risk Retention Requirements").

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

(c) The purchaser is not purchasing such Regulation S Notes with a view towards the resale, distribution or other disposition thereof in violation of the Securities Act or the U.S. Risk Retention Rules.

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

EACH HOLDER OF A NOTE OR A BENEFICIAL INTEREST IN A NOTE ACQUIRED IN THE INITIAL ISSUANCE OF THE NOTES OR DURING THE 40-DAY PERIOD FROM AND AFTER THE ISSUE DATE, BY ITS ACQUISITION OF A NOTE OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO REPRESENT TO THE ISSUER, THE TRUSTEE, THE COLLATERAL MANAGER AND THE PLACEMENT AGENT THAT IT (1) EITHER (A) IS NOT A "U.S. PERSON" AS DEFINED UNDER SECTION __.20 OF THE JOINT FINAL RULE ("U.S. RISK RETENTION RULES") TO IMPLEMENT THE CREDIT RISK RETENTION REQUIREMENTS OF SECTION 15G OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, OR (B) IT HAS RECEIVED THE WRITTEN CONSENT OF THE COLLATERAL MANAGER TO ACQUIRE SUCH NOTE OR BENEFICIAL INTEREST IN SUCH NOTE AND (2) IS NOT ACQUIRING SUCH NOTE OR BENEFICIAL INTEREST IN SUCH NOTE AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING THIS NOTE THROUGH A NON-U.S. PERSON, RATHER THAN A U.S. PERSON (IN EACH CASE, AS
DEFINED UNDER THE U.S. RISK RETENTION RULES), AS PART OF A SCHEME TO EVADE THE 10 PER CENT. U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION __.20 OF THE U.S. RISK RETENTION RULES). ANY PURCHASE OR TRANSFER OF THE NOTES IN BREACH OF THIS REQUIREMENT WILL RESULT IN THE AFFECTED NOTES BECOMING SUBJECT TO FORCED TRANSFER PROVISIONS.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-US PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. NEITHER U.S. PERSONS NOR U.S. RESIDENTS (AS DETERMINED FOR THE PURPOSES OF THE INVESTMENT COMPANY ACT ("U.S. RESIDENTS")) MAY HOLD AN INTEREST IN A REGULATION S GLOBAL CERTIFICATE OR A REGULATION S DEFINITIVE CERTIFICATE. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE. TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED REFERRED TO HEREIN. PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY
TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE ISSUER.

[LEGEND TO BE INCLUDED IN RELATION TO THE CLASS X NOTES, CLASS A NOTES, CLASS B NOTES, CLASS C Notes AND CLASS D Notes ONLY] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN OR PLAN'S INVESTMENT IN SUCH ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) ("BENEFIT PLAN INVESTOR"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("OTHER PLAN LAW"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD SUCH NOTE OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTE (OR INTEREST THEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER SUCH NOTE (OR INTEREST THEREIN) TO AN ACQUIROR ACQUIRING SUCH NOTE (OR INTEREST THEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTE TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E Notes, CLASS F Notes AND SUBORDINATED Notes ONLY] [EACH PURCHASER OR TRANSFEREE OF THIS [CLASS E NOTE] [CLASS F NOTE] [SUBORDINATED NOTE] WILL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT THAT (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND HOLDS SUCH NOTE IN THE FORM OF A DEFINITIVE CERTIFICATE (OTHER THAN IN THE CASE OF THE COLLATERAL MANAGER, PROVIDED THAT IT HAS GIVEN AN ERISA CERTIFICATE (SUBSTANTIALLY IN THE FORM OF ANNEX A (FORM OF ERISA CERTIFICATE)) TO THE ISSUER, OR AS OTHERWISE PERMITTED IN WRITING BY THE ISSUER WITH RESPECT TO ANY CLASS E
NOTE, CLASS F NOTE AND SUBORDINATED NOTE ACQUIRED BY IT) AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER’S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("OTHER PLAN LAW"). "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN’S OR PLAN’S INVESTMENT IN THE ENTITY. "CONTROLLING PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "AFFILIATE" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "CONTROL" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THE [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A [CLASS E NOTE] [CLASS F NOTE] [SUBORDINATED NOTE] OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE ISSUER WILL NOT RECOGNIZE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("25 PER CENT. LIMITATION").
THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A [CLASS E NOTE] [CLASS F NOTE] [SUBORDINATED NOTE] WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE [CLASS E NOTE] [CLASS F NOTE] [SUBORDINATED NOTE], OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

EACH PURCHASER AND TRANSFEREE OF THIS NOTE OR INTEREST THEREIN THAT IS A BENEFIT PLAN INVESTOR SHALL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT TO THE ISSUER, ON EACH DAY FROM THE DATE ON WHICH SUCH BENEFICIAL OWNER ACQUIRES THIS NOTE OR INTEREST THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF SUCH NOTE OR INTEREST, AND AT ANY TIME WHEN REGULATION 29 C.F.R. SECTION 2510.3-21, AS MODIFIED IN 2016, IS APPLICABLE, THAT THE FIDUCIARY MAKING THE DECISION TO INVEST IN THE NOTES ON ITS BEHALF (THE "INDEPENDENT FIDUCIARY") (A) IS A BANK, INSURANCE COMPANY, REGISTERED INVESTMENT ADVISER, BROKER-DEALER OR OTHER PERSON WITH FINANCIAL EXPERTISE, IN EACH CASE AS DESCRIBED IN 29 C.F.R. SECTION 2510.3-21(C)(1)(I); (B) IS AN INDEPENDENT PLAN FIDUCIARY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-21(C); (C) IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH REGARD TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES; (D) IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGMENT IN EVALUATING THE ACQUISITION, HOLDING AND DISPOSITION OF THE NOTES; AND (E) NEITHER THE BENEFIT PLAN INVESTOR NOR THE INDEPENDENT FIDUCIARY IS PAYING OR HAS PAID ANY FEE OR OTHER COMPENSATION TO ANY OF THE ISSUER, THE PLACEMENT AGENT OR THE COLLATERAL MANAGER FOR INVESTMENT ADVICE (AS OPPOSED TO OTHER SERVICES) IN CONNECTION WITH ITS ACQUISITION OR HOLDING OF THE NOTES. IN ADDITION, EACH SUCH PURCHASER OR TRANSFEREE WILL BE REQUIRED OR DEEMED TO ACKNOWLEDGE AND AGREE THAT THE INDEPENDENT FIDUCIARY (X) HAS BEEN INFORMED THAT NONE OF THE ISSUER, THE PLACEMENT AGENT OR THE COLLATERAL MANAGER, OR OTHER PERSONS THAT PROVIDE MARKETING SERVICES, NOR ANY OF THEIR AFFILIATES, HAS PROVIDED, AND NONE OF THEM WILL PROVIDE, IMPARTIAL INVESTMENT ADVICE AND THEY ARE NOT GIVING ANY ADVICE IN A FIDUCIARY CAPACITY, IN CONNECTION WITH THE PURCHASER'S OR TRANSFEREE'S ACQUISITION OR HOLDING OF THE NOTES AND (Y) HAS RECEIVED AND UNDERSTANDS THE DISCLOSURE OF THE EXISTENCE AND NATURE OF THE FINANCIAL INTERESTS CONTAINED IN THE OFFERING CIRCULAR AND RELATED MATERIALS.

[LEGEND TO BE INCLUDED IN RELATION TO THE [CLASS E NOTES, CLASS F NOTES AND SUBORDINATED NOTES] ONLY] [EACH HOLDER AND EACH BENEFICIAL OWNER OF THE NOTE REPRESENTED BY THIS CERTIFICATE, BY ACCEPTANCE OF SUCH NOTE, OR ITS INTEREST IN SUCH NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO REPRESENT, IF IT IS NOT A UNITED STATES PERSON (AS DEFINED IN SECTION 7701(A)(30) OF THE CODE), (A) EITHER IT (I) IS NOT A BANK (WITHIN THE MEANING OF SECTION 881(C)(3)(A) OF THE CODE) OR (II) IS A PERSON THAT IS ELIGIBLE FOR BENEFITS UNDER AN INCOME TAX TREATY WITH THE UNITED STATES THAT ELIMINATES U.S. FEDERAL INCOME TAXATION OF U.S. SOURCE INTEREST NOT ATTRIBUTABLE TO A PERMANENT ESTABLISHMENT IN THE UNITED STATES OR (III) HAS PROVIDED AN INTERNAL REVENUE SERVICE FORM W-8ECI REPRESENTING THAT ALL PAYMENTS RECEIVED OR TO BE RECEIVED BY IT FROM THE ISSUER ARE EFFECTIVELY CONNECTED WITH THE CONDUCT OF A TRADE OR
BUSINESS IN THE UNITED STATES AND (B) IS NOT PURCHASING THE NOTE PURSUANT TO A TAX AVOIDANCE PLAN WITHIN THE MEANING OF U.S. TREASURY REGULATION SECTION 1.881-3.]


EACH PERSON ACQUIRING THIS NOTE AGREES TO PROVIDE THE ISSUER ANY INFORMATION REASONABLY REQUESTED AND NECESSARY (IN THE SOLE DETERMINATION OF THE ISSUER) FOR THE ISSUER (OR ITS AGENT) IN ORDER TO PERMIT THE ISSUER TO ACHIEVE FATCA AND/OR CRS COMPLIANCE. IT UNDERSTANDS AND ACKNOWLEDGES THAT THE ISSUER OR AN AGENT MAY PROVIDE SUCH INFORMATION AND ANY OTHER INFORMATION CONCERNING ITS INVESTMENT IN THE NOTES TO THE U.S. INTERNAL REVENUE SERVICE AND ANY OTHER APPLICABLE NON-U.S. TAXING AUTHORITY.

THE PURCHASER UNDERSTANDS AND ACKNOWLEDGES THAT THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, (1) TO COMPEL ANY BENEFICIAL OWNER OF AN INTEREST IN THE NOTES THAT FAILS TO COMPLY WITH THE REQUIREMENTS IN THE PARAGRAPH IMMEDIATELY ABOVE OR WHOSE HOLDING OTHERWISE PREVENTS THE ISSUER FROM COMPLYING WITH FATCA OR IF THE ISSUER OTHERWISE REASONABLY DETERMINES SUCH PURCHASER'S ACQUISITION OR HOLDING OF AN INTEREST IN SUCH A NOTE WOULD CAUSE THE ISSUER TO BE UNABLE TO ACHIEVE FATCA COMPLIANCE, TO SELL ITS INTEREST IN SUCH NOTES (OTHER THAN THE RETENTION NOTES), OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER AND (2) TO MAKE ANY AMENDMENTS TO THE TRUST DEED TO ENABLE THE ISSUER TO ACHIEVE FATCA COMPLIANCE. THE PURCHASER UNDERSTANDS AND ACKNOWLEDGES THAT THE ISSUER HAS THE RIGHT, UNDER THE CONDITIONS, TO WITHHOLD 30 PER CENT. ON ALL PAYMENTS MADE TO ANY BENEFICIAL OWNER OF AN INTEREST IN THE NOTES THAT FAILS TO COMPLY WITH THE REQUIREMENTS IN THE PARAGRAPH IMMEDIATELY ABOVE.

[LEGEND TO BE INCLUDED IN RELATION TO THE SUBORDINATED NOTES ONLY] [EACH HOLDER AND EACH BENEFICIAL OWNER OF A SUBORDINATED NOTE REPRESENTED BY THIS CERTIFICATE, BY ACCEPTANCE OF SUCH NOTE, OR ITS INTEREST IN SUCH NOTE, AS THE CASE MAY BE, SHALL BE DEEMED, IF IT OWNS MORE THAN 50 PER CENT. OF THE SUBORDINATED NOTES BY VALUE OR IS OTHERWISE TREATED AS A MEMBER OF THE ISSUER'S "EXPANDED AFFILIATED GROUP" (AS DEFINED IN TREASURY REGULATIONS SECTION 1.1471-5(I) (OR ANY SUCCESSOR PROVISION)), TO (A) CONFIRM THAT ANY MEMBER OF SUCH EXPANDED AFFILIATED GROUP (ASSUMING THAT THE ISSUER IS A "PARTICIPATING FFI" WITHIN THE MEANING OF TREASURY REGULATIONS SECTION 1.1471-1(B)(91) (OR ANY SUCCESSOR PROVISION)) THAT IS TREATED AS A "FOREIGN FINANCIAL INSTITUTION" WITHIN THE MEANING OF SECTION 1471(D)(4) OF THE CODE AND ANY TREASURY REGULATIONS PROMULGATED THEREUNDER IS EITHER A "PARTICIPATING FFI", A "REGISTERED DEEMED-COMPLIANT FFI" OR AN "EXEMPT
BENEFICIAL OWNER” WITHIN THE MEANING OF TREASURY REGULATIONS SECTION 1.1471-4(E) (OR ANY SUCCESSOR PROVISION), AND (B) PROMPTLY NOTIFY THE ISSUER IN THE EVENT THAT ANY MEMBER OF SUCH EXPANDED AFFILIATED GROUP THAT IS TREATED AS A "FOREIGN FINANCIAL INSTITUTION" WITHIN THE MEANING OF SECTION 1471(D)(4) OF THE CODE AND ANY TREASURY REGULATIONS PROMULGATED THEREUNDER IS NOT EITHER A "PARTICIPATING FFI", A "REGISTERED DEEMED-COMPLIANT FFI" OR AN "EXEMPT BENEFICIAL OWNER" WITHIN THE MEANING OF TREASURY REGULATIONS SECTION 1.1471-4(E) (OR ANY SUCCESSOR PROVISION), IN EACH CASE EXCEPT TO THE EXTENT THAT THE ISSUER OR ITS AGENTS HAVE PROVIDED SUCH HOLDER OR BENEFICIAL OWNER WITH AN EXPRESS WAIVER OF THIS REQUIREMENT.]

[LEGEND TO BE INCLUDED IN RELATION TO THE RATED NOTES ONLY] [EACH HOLDER AND EACH BENEFICIAL OWNER OF A RATED NOTE, BY ACCEPTANCE OF SUCH RATED NOTE, OR ITS INTEREST IN A RATED NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH RATED NOTE AS DEBT FOR U.S. FEDERAL INCOME TAX PURPOSES EXCEPT AS REQUIRED BY APPLICABLE LAW.]

[LEGEND TO BE INCLUDED IN RELATION TO THE SUBORDINATED NOTES ONLY] [EACH HOLDER AND EACH BENEFICIAL OWNER OF A SUBORDINATED NOTE REPRESENTED BY THIS CERTIFICATE, BY ACCEPTANCE OF SUCH NOTE, OR ITS INTEREST IN SUCH NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH NOTE AS EQUITY FOR U.S. FEDERAL INCOME TAX PURPOSES EXCEPT AS REQUIRED BY APPLICABLE LAW.]

[LEGEND TO BE INCLUDED IN RELATION TO THE CLASS C NOTES, CLASS D NOTES, CLASS E NOTES AND CLASS F NOTES ONLY] [[THE CLASS C NOTES], [THE CLASS D NOTES], [THE CLASS E NOTES] [THE CLASS F NOTES] WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER.]

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

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

EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE AGREED NOT TO TREAT ANY AMOUNTS RECEIVED IN RESPECT OF SUCH NOTE AS DERIVED IN CONNECTION WITH THE ISSUER’S ACTIVE CONDUCT OF A BANKING, FINANCING, INSURANCE, OR OTHER SIMILAR BUSINESS FOR PURPOSES OF SECTION 954(H)(2) OF THE CODE.
The purchaser acknowledges that the Issuer, the Placement Agent, the Retention Holder, the Trustee, the Collateral Manager and the Collateral Administrator and their agents and Affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

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

A transferor who transfers an interest in a Regulation S Note to a transferee who will hold the interest in the same form is not required to make any additional representation or certification.
RULE 17G-5 AND SECURITISATION REGULATION COMPLIANCE

Rule 17g-5

The Issuer, in order to permit the Rating Agencies to comply with its obligations under Rule 17g-5 promulgated under the Exchange Act ("Rule 17g-5"), has agreed to post (or have its agent post) on a password-protected internet website (the "Rule 17g-5 Website"), at the same time such information is provided to the Rating Agencies, all information (which will not include any reports from the Issuer's independent public accountants) that the Issuer or other parties on its behalf, including the Collateral Manager, provide to the Rating Agencies for the purposes of determining the initial credit rating of the Rated Notes or undertaking credit rating surveillance of the Rated Notes; provided, however, that, prior to the occurrence of a Note Event of Default, without the prior written consent of the Collateral Manager no party other than the Issuer or the Collateral Manager may provide information to the Rating Agencies on the Issuer’s behalf. On the Issue Date, the Issuer will engage Citibank, N.A. London Branch, in accordance with the Collateral Management Agreement, to assist the Issuer in complying with certain of the posting requirements under Rule 17g-5 (in such capacity, the "Information Agent"). Any notices or requests to, or any other written communications with or written information provided to, the Rating Agencies, or any of its officers, directors or employees, to be given or provided to such Rating Agencies pursuant to, in connection with or related, directly or indirectly, to the Trust Deed, the Collateral Management Agreement, any transaction document relating thereto, the Portfolio or the Notes, will be in each case furnished directly to the Rating Agencies after a copy has been delivered to the Information Agent or the Issuer for posting to the Rule 17g-5 Website.

Securitisation Regulation

If the Securitisation Regulation comes into force, the Issuer has agreed to assume any costs of compliance and to make any required amendments to the Transaction Documents. In such circumstances the Issuer will establish and maintain a website or will procure that a website is established and maintained, in each case, for the purposes of ensuring compliance with the Securitisation Regulation.
### General Information

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg as follows:

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*The Subordinated Notes were issued on the Original Issue Date and are not being offered pursuant to this Offering Circular.
Listing

This Offering Circular has been approved by the Central Bank of Ireland (the "Central Bank"), as competent authority under Directive 2003/71/EC (as amended, 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 (the "Official List") and trading on the regulated market of the Irish Stock Exchange (the "Main Securities Market"). Such approval relates only to the Refinancing Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC (as amended) and/or which are to be offered to the public in any Member State of the European Economic Area. There can be no assurance that any such listing approval will be granted or, if granted, that such listing and admission to trading will be maintained. This Offering Circular constitutes a “prospectus” for the purposes of the Prospectus Directive and will be made available from the website of the Central Bank and will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Directive 2003/71/EC Regulations 2005 (as amended) of Ireland.

Expenses in relation to Admission to Trading

It is expected that the total expenses related to admission to trading will be approximately €11,120.70.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Ireland (if any) in connection with the issue and performance of the Notes. The issue of the Refinancing Notes has been authorised by resolution of the Board of Directors of the Issuer passed on 14 July 2017.

No Material Change

There has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2015.

No Litigation

The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering the last 12 months, which may have, or have had in the recent past, significant effects on the Issuer’s financial position or profitability.

Accounts

The Issuer’s financial statements covering the period ended 31 December 2015 and the audit report thereon dated 23 November 2016 are incorporated into and form part of this Offering Circular (see "Documents Incorporated" above). So long as any Note remains outstanding, copies of the most recent audited financial statements of the Issuer can be obtained at the specified office of the Principal Paying Agent during normal business hours. The most recent financial statements of the Issuer are in respect of the period ending 31 December 2015. The accounts of the Issuer have been audited. The Issuer will not prepare interim financial statements.

The Trust Deed requires the Issuer to provide written confirmation to the Trustee on an annual basis and otherwise promptly on request that no Note Event of Default or Potential Note Event of Default (as defined in the Trust Deed) or other matter which is required to be brought to the Trustee’s attention has occurred.
Documents Available

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

(a) the Constitution of the Issuer;
(b) the Trust Deed (which includes the form of each Note of each Class);
(c) the Agency Agreement;
(d) the Collateral Management Agreement;
(e) the Collateral Sub-Management Agreement;
(f) each Monthly Report;
(g) each Payment Date Report;
(h) the Retention Letter;
(i) the Liquidity Facility Agreement; and
(j) the audited financial statements of the Issuer for the period ended 31 December 2015.

Enforceability of Judgments

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

As the United States is not a party to a convention with Ireland in respect of the enforcement of judgments, common law rules apply in order to determine whether a judgment of the United States courts is enforceable in Ireland. A judgment of the United States courts will be enforced by the courts of Ireland if the following general requirements are satisfied:

(a) the United States courts must have had jurisdiction in relation to the particular defendant according to Irish conflict of law rules (the submission to jurisdiction by the defendant would satisfy this rule); and
(b) the judgment must be final and conclusive and the decree must be final and unalterable in the court which pronounces it. A judgment can be final and conclusive even if it is subject to appeal or even if an appeal is pending. Where, however, the effect of lodging an appeal under the applicable law is to stay execution of the judgment, it is possible that, in the meantime, the judgment should not be actionable in Ireland.

However, the Irish courts may refuse to enforce a judgment of the United States courts which meets the above requirements for one of the following reasons:

(a) if the judgment is not for a definite sum of money;
(b) if the judgment was obtained by fraud;

(c) the enforcement of the judgment in Ireland would be contrary to natural or constitutional justice; or

(d) the judgment is contrary to Irish public policy or involves certain United States laws which will not be enforced in Ireland.

Foreign Language

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

Form of ERISA Certificate

The purpose of this ERISA certificate (this "Certificate") is, among other things, to (i) endeavour to ensure that less than 25 per cent. of the total value of the [Class E Notes] [Class F Notes] [Subordinated Notes] issued by CVC Cordatus Loan Fund V Designated Activity Company (the "Issuer") is held by (a) an employee benefit plan that is subject to the fiduciary responsibility provisions of Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), (b) a plan that is subject to Section 4975 of the Internal Revenue Code of 1986 (the "Code") or (c) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan or plan’s investment in the entity (collectively, "Benefit Plan Investors"), (ii) obtain from you certain representations and agreements and (iii) provide you with certain related information with respect to your acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [the Subordinated Notes]. By signing this Certificate, you agree to be bound by its terms.

Please be aware that the information contained in this Certificate is not intended to constitute advice and the examples given below are not intended to be, and are not, comprehensive. You should contact your own counsel if you have any questions in completing this Certificate. Capitalised terms not defined in this Certificate shall have the meanings ascribed to them in the Trust Deed.

If a box is not checked, you are representing and agreeing that the applicable Section does not, and will not, apply to you.

1. □ Employee Benefit Plans Subject to ERISA or the Code. We, or the entity on whose behalf we are acting, are an "employee benefit plan" within the meaning of Section 3(3) of ERISA that is subject to the fiduciary responsibility provisions of Title I of ERISA or a "plan" within the meaning of Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code.

Examples: (i) tax qualified retirement plans such as pension, profit sharing and section 401(k) plans, (ii) welfare benefit plans such as accident, life and medical plans, (iii) individual retirement accounts or "IRAs" and "Keogh" plans and (iv) certain tax-qualified educational and savings trusts.

2. □ Entity Holding Plan Assets. We, or the entity on whose behalf we are acting, are an entity or fund whose underlying assets include "plan assets" by reason of a Benefit Plan Investor’s investment in such entity.

Examples: (i) an insurance company separate account, (ii) a bank collective trust fund and (iii) a hedge fund or other private investment vehicle where 25 per cent. or more of the total value of any class of its equity is held by Benefit Plan Investors.

If you check box 2, please indicate the maximum percentage of the entity or fund that will constitute "plan assets" for purposes of Title I of ERISA or Section 4975 of the Code: per cent.

AN ENTITY OR FUND THAT CANNOT PROVIDE THE FOREGOING PERCENTAGE HEREBY ACKNOWLEDGES THAT FOR PURPOSES OF DETERMINING WHETHER BENEFIT PLAN INVESTORS OWN LESS THAN 25 PER CENT. OF THE TOTAL VALUE OF THE [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES], 100 PER CENT. OF THE ASSETS OF THE ENTITY OR FUND WILL BE TREATED AS "PLAN ASSETS."

ERISA and the regulations promulgated thereunder are technical. Accordingly, if you have any questions regarding whether you may be an entity described in this Section 2, you should consult with your counsel.

3. □ Insurance Company General Account. We, or the entity on whose behalf we are acting, are an insurance company purchasing the [Class E Notes] [Class F Notes] [Subordinated Notes] with funds
from our or their general account (i.e., the insurance company’s corporate investment portfolio), whose assets, in whole or in part, constitute "plan assets" under Section 401(a) of ERISA for purposes of 29 C.F.R. Section 2510.3-101 as modified by Section 3(42) of ERISA (the "Plan Asset Regulations").

If you check Box 3, please indicate the maximum percentage of the insurance company general account that will constitute "plan assets" under Section 401(a) of ERISA for purposes of conducting the 25 per cent. test under the Plan Asset Regulations: ____________________ per cent. IF YOU DO NOT INCLUDE ANY PERCENTAGE IN THE BLANK SPACE, YOU WILL BE COUNTED AS IF YOU FILLED IN 100 PER CENT. IN THE BLANK SPACE.

4. ☐ None of Sections 1 Through 3 above Apply. We, or the entity on whose behalf we are acting, are a person that does not fall into any of the categories described in Sections 1 through 3 above. If, after the date hereof, any of the categories described in Sections 1 through 3 above would apply, we will promptly notify the Issuer of such change.

5. No Prohibited Transaction. If we checked any of the boxes in Sections 1 through 3 above, we represent, warrant and agree that our acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes] do not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

6. Not Subject to Similar Law and No Violation of Other Plan Law. If we are a governmental, church, non-U.S. or other plan, we represent, warrant and agree that (a) we are not subject to any federal, state, local non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer and the Collateral Manager (or other persons responsible for the investment and operation of the Issuer’s assets) to laws or regulations that are similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code, and (b) our acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes] do not and will not constitute or result in a non-exempt violation of any law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code.

7. ☐ Controlling Person. We are, or we are acting on behalf of any of: (i) the Collateral Manager, (ii) any person that has discretionary authority or control with respect to the assets of the Issuer, (iii) any person who provides investment advice for a fee (direct or indirect) with respect to such assets or (iv) any "affiliate" of any of the above persons. "Affiliate" shall have the meaning set forth in the Plan Asset Regulations. Any of the persons described in the first sentence of this Section 7 is referred to in this Certificate as a "Controlling Person."

Note: We understand that, for purposes of determining whether Benefit Plan Investors hold less than 25 per cent. of the total value of the [Class E Notes] [Class F Notes] [Subordinated Notes] (determined separately by class), the [Class E Notes] [Class F Notes] [Subordinated Notes] held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

8. Compelled Disposition. We acknowledge and agree that:

(i) if any representation that we made hereunder is subsequently shown to be false or misleading or our beneficial ownership otherwise causes a violation of the 25 per cent. Limitation, the Issuer shall, promptly after such discovery, send notice to us demanding that we transfer our interest to a person that is not a Non-Permitted ERISA Holder within 10 days after the date of such notice;

(ii) if we fail to transfer our [Class E Notes] [Class F Notes] [Subordinated Notes], the Issuer shall have the right, without further notice to us, to sell our [Class E Notes] [Class F Notes] [Subordinated Notes] or our interest in the [Class E Notes] [Class F Notes] [Subordinated Notes] to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose;
the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the [Class E Notes] [Class F Notes] [Subordinated Notes] and selling such securities to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion;

by our acceptance of an interest in the [Class E Notes] [Class F Notes] [Subordinated Notes], we agree to cooperate with the Issuer to effect such transfers;

the proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to us; and

the terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to us as a result of any such sale or the exercise of such discretion.

9. **Required Notification and Agreement.** We hereby agree that we (a) will inform the Issuer of any proposed transfer by us of all or a specified portion of the [Class E Notes] [Class F Notes] [Subordinated Notes] to a Benefit Plan Investor or Controlling Person and (b) will not initiate any such transfer after we have been informed by the Issuer or the Transfer Agent in writing that such transfer would cause the 25 per cent. Limitation to be exceeded. We hereby agree and acknowledge that after the Issuer effects any permitted transfer of [Class E Notes] [Class F Notes] [Subordinated Notes] owned by us to a Benefit Plan Investor or a Controlling Person or receives notice of any such permitted change of status, the Issuer shall include such [Class E Notes] [Class F Notes] [Subordinated Notes] in future calculations of the 25 per cent. Limitation made pursuant hereto unless subsequently notified that such [Class E Notes] [Class F Notes] [Subordinated Notes] (or such portion), as applicable, would no longer be deemed to be held by Benefit Plan Investors or Controlling Persons.

10. **Continuing Representation; Reliance.** We acknowledge and agree that the representations contained in this Certificate shall be deemed made on each day from the date we make such representations through and including the date on which we dispose of our interests in the [Class E Notes] [Class F Notes] [Subordinated Notes]. We understand and agree that the information supplied in this Certificate will be used and relied upon by the Issuer to determine that Benefit Plan Investors own or hold less than 25 per cent. of the total value of the [Class E Notes] [Class F Notes] [Subordinated Notes] (determined separately by class) upon any subsequent transfer of the [Class E Notes] [Class F Notes] [Subordinated Notes] in accordance with the Trust Deed.

11. **Further Acknowledgement and Agreement.** We acknowledge and agree that (i) all of the assurances contained in this Certificate are for the benefit of the Issuer, the Trustee, the Placement Agent Purchaser and the Collateral Manager as third party beneficiaries hereof, (ii) copies of this Certificate and any information contained herein may be provided to the Issuer, the Trustee, the Placement Agent, the Collateral Manager, affiliates of any of the foregoing parties and to each of the foregoing parties’ respective counsel for purposes of making the determinations described above and (iii) any acquisition or transfer of the [Class E Notes] [Class F Notes] [Subordinated Notes] by us that is not in accordance with the provisions of this Certificate shall be null and void from the beginning, and of no legal effect.

12. **Future Transfer Requirements.**

**Transferee Letter and its Delivery.** We acknowledge and agree that we may not transfer any [Class E Notes] [Class F Notes] [Subordinated Notes] to a Benefit Plan Investor or Controlling Person unless the Issuer has received a certificate substantially in the form of this Certificate. Any attempt to transfer in violation of this section will be null and void from the beginning, and of no legal effect.
Note: Unless you are notified otherwise, the name and address of the Registrar is as follows:
Citigroup Global Markets Deutschland AG, Reuterweg 16, 60323 Frankfurt, Germany.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate.

____________________ [Insert Purchaser’s Name]

By:

Name:

Title:

Dated:

This Certificate relates to EUR ____________ of [Class E Notes] [Class F Notes] [Subordinated Notes]
ANNEX B

S&P RECOVERY RATES

(a) (i) If a Collateral Debt Obligation has an S&P Recovery Rating, or is pari passu with another obligation of the same Obligor that has an S&P Recovery Rating and is secured by the same collateral as such other obligation, the S&P Recovery Rate for such Collateral Debt Obligation shall be determined as follows:

<table>
<thead>
<tr>
<th>S&amp;P Recovery Rating of Collateral Debt Obligation</th>
<th>Initial Rated Note Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Range from published reports</td>
<td>&quot;AAA&quot; &quot;AA&quot; &quot;A&quot; &quot;BBB&quot; &quot;BB&quot; &quot;B/CCC&quot;</td>
</tr>
<tr>
<td>1+</td>
<td>100 75.0% 85.0% 88.0% 90.0% 92.0% 95.0%</td>
</tr>
<tr>
<td>1</td>
<td>90-99 65.0% 75.0% 80.0% 85.0% 90.0% 95.0%</td>
</tr>
<tr>
<td>2</td>
<td>80-89 60.0% 70.0% 75.0% 81.0% 86.0% 89.0%</td>
</tr>
<tr>
<td>2</td>
<td>70-79 50.0% 60.0% 66.0% 73.0% 79.0% 79.0%</td>
</tr>
<tr>
<td>3</td>
<td>60-69 40.0% 50.0% 56.0% 63.0% 67.0% 69.0%</td>
</tr>
<tr>
<td>3</td>
<td>50-59 30.0% 40.0% 46.0% 53.0% 59.0% 59.0%</td>
</tr>
<tr>
<td>4</td>
<td>40-49 27.0% 35.0% 42.0% 46.0% 48.0% 49.0%</td>
</tr>
<tr>
<td>4</td>
<td>30-39 20.0% 26.0% 33.0% 39.0% 39.0% 39.0%</td>
</tr>
<tr>
<td>5</td>
<td>20-29 15.0% 20.0% 24.0% 26.0% 28.0% 29.0%</td>
</tr>
<tr>
<td>5</td>
<td>10-19 5.0% 10.0% 15.0% 19.0% 19.0% 19.0%</td>
</tr>
<tr>
<td>6</td>
<td>0-9 2.0% 4.0% 6.0% 8.0% 9.0% 9.0%</td>
</tr>
</tbody>
</table>

S&P Recovery Rate

* If a recovery range is not available for a given obligation with an S&P Recovery Rating of "2" through "5" (inclusive), the lower recovery range for the applicable S&P Recovery Rating shall apply.

(ii) If (x) a Collateral Debt Obligation does not have an S&P Recovery Rating and such Collateral Debt Obligation is a Senior Unsecured Obligation or a Second Lien Loan and (y) the Obligor or issuer of such Collateral Debt Obligation has issued another debt instrument that is outstanding and senior to such Collateral Debt Obligation that is a Senior Secured Loan or Senior Secured Bond (a "Senior Secured Debt Instrument" that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Debt Obligation shall be determined as follows:
For Obligors Domiciled in Group A

<table>
<thead>
<tr>
<th>S&amp;P Recovery Rating of the Senior Secured Debt Instrument</th>
<th>Initial Rated Note Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;AAA&quot;  &quot;AA&quot;  &quot;A&quot;  &quot;BBB&quot;  &quot;BB&quot;  &quot;B and below&quot;</td>
<td></td>
</tr>
<tr>
<td>1+</td>
<td>18.0%</td>
</tr>
<tr>
<td>1</td>
<td>18.0%</td>
</tr>
<tr>
<td>2</td>
<td>18.0%</td>
</tr>
<tr>
<td>3</td>
<td>12.0%</td>
</tr>
<tr>
<td>4</td>
<td>5.0%</td>
</tr>
<tr>
<td>5</td>
<td>2.0%</td>
</tr>
<tr>
<td>6</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

S&P Recovery Rate

For Obligors Domiciled in Group B

<table>
<thead>
<tr>
<th>S&amp;P Recovery Rating of the Senior Secured Debt Instrument</th>
<th>Initial Rated Note Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;AAA&quot;  &quot;AA&quot;  &quot;A&quot;  &quot;BBB&quot;  &quot;BB&quot;  &quot;B and below&quot;</td>
<td></td>
</tr>
<tr>
<td>1+</td>
<td>13.0%</td>
</tr>
<tr>
<td>1</td>
<td>13.0%</td>
</tr>
<tr>
<td>2</td>
<td>13.0%</td>
</tr>
<tr>
<td>3</td>
<td>8.0%</td>
</tr>
<tr>
<td>4</td>
<td>5.0%</td>
</tr>
<tr>
<td>5</td>
<td>2.0%</td>
</tr>
<tr>
<td>6</td>
<td>0.0%</td>
</tr>
</tbody>
</table>
### S&P Recovery Rate

**For Obligors Domiciled in Group C**

<table>
<thead>
<tr>
<th>S&amp;P Recovery Rating of the Senior Secured Debt Instrument</th>
<th>Initial Rated Note Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&quot;AAA&quot;</td>
</tr>
<tr>
<td>1+</td>
<td>10.0%</td>
</tr>
<tr>
<td>1</td>
<td>10.0%</td>
</tr>
<tr>
<td>2</td>
<td>10.0%</td>
</tr>
<tr>
<td>3</td>
<td>5.0%</td>
</tr>
<tr>
<td>4</td>
<td>2.0%</td>
</tr>
<tr>
<td>5</td>
<td>0.0%</td>
</tr>
<tr>
<td>6</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

### S&P Recovery Rate

(iii) If (x) a Collateral Debt Obligation does not have an S&P Recovery Rating and such Collateral Debt Obligation is not a Senior Secured Loan, a Second Lien Loan or an Senior Unsecured Obligation and (y) the Obligor or issuer of such Collateral Debt Obligation has issued another debt instrument that is outstanding and senior to such Collateral Debt Obligation that is a Senior Secured Debt Instrument that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Debt Obligation shall be determined as follows:

**For Obligors Domiciled in Groups A and B**

<table>
<thead>
<tr>
<th>S&amp;P Recovery Rating of the Senior Secured Debt Instrument</th>
<th>Initial Rated Note Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&quot;AAA&quot;</td>
</tr>
<tr>
<td>1+</td>
<td>8.0%</td>
</tr>
<tr>
<td>1</td>
<td>8.0%</td>
</tr>
</tbody>
</table>

411
For Obligors Domiciled in Group

S&P Recovery Rating of the Senior Secured Debt Instrument

<table>
<thead>
<tr>
<th>Initial Rated Note Rating</th>
<th>&quot;AAA&quot;</th>
<th>&quot;AA&quot;</th>
<th>&quot;A&quot;</th>
<th>&quot;BBB&quot;</th>
<th>&quot;BB&quot;</th>
<th>&quot;B and below&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>1+</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
</tr>
<tr>
<td>1</td>
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<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
</tr>
<tr>
<td>2</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>5.0%</td>
</tr>
<tr>
<td>3</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>4</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>5</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>6</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

S&P Recovery Rate

(b) If an S&P Recovery Rate cannot be determined using clause (a) above, the S&P Recovery Rate shall be determined as follows:

Recovery rates for Obligors Domiciled in Group A, B or C:

<table>
<thead>
<tr>
<th>Priority Category</th>
<th>Initial Rated Note Rating</th>
<th>&quot;AAA&quot;</th>
<th>&quot;AA&quot;</th>
<th>&quot;A&quot;</th>
<th>&quot;BBB&quot;</th>
<th>&quot;BB&quot;</th>
<th>&quot;B&quot; and &quot;CCC&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Secured Loans (excluding Cov–Lite Loans)</td>
<td>&quot;AAA&quot;</td>
<td>&quot;AA&quot;</td>
<td>&quot;A&quot;</td>
<td>&quot;BBB&quot;</td>
<td>&quot;BB&quot;</td>
<td>&quot;B&quot; and &quot;CCC&quot;</td>
<td></td>
</tr>
<tr>
<td>Group A</td>
<td>50.0%</td>
<td>55.0%</td>
<td>59.0%</td>
<td>63.0%</td>
<td>75.0%</td>
<td>79.0%</td>
<td></td>
</tr>
<tr>
<td>Group B</td>
<td>39.0%</td>
<td>42.0%</td>
<td>46.0%</td>
<td>49.0%</td>
<td>60.0%</td>
<td>63.0%</td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>17.0%</td>
<td>19.0%</td>
<td>27.0%</td>
<td>29.0%</td>
<td>31.0%</td>
<td>34.0%</td>
<td></td>
</tr>
<tr>
<td>-------</td>
<td>-------</td>
<td>-------</td>
<td>-------</td>
<td>-------</td>
<td>-------</td>
<td>-------</td>
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</tr>
</tbody>
</table>

**Senior Secured Loans that are Cov–Lite Loans and Senior Secured Bonds**

<table>
<thead>
<tr>
<th>Group</th>
<th>41.0%</th>
<th>46.0%</th>
<th>49.0%</th>
<th>53.0%</th>
<th>63.0%</th>
<th>67.0%</th>
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</table>

<table>
<thead>
<tr>
<th>Group</th>
<th>32.0%</th>
<th>35.0%</th>
<th>39.0%</th>
<th>41.0%</th>
<th>50.0%</th>
<th>53.0%</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Group</th>
<th>17.0%</th>
<th>19.0%</th>
<th>27.0%</th>
<th>29.0%</th>
<th>31.0%</th>
<th>34.0%</th>
</tr>
</thead>
</table>

**Senior Unsecured Obligations, Mezzanine Obligations, Second Lien Loans and High Yield Bonds (if unsubordinated)**

<table>
<thead>
<tr>
<th>Group</th>
<th>18.0%</th>
<th>20.0%</th>
<th>23.0%</th>
<th>26.0%</th>
<th>29.0%</th>
<th>31.0%</th>
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</table>

<table>
<thead>
<tr>
<th>Group</th>
<th>13.0%</th>
<th>16.0%</th>
<th>18.0%</th>
<th>21.0%</th>
<th>23.0%</th>
<th>25.0%</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Group</th>
<th>10.0%</th>
<th>12.0%</th>
<th>14.0%</th>
<th>16.0%</th>
<th>18.0%</th>
<th>20.0%</th>
</tr>
</thead>
</table>

**High Yield Bonds (if subordinated)**

<table>
<thead>
<tr>
<th>Group</th>
<th>8.0%</th>
<th>8.0%</th>
<th>8.0%</th>
<th>8.0%</th>
<th>8.0%</th>
<th>8.0%</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Group</th>
<th>8.0%</th>
<th>8.0%</th>
<th>8.0%</th>
<th>8.0%</th>
<th>8.0%</th>
<th>8.0%</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Group</th>
<th>5.0%</th>
<th>5.0%</th>
<th>5.0%</th>
<th>5.0%</th>
<th>5.0%</th>
<th>5.0%</th>
</tr>
</thead>
</table>

**S&P Recovery Rate**

Group A: Australia, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Japan, Luxembourg, The Netherlands, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, UK, U.S.

Group B: Brazil, Dubai International Finance Centre, Italy, Mexico, South Africa, Turkey, United Arab Emirates.

Group C: Kazakhstan, Russia, Ukraine, others.

For the purposes of the above,

"**S&P Recovery Rate**" means in respect of each Collateral Debt Obligation and each Class of Rated Notes the recovery rate determined in accordance with the Collateral Management Agreement or advised by S&P; and

"**S&P Recovery Rating**" means, with respect to a Collateral Debt Obligation for which an S&P Recovery Rate is being determined, the "Recovery Rating" assigned by S&P to such Collateral Debt Obligation based upon the tables set forth in this Annex B.
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