OFFERING MEMORANDUM (IRISH LISTING)

ING IM CLO 2013-3, Ltd.
ING IM CLO 2013-3, LLC

U.S.$320,000,000 Class A-1 Floating Rate Notes due 2026
U.S.$45,600,000 Class A-2 Floating Rate Notes due 2026
U.S.$47,200,000 Class B Deferrable Floating Rate Notes due 2026
U.S.$25,600,000 Class C Deferrable Floating Rate Notes due 2026
U.S.$22,800,000 Class D Deferrable Floating Rate Notes due 2026
U.S.$14,000,000 Class E Deferrable Floating Rate Notes due 2026
U.S.$43,000,000 Subordinated Notes due 2026

ING Alternative Asset Management LLC will act as investment manager for the Issuer (the "Investment Manager").

See "Risk Factors" beginning on page 18 for a discussion of certain factors to be considered in connection with an investment in the Securities.

It is a condition of the Offering that the Notes are issued concurrently and that the Class A–1 Notes be rated "Aaa (sf)" by Moody's and "AAA (sf)" by S&P, that the Class A–2 Notes be rated at least "AA (sf)" by S&P, that the Class B Notes be rated at least "A (sf)" by S&P, that the Class C Notes be rated at least "BBB (sf)" by S&P, that the Class D Notes be rated at least "BB (sf)" by S&P and that the Class E Notes be rated at least "B (sf)" by S&P. The Subordinated Notes will not be rated.

PLEDGED ASSETS OF THE ISSUER ARE THE SOLE SOURCE OF PAYMENTS ON THE SECURITIES. THE SECURITIES DO NOT REPRESENT AN INTEREST IN OR OBLIGATION OF, AND ARE NOT INSURED OR GUARANTEED BY, THE INVESTMENT MANAGER, THE INITIAL PURCHASER, THE TRUSTEE OR ANY OF THEIR RESPECTIVE AFFILIATES.

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS, AND NONE OF THE ISSUER, THE CO-ISSUER OR THE POOL OF COLLATERAL IS OR WILL BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"), IN RELIANCE ON THE EXEMPTION PROVIDED BY SECTION 3(c)(7) THEREOF. ACCORDINGLY, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES TO, OR FOR THE ACCOUNT OR BENEFIT OF, "U.S. PERSONS" (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, APPLICABLE STATE SECURITIES LAWS AND THE INVESTMENT COMPANY ACT. THE SECURITIES ARE BEING OFFERED ONLY (I) TO NON U.S. PERSONS OUTSIDE THE UNITED STATES IN RELIANCE ON REGULATION S AND (II) TO, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS THAT ARE (A) QUALIFIED INSTITUTIONAL BUYERS AND QUALIFIED PURCHASERS (B) SOLELY IN THE CASE OF SECURED NOTES, QUALIFIED PURCHASERS AND INSTITUTIONAL ACCREDITED INVESTORS OR (C) SOLELY IN THE CASE OF THE SUBORDINATED NOTES, ACCREDITED INVESTORS AND ALSO (1) QUALIFIED PURCHASERS OR (2) KNOWLEDGEABLE EMPLOYEES. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON TRANSFER, SEE "TRANSFER RESTRICTIONS."

The Securities are offered, subject to prior sale, when, as and if delivered to and accepted by Credit Suisse Securities (USA) LLC (the "Initial Purchaser" or "Credit Suisse"). It is expected that the Initial Purchaser will resell the Securities in individually negotiated transactions at varying prices determined at the time of sale. The delivery of interests in Global Securities is expected to be made in book-entry form through the facilities of The Depository Trust Company ("**DTC**") on or about December 12, 2013 (the "Closing Date") and each Certificated Security is expected to be available for delivery to the owner thereof on such date, in each case in New York, New York against payment therefor in immediately available funds.

Application has been made to the Irish Stock Exchange for the Securities to be admitted to the Official List and trading on its Global Exchange Market. This Offering Memorandum constitutes listing particulars for the purpose of such application and has been approved by the Irish Stock Exchange

Credit Suisse

December 12, 2013

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A glossary of certain defined terms and an index of defined terms, indicating the location of the definition of each defined term, appears at the end of this offering memorandum (the "Offering Memorandum"). Capitalized terms used herein and not defined shall have the meanings assigned in the Indenture.

In this Offering Memorandum, references to "Dollars," "U.S. Dollars," "U.S.$" and "$" (unless otherwise indicated) are to the legal currency of the United States of America and references to "Euro," "EUR" and "€" are to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty on European Union signed in Maastricht on February 7, 1992 and as amended by the Treaty of Amsterdam (signed in Amsterdam on October 2, 1997).

No websites mentioned herein are incorporated into or form a part of the Offering Memorandum.

The information contained in this Offering Memorandum has been furnished by the Co-Issuers and other sources believed by the Co-Issuers to be reliable or, with respect to the information in the sections entitled "Summary of Terms—Investment Manager," "Risk Factors—Relating to the Securities—Considerations Relating to the Investment Manager; Dependence on Key Personnel," "Risk Factors—Relating to the Investment Manager" and "The Investment Manager" (collectively, the "**Manager Information**"), the Investment Manager. None of the Investment Manager (other than with respect to the Manager Information), the Co-Issuers (with respect to the Manager Information only) nor the Initial Purchaser has made any independent investigation of such information and makes no representation or warranty as to the accuracy or completeness of any such information. This Offering Memorandum contains summaries, believed to be accurate, of certain terms of certain documents but reference is made to the actual documents, copies of which will be made available upon request, for the complete information contained therein. All such summaries are qualified in their entirety by this reference.

This Offering Memorandum has been prepared solely for use in connection with the offering and listing of the Securities (the "**Offering**") and listing of the Securities, as described herein. The Co-Issuers accept responsibility for the information contained herein (other than the Manager Information). To the best knowledge and belief of the Co-Issuers (who have taken reasonable care to ensure that such is the case), the information contained in this Offering Memorandum (other than the Manager Information) is in accordance with the facts and does not omit anything likely to affect the import of such information. The Investment Manager accepts responsibility for the Manager Information. To the best knowledge and belief of the Investment Manager (who has taken reasonable care to ensure that such is the case), the Manager Information is in accordance with the facts and does not omit anything likely to affect the import of such information.

State Street Bank and Trust Company, in each of its capacities (including as Trustee, Paying Agent, Indenture Registrar and Collateral Administrator) has not participated in the preparation of this Offering Memorandum and assumes no responsibility for its content.

NO PERSON IS AUTHORIZED IN CONNECTION WITH THE OFFERING TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS OFFERING MEMORANDUM, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CO-ISSUERS, THE INVESTMENT MANAGER OR THE INITIAL PURCHASER. THE INFORMATION CONTAINED HEREIN IS AS OF THE DATE HEREOF AND IS SUBJECT TO CHANGE, COMPLETION OR AMENDMENT WITHOUT NOTICE. NEITHER THE DELIVERY OF THIS OFFERING MEMORANDUM AT ANY TIME NOR ANY SUBSEQUENT COMMITMENT TO ENTER INTO ANY FINANCING SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION SET FORTH HEREIN OR IN THE AFFAIRS OF THE CO-ISSUERS OR THE INVESTMENT MANAGER SINCE THE DATE HEREOF.

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS OFFERING MEMORANDUM AS INVESTMENT, LEGAL OR TAX ADVICE. EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, ACCOUNTANT AND OTHER ADVISORS AS TO LEGAL, TAX, BUSINESS, FINANCIAL AND RELATED ASPECTS OF A PURCHASE OF SECURITIES. NONE OF THE TRANSACTION PARTIES OR THEIR AFFILIATES IS MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF SECURITIES REGARDING THE LEGALITY OF AN INVESTMENT THEREIN BY SUCH OFFEREE OR PURCHASER UNDER APPLICABLE LEGAL INVESTMENT OR SIMILAR LAWS. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE CO-ISSUERS AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THE DISTRIBUTION OF THIS OFFERING MEMORANDUM AND THE OFFER AND SALE OF SECURITIES MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS OFFERING MEMORANDUM OR ANY OF THE SECURITIES COME MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS. SEE "PLAN OF DISTRIBUTION."

THIS OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY OF THE SECURITIES TO ANY PERSON IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION.

THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED WITH, RECOMMENDED BY OR APPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "**SEC**") OR ANY OTHER FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAS THE SEC OR ANY SUCH COMMISSION OR REGULATORY AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Initial Purchaser reserves the right to reject any commitment to subscribe in whole or in part and to allot to any prospective investor less than the full amount of Securities sought by such investor. The Initial Purchaser and certain related entities may acquire for their own account a portion of the Securities.

The receipt of this Offering Memorandum constitutes the agreement on the part of the recipient hereof (a) to maintain the confidentiality of the information contained herein, as well as any supplemental information provided to the recipient by the Co-Issuers or any of their representatives, either orally or in written form, (b) that any reproduction or distribution of this Offering Memorandum, in whole or in part, or disclosure of any of its contents to any other person or its use for any purpose other than to evaluate participation in the Offering described herein is strictly prohibited and (c) that this Offering Memorandum, as well as other materials that subsequently may be provided by the Co-Issuers, is to be returned promptly if the recipient decides not to proceed with the investigation of, or participation in, the Offering or if the Offering is terminated. The undertakings and prohibitions set forth in the preceding sentence are intended for the benefit of the Co-Issuers and may be enforced by the Co-Issuers.

The Issuer extends to each prospective investor the opportunity to ask questions of, and receive answers from, the Issuer, the Investment Manager and the Initial Purchaser concerning the Securities, the initial portfolio of Collateral Obligations and the terms and conditions of this Offering and to obtain any additional information it may consider necessary in making an informed investment decision and any information necessary to verify the accuracy of the information set forth herein, to the extent the Issuer, the Investment Manager or the Initial Purchaser possess the same. Requests for such additional information can be directed to the Initial Purchaser.

To permit compliance with Rule 144A in connection with the sale of the Securities, the Issuer (and, solely in the case of the Co-Issued Securities, the Co-Issuer) under the Indenture will be required to furnish upon request of a holder of a Security to such holder and a prospective purchaser designated by such holder the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the Co-Issuers are neither (a) reporting companies under Section 13 or Section 15(d) of the Exchange Act nor (b) exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. Neither of the Co-Issuers expects to become such a reporting company or to become so exempt from reporting. Such information may be obtained directly from the Issuer.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

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

NOTICE TO CONNECTICUT RESIDENTS

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE CONNECTICUT SECURITIES LAW. THE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND SALE.

NOTICE TO FLORIDA RESIDENTS

THE SECURITIES OFFERED HEREBY WILL BE SOLD TO, AND ACQUIRED BY, THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 517.061 OF THE FLORIDA SECURITIES ACT ("FSA"). THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF FLORIDA. IN ADDITION, IF SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA, ALL FLORIDA PURCHASERS OTHER THAN EXEMPT INSTITUTIONS SPECIFIED IN SECTION 517.061(7) OF THE FSA SHALL HAVE THE PRIVILEGE OF VOIDING THE PURCHASE WITHIN THREE (3) DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY SUCH PURCHASER TO THE CO-ISSUERS, AN AGENT OF THE CO-ISSUERS, OR AN ESCROW AGENT.

NOTICE TO GEORGIA RESIDENTS

THE SECURITIES HAVE BEEN ISSUED OR SOLD IN RELIANCE ON PARAGRAPH (13) OF CODE SECTION 10-5-9 OF THE GEORGIA SECURITIES ACT OF 1973, AND MAY NOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT.

NOTICE TO RESIDENTS OF AUSTRALIA

NO INFORMATION MEMORANDUM, PROSPECTUS OR OTHER DISCLOSURE DOCUMENT (AS DEFINED IN THE CORPORATIONS ACT 2001 (CTH) (THE "CORPORATIONS ACT")) IN RELATION TO THE SECURITIES HAS BEEN OR WILL BE LODGED WITH THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ("ASIC") OR ASX LIMITED. THE SECURITIES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN THE COMMONWEALTH OF AUSTRALIA, ITS TERRITORIES OR POSSESSIONS, OR TO ANY RESIDENT OF AUSTRALIA, EXCEPT BY WAY OF AN OFFER OR SALE NOT REQUIRED TO BE DISCLOSED PURSUANT TO PART 6D.2 OR PART 7.9 OF THE CORPORATIONS ACT. THIS MATERIAL DOES NOT CONSTITUTE OR INVOLVE A RECOMMENDATION TO ACQUIRE, AN OFFER OR INVITATION FOR ISSUE OR SALE, AN OFFER OR INVITATION TO ARRANGE THE ISSUE OR SALE, OR AN ISSUE OR SALE, OF INTERESTS TO A 'RETAIL CLIENT' (AS DEFINED IN SECTION 761G OF THE CORPORATIONS ACT AND APPLICABLE REGULATIONS) IN AUSTRALIA. THIS DOCUMENT IS PROVIDED TO YOU AS A 'PROFESSIONAL INVESTOR' AS DEFINED IN THE CORPORATIONS ACT.

THE INITIAL PURCHASER DOES NOT HOLD AN AUSTRALIAN FINANCIAL SERVICES LICENCE ("AFSL") AND IS EXEMPT FROM THE REQUIREMENT TO HOLD AN AFSL UNDER THE CORPORATIONS ACT UNDER ASIC CLASS ORDER 03/1100. THE INITIAL PURCHASER IS REGULATED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND LAWS OF THE UNITED STATES WHICH DIFFER FROM AUSTRALIAN LAWS.

THIS INFORMATION IS PROVIDED TO 'WHOLESALE CLIENTS' ONLY (AS SUCH TERM IS DEFINED IN THE CORPORATIONS ACT) IN AUSTRALIA. THE SECURITIES DESCRIBED IN THIS MATERIAL DO NOT REPRESENT DEPOSITS OR OTHER LIABILITIES OF CREDIT SUISSE AG, SYDNEY BRANCH AND CREDIT SUISSE AG, SYDNEY BRANCH DOES NOT GUARANTEE THE PERFORMANCE OF THE SECURITIES.

NOTICE TO RESIDENTS OF AUSTRIA

THIS DOCUMENT IS NOT AN APPROVED SECURITIES DOCUMENT PURSUANT TO DIRECTIVE 2003/71/EC AND THE INFORMATION CONTAINED HEREIN DOES NOT CONSTITUTE AN OFFER TO GRANT OR A SOLICITATION OF AN OFFER TO SUBSCRIBE TO SECURITIES. NO DOCUMENT PURSUANT TO DIRECTIVE 2003/71/EC HAS BEEN OR WILL BE DRAWN UP AND APPROVED IN THE REPUBLIC OF AUSTRIA AND NO DOCUMENT PURSUANT TO DIRECTIVE 2003/71/EC HAS BEEN OR WILL BE PASSPORTED INTO THE REPUBLIC OF AUSTRIA AS SECURITIES WILL BE OFFERED IN THE REPUBLIC OF AUSTRIA IN RELIANCE AN ON EXEMPTION FROM THE PROSPECTUS PUBLICATION REQUIREMENT UNDER THE AUSTRIAN CAPITAL MARKET ACT (KAPITALMARKTGESETZ – KMG) (THE "KMG"). SUBJECT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE KMG, SECURITIES MAY THEREFORE NOT BE PUBLICLY OFFERED OR (RE)SOLD IN THE REPUBLIC OF AUSTRIA WITHOUT A DOCUMENT BEING PUBLISHED OR AN APPLICABLE EXEMPTION FROM SUCH REQUIREMENT BEING RELIED UPON. EACH SUBSCRIBER TO SECURITIES REPRESENTS TO THE CO-ISSUERS THAT SUCH SUBSCRIBER WILL ONLY (RE)SELL, OFFER OR TRANSFER SECURITIES IN ACCORDANCE WITH APPLICABLE AUSTRIAN SECURITIES AND CAPITAL MARKETS LAW LEGISLATION GOVERNING THE ISSUE, (RE)SALE AND OFFERING OF SECURITIES. BECAUSE OF THE FOREGOING LIMITATIONS, EACH SUBSCRIBER TO SECURITIES UNDERTAKES TO INFORM HIMSELF/HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS. THE INFORMATION CONTAINED HEREIN IS NOT BINDING, SOLELY FOR THE INFORMATION OF THE RECIPIENTS OF THIS DOCUMENT AND MUST NOT BE REPRODUCED, DISTRIBUTED TO ANY OTHER PERSON (INCLUDING THE PRESS AND ANY OTHER MEDIA) OR PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE. THIS DOCUMENT IS A MARKETING COMMUNICATION AND HAS NOT BEEN PREPARED IN ACCORDANCE WITH

LEGAL REQUIREMENTS DESIGNED TO PROMOTE THE INDEPENDENCE OF INVESTMENT RESEARCH. THIS DOCUMENT IS NOT INTENDED TO PROVIDE A BASIS OF ANY CREDIT OR OTHER EVALUATION OF THE CO-ISSUERS AND THEIR BUSINESS AND SHOULD NOT BE CONSIDERED AS A PERSONAL RECOMMENDATION FOR ANY RECIPIENT OF THIS DOCUMENT TO PURCHASE SECURITIES AS IT DOES NOT TAKE INTO ACCOUNT THE PARTICULAR INVESTMENT OBJECTIVES, FINANCIAL SITUATION OR NEEDS OF ANY SPECIFIC RECIPIENT. EACH INVESTOR CONTEMPLATING PURCHASING ANY SECURITIES THEREFORE REPRESENTS TO MAKE ITS OWN INDEPENDENT INVESTIGATION OF THE CO-ISSUERS AND THE SECURITIES AND OF THE SUITABILITY OF AN INVESTMENT IN THE SECURITIES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES AND REPRESENTS TO SEEK INDEPENDENT PROFESSIONAL ADVICE, INCLUDING TAX ADVICE. THIS DOCUMENT IS DISTRIBUTED UNDER THE CONDITION THAT THE ABOVE OBLIGATIONS ARE ACCEPTED BY THE RECIPIENT AND COMPLIED WITH."

IN ADDITION, SEE "ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA" BELOW.

NOTICE TO RESIDENTS OF BAHRAIN

THIS DOCUMENT HAS NOT BEEN APPROVED BY THE CENTRAL BANK OF BAHRAIN WHICH TAKES NO RESPONSIBILITY FOR ITS CONTENTS. NO OFFER TO THE PUBLIC TO PURCHASE THE SECURITIES WILL BE MADE IN THE KINGDOM OF BAHRAIN AND THIS DOCUMENT IS INTENDED TO BE READ BY THE ADDRESSEE ONLY AND MUST NOT BE PASSED TO, ISSUED TO, OR SHOWN TO THE PUBLIC GENERALLY.

NOTICE TO RESIDENTS OF BELGIUM

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

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

(II) OFFER FOR SALE, SELL OR MARKET THE SECURITIES TO ANY PERSON QUALIFYING AS A CONSUMER WITHIN THE MEANING OF ARTICLE 1.3 OF THE LAW OF 6 APRIL 2010 ON TRADE PRACTICES AND CONSUMER PROTECTION, AS MODIFIED, OTHERWISE THAN IN CONFORMITY WITH SUCH LAW AND ITS IMPLEMENTING REGULATIONS.

IN ADDITION, SEE "ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA" BELOW.

NOTICE TO THE PUBLIC OF CAYMAN ISLANDS

NO INVITATION, WHETHER DIRECTLY OR INDIRECTLY, MAY BE MADE TO THE PUBLIC IN THE CAYMAN ISLANDS TO SUBSCRIBE FOR SECURITIES OF THE ISSUER, AND NO SUCH INVITATION IS MADE HEREBY.

NOTICE TO RESIDENTS OF DENMARK

INFORMATION FOR INVESTORS IN DENMARK: IN RELATION TO DENMARK, EACH PURCHASER OF THE SECURITIES REPRESENTS AND AGREES THAT IT HAS NOT OFFERED OR SOLD AND WILL NOT OFFER OR SELL, DIRECTLY OR INDIRECTLY, ANY OF THE SECURITIES TO THE PUBLIC IN DENMARK UNLESS IN ACCORDANCE WITH CHAPTER 6 OR CHAPTER 12 OF THE DANISH SECURITIES TRADING ACT (CONSOLIDATED ACT NO. 883 OF 9 AUGUST 2011, AS AMENDED FROM TIME TO TIME) AND THE DANISH EXECUTIVE ORDER NO. 223 OF 10 MARCH 2010 OR THE DANISH EXECUTIVE ORDER NO. 222 OF 10 MARCH 2010, AS AMENDED FROM TIME TO TIME, ISSUED PURSUANT THERETO.

FOR THE PURPOSES OF THIS PROVISION, AN OFFER OF THE SECURITIES IN DENMARK MEANS THE COMMUNICATION IN ANY FORM AND BY ANY MEANS OF SUFFICIENT INFORMATION ON THE TERMS OF THE OFFER AND THE SECURITIES TO BE OFFERED SO AS TO ENABLE AN INVESTOR TO DECIDE TO PURCHASE OR SUBSCRIBE FOR THE SECURITIES.

IN ADDITION, SEE "ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA" BELOW.

NOTICE TO RESIDENTS OF FINLAND

SEE "ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA" BELOW.

NOTICE TO RESIDENTS OF FRANCE

INFORMATION FOR FRENCH INVESTORS: NEITHER THIS DOCUMENT NOR ANY OTHER OFFERING MATERIAL RELATING TO THE SECURITIES HAS BEEN SUBMITTED TO THE CLEARANCE PROCEDURES OF THE AUTORITÉ DES MARCHÉS FINANCIERS ("AMF") OR TO THE COMPETENT AUTHORITY OF ANOTHER MEMBER STATE OF THE EUROPEAN ECONOMIC AREA AND SUBSEQUENTLY NOTIFIED TO THE AMF.

THE SECURITIES HAVE NOT BEEN OFFERED OR SOLD AND WILL NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, TO THE PUBLIC IN FRANCE. NEITHER THIS DOCUMENT NOR ANY OTHER OFFERING MATERIAL RELATING TO THE SECURITIES HAS BEEN OR WILL BE:

- RELEASED, ISSUED, DISTRIBUTED OR CAUSED TO BE RELEASED, ISSUED OR DISTRIBUTED TO THE PUBLIC IN FRANCE; OR
- USED IN CONNECTION WITH ANY OFFER FOR SUBSCRIPTION OR SALE OF THE SECURITIES TO THE PUBLIC IN FRANCE.

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

- TO QUALIFIED INVESTORS (INVESTISSEURS QUALIFIÉS), IN EACH CASE INVESTING FOR THEIR OWN ACCOUNT, ALL AS DEFINED IN, AND IN ACCORDANCE WITH, ARTICLES L.411-1, L.411-2, AND D.411-1 TO D.411-3 OF THE FRENCH CODE MONÉTAIRE ET FINANCIER ("CMF"); OR
- TO INVESTMENT SERVICES PROVIDERS AUTHORISED TO ENGAGE IN PORTFOLIO MANAGEMENT ON BEHALF OF THIRD PARTIES; OR
- 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.

THIS DOCUMENT AND ANY OTHER OFFERING MATERIALS ARE STRICTLY CONFIDENTIAL AND MAY NOT BE DISTRIBUTED TO ANY PERSON OR ENTITY OTHER THAN THE RECIPIENTS HEREOF.

NOTICE TO RESIDENTS OF GERMANY

EACH PURCHASER OF SECURITIES ACKNOWLEDGES THAT THE SECURITIES ARE NOT AND WILL NOT BE REGISTERED FOR PUBLIC DISTRIBUTION IN GERMANY. THIS DOCUMENT DOES NOT CONSTITUTE A SALES DOCUMENT PURSUANT TO THE GERMAN CAPITAL INVESTMENT ACT (VERMÖGENSANLAGENGESETZ). ACCORDINGLY, NO OFFER OF THE SECURITIES MAY BE MADE TO THE PUBLIC IN GERMANY. THIS DOCUMENT AND ANY OTHER DOCUMENT RELATING TO THE SECURITIES, AS WELL AS INFORMATION OR STATEMENTS CONTAINED THEREIN, MAY NOT BE SUPPLIED TO THE PUBLIC IN GERMANY OR USED IN CONNECTION WITH ANY OFFER FOR SUBSCRIPTION OF THE SECURITIES TO THE PUBLIC IN GERMANY OR ANY OTHER MEANS OF PUBLIC MARKETING.

IN ADDITION, SEE "ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA" BELOW.

NOTICE TO RESIDENTS OF GREECE

SEE "ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA" BELOW.

NOTICE TO RESIDENTS OF HONG KONG

WARNING

THE CONTENTS OF THIS DOCUMENT HAVE NOT BEEN REVIEWED BY ANY REGULATORY AUTHORITY IN HONG KONG. YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE OFFER. IF YOU ARE IN ANY DOUBT ABOUT ANY OF THE CONTENTS OF THIS DOCUMENT, YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE.

EACH DISTRIBUTOR OF THE SECURITIES HAS REPRESENTED AND AGREED THAT:

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

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

NOTICE TO RESIDENTS OF IRELAND

SEE "ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA" BELOW.

NOTICE TO RESIDENTS OF ISRAEL

THIS DOCUMENT HAS NOT BEEN APPROVED BY THE ISRAELI SECURITIES AUTHORITY AND WILL ONLY BE DISTRIBUTED TO ISRAELI RESIDENTS IN A MANNER THAT WILL NOT CONSTITUTE "AN OFFER TO THE PUBLIC" UNDER SECTIONS 15 AND 15A OF THE ISRAEL SECURITIES LAW, 5728-1968 ("THE SECURITIES LAW"). THE SECURITIES ARE BEING OFFERED TO A LIMITED NUMBER OF INVESTORS (35 INVESTORS OR FEWER DURING ANY GIVEN 12 MONTH PERIOD) AND/OR THOSE CATEGORIES OF INVESTORS LISTED IN THE FIRST ADDENDUM ("THE ADDENDUM") TO THE SECURITIES LAW ("SOPHISTICATED INVESTORS"), NAMELY JOINT INVESTMENT FUNDS OR MUTUAL TRUST FUNDS, PROVIDENT FUNDS, INSURANCE COMPANIES, BANKING CORPORATIONS (PURCHASING THE SECURITIES FOR THEMSELVES OR FOR CLIENTS WHO ARE SOPHISTICATED INVESTORS), PORTFOLIO MANAGERS (PURCHASING THE SECURITIES FOR THEMSELVES OR FOR CLIENTS WHO ARE SOPHISTICATED INVESTORS), INVESTMENT ADVISORS OR INVESTMENT MARKETERS (PURCHASING THE SECURITIES FOR THEMSELVES), MEMBERS OF THE TEL-AVIV STOCK EXCHANGE (PURCHASING THE SECURITIES FOR THEMSELVES OR FOR CLIENTS WHO ARE SOPHISTICATED INVESTORS), UNDERWRITERS (PURCHASING THE SECURITIES FOR THEMSELVES), VENTURE CAPITAL FUNDS ENGAGING MAINLY IN THE CAPITAL MARKET, AN ENTITY WHICH IS WHOLLY-OWNED BY SOPHISTICATED INVESTORS, CORPORATIONS, OTHER THAN FORMED FOR THE SPECIFIC PURPOSE OF AN ACQUISITION PURSUANT TO AN OFFER, WITH A SHAREHOLDER'S EQUITY IN EXCESS OF NIS 50 MILLION, AND INDIVIDUALS IN RESPECT OF WHOM THE TERMS OF ITEM 9 IN THE SCHEDULE TO THE INVESTMENT ADVICE LAW HOLD TRUE, INVESTING FOR THEIR OWN ACCOUNT, EACH AS DEFINED IN THE SAID ADDENDUM, AS AMENDED FROM TIME TO TIME, AND WHO IN EACH CASE HAVE PROVIDED WRITTEN CONFIRMATION THAT THEY QUALIFY AS SOPHISTICATED INVESTORS, AND THAT THEY ARE AWARE OF THE CONSEQUENCES OF SUCH DESIGNATION AND AGREE THERETO; IN ALL CASES UNDER CIRCUMSTANCES THAT WILL FALL WITHIN THE PRIVATE PLACEMENT OR OTHER EXEMPTIONS OF THE SECURITIES LAW AND ANY APPLICABLE GUIDELINES, PRONOUNCEMENTS OR RULINGS ISSUED FROM TIME TO TIME BY THE ISRAELI SECURITIES AUTHORITY.

THIS DOCUMENT MAY NOT BE REPRODUCED OR USED FOR ANY OTHER PURPOSE, NOR BE FURNISHED TO ANY OTHER PERSON OTHER THAN THOSE TO WHOM COPIES HAVE BEEN SENT. ANY OFFEREE WHO PURCHASES THE SECURITIES IS PURCHASING SUCH SECURITIES FOR ITS OWN BENEFIT AND ACCOUNT AND NOT WITH THE AIM OR INTENTION OF DISTRIBUTING OR OFFERING SUCH SECURITIES TO OTHER PARTIES (OTHER THAN, IN THE CASE OF AN OFFEREE WHICH IS A SOPHISTICATED INVESTOR BY VIRTUE OF IT BEING A BANKING CORPORATION, PORTFOLIO MANAGER OR MEMBER OF THE TEL-AVIV STOCK EXCHANGE, AS DEFINED IN THE ADDENDUM, WHERE SUCH OFFEREE IS PURCHASING THE SECURITIES FOR ANOTHER PARTY WHICH IS A SOPHISTICATED INVESTOR). NOTHING IN THIS DOCUMENT SHOULD BE CONSIDERED INVESTMENT ADVICE OR INVESTMENT MARKETING DEFINED IN THE REGULATION OF INVESTMENT COUNSELING, INVESTMENT MARKETING AND PORTFOLIO MANAGEMENT LAW, 5755-1995.

INVESTORS ARE ENCOURAGED TO SEEK COMPETENT INVESTMENT COUNSELING FROM A LOCALLY LICENSED INVESTMENT COUNSEL PRIOR TO MAKING THE INVESTMENT. AS A PREREQUISITE TO THE RECEIPT OF A COPY OF THIS DOCUMENT, A RECIPIENT SHALL BE REQUIRED BY THE CO-ISSUERS TO PROVIDE CONFIRMATION THAT IT IS A SOPHISTICATED INVESTOR PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR, WHERE APPLICABLE, FOR OTHER SOPHISTICATED INVESTORS.

THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE SECURITIES REFERRED TO HEREIN, NOR DOES IT CONSTITUTE AN OFFER TO SELL TO, OR SOLICITATION OF AN OFFER TO BUY FROM, ANY PERSON OR PERSONS IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL, OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO, OR TO A PERSON OR PERSONS TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

NOTICE TO RESIDENTS OF ITALY

THE OFFERING OF THE SECURITIES HAS NOT BEEN REGISTERED PURSUANT TO ITALIAN SECURITIES LEGISLATION AND, ACCORDINGLY, NO SECURITIES MAY BE OFFERED, SOLD OR DELIVERED, NOR MAY COPIES OF THIS DOCUMENT OR ANY OTHER DOCUMENT RELATING TO THE SECURITIES BE DISTRIBUTED IN THE REPUBLIC OF ITALY, EXCEPT:

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

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

ANY OFFER, SALE OR DELIVERY OF THE SECURITIES IN THE REPUBLIC OF ITALY OR DISTRIBUTION OF COPIES OF THIS DOCUMENT OR ANY OTHER DOCUMENT RELATING TO THE SECURITIES IN THE REPUBLIC OF ITALY UNDER (A) AND (B) ABOVE MUST BE:

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

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

PLEASE NOTE THAT, IN ACCORDANCE WITH ARTICLE 100-BIS OF THE FINANCIAL SERVICES ACT, WHERE NO EXEMPTION UNDER (B) ABOVE APPLIES, THE SUBSEQUENT DISTRIBUTION OF THE SECURITIES ON THE SECONDARY MARKET IN ITALY MUST BE MADE IN COMPLIANCE WITH THE RULES ON OFFERS OF SECURITIES TO BE MADE TO THE PUBLIC PROVIDED UNDER THE FINANCIAL SERVICES ACT AND THE REGULATION 11971/1999. FAILURE TO COMPLY WITH SUCH RULES MAY RESULT, INTER ALIA, IN THE SALE OF SUCH SECURITIES BEING DECLARED NULL AND VOID AND IN THE LIABILITY OF THE INTERMEDIARY TRANSFERRING THE SECURITIES FOR ANY DAMAGES SUFFERED BY THE INVESTORS.

NOTICE TO RESIDENTS OF JAPAN

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

NOTICE TO RESIDENTS OF KOREA

THE SECURITIES HAVE NOT BEEN REGISTERED WITH THE FINANCIAL SERVICES COMMISSION OF KOREA FOR A PUBLIC OFFERING IN KOREA. THE SECURITIES HAVE NOT BEEN AND WILL NOT BE OFFERED, SOLD OR DELIVERED DIRECTLY OR INDIRECTLY, OR OFFERED, SOLD OR DELIVERED TO ANY PERSON FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN KOREA OR TO ANY RESIDENT OF KOREA, EXCEPT AS OTHERWISE PERMITTED UNDER APPLICABLE KOREAN LAWS AND REGULATIONS, INCLUDING THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT AND THE FOREIGN EXCHANGE TRANSACTION LAW AND THE DECREES AND REGULATIONS THEREUNDER. BY THE PURCHASE OF THE SECURITIES, THE RELEVANT HOLDER THEREOF WILL BE DEEMED TO REPRESENT AND WARRANT THAT IF IT IS IN KOREA OR IS A RESIDENT OF KOREA, IT PURCHASED THE SECURITIES PURSUANT TO THE APPLICABLE LAWS AND REGULATIONS OF KOREA.

NOTICE TO RESIDENTS OF LUXEMBOURG

SEE "ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA" BELOW.

NOTICE TO RESIDENTS OF MONACO

THE SECURITIES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, TO THE PUBLIC IN MONACO OTHER THAN BY A MONACO BANK OR A DULY AUTHORIZED MONEGASQUE INTERMEDIARY ACTING AS A PROFESSIONAL INSTITUTIONAL INVESTOR WHICH HAS SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS AS TO BE CAPABLE OF EVALUATING THE RISKS AND MERITS OF AN INVESTMENT IN THE FUND. CONSEQUENTLY, THIS DOCUMENT MAY ONLY BE COMMUNICATED TO BANKS DULY LICENSED BY THE "AUTORITÉ DE CONTRÔLE PRUDENTIEL" AND FULLY LICENSED PORTFOLIO MANAGEMENT COMPANIES BY VIRTUE OF LAW NO. 1.144 OF JULY 26, 1991 AND LAW 1.338 OF SEPTEMBER 7, 2007, DULY LICENSED BY THE "COMMISSION DE CONTRÔLE DES ACTIVITÉS FINANCIÈRES." SUCH REGULATED INTERMEDIARIES MAY IN TURN COMMUNICATE THIS DOCUMENT TO POTENTIAL INVESTORS.

NOTICE TO RESIDENTS OF NETHERLANDS

THE SECURITIES MAY NOT BE OFFERED, SOLD OR DELIVERED IN THE NETHERLANDS TO ANYONE OTHER THAN QUALIFIED INVESTORS (AS DEFINED IN DIRECTIVE 2003/71/EC, AS AMENDED FROM TIME TO TIME).

IN ADDITION, SEE "ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA" BELOW.

NOTICE TO RESIDENTS OF NEW ZEALAND

THIS DOCUMENT IS NOT A REGISTERED PROSPECTUS OR AN INVESTMENT STATEMENT FOR THE PURPOSES OF THE SECURITIES ACT 1978 AND DOES NOT CONTAIN ALL THE INFORMATION TYPICALLY INCLUDED IN A REGISTERED PROSPECTUS OR INVESTMENT STATEMENT. THIS OFFER OF SECURITIES DOES NOT CONSTITUTE AN "OFFER OF SECURITIES TO THE PUBLIC" FOR THE PURPOSES OF THE SECURITIES ACT 1978 AND, ACCORDINGLY, THERE IS NEITHER A REGISTERED PROSPECTUS NOR AN INVESTMENT STATEMENT AVAILABLE IN RESPECT OF THE OFFER. THE SECURITIES MAY ONLY BE OFFERED TO PERSONS WHOSE PRINCIPAL BUSINESS IS THE INVESTMENT OF MONEY OR WHO, IN THE COURSE OF AND FOR THE PURPOSES OF THEIR BUSINESS, HABITUALLY INVEST MONEY IN ACCORDANCE WITH THE SECURITIES ACT 1978 AND THE SECURITIES REGULATIONS 2009.

NOTICE TO RESIDENTS OF NORWAY

IN RELATION TO NORWAY, EACH PURCHASER OF THE SECURITIES ACKNOWLEDGES THAT WITH EFFECT FROM AND INCLUDING THE DATE ON WHICH THE PROSPECTUS DIRECTIVE IS IMPLEMENTED IN NORWAY (THE "RELEVANT IMPLEMENTATION DATE") NO OFFER OF THE SECURITIES MAY BE MADE TO THE PUBLIC IN NORWAY, EXCEPT THAT, WITH EFFECT FROM AND INCLUDING THE RELEVANT IMPLEMENTATION DATE, AN OFFER OF SECURITIES MAY BE MADE TO THE PUBLIC IN NORWAY AT ANY TIME:

- TO LEGAL ENTITIES WHICH ARE AUTHORISED OR REGULATED TO OPERATE IN THE FINANCIAL MARKETS OR, IF NOT SO AUTHORISED OR REGULATED, WHOSE CORPORATE PURPOSE IS SOLELY TO INVEST IN SECURITIES;
- TO PROFESSIONAL INVESTORS AS DEFINED IN SECTION 1 OF ANNEX II TO DIRECTIVE 2004/29/EC (AS IMPLEMENTED IN NORWAY); OR
- IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE CO-ISSUERS OR ANY OTHER ENTITY OF A DOCUMENT PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE.

FOR THE PURPOSES OF THE PROVISION ABOVE, THE EXPRESSION AN "OFFER OF SECURITIES TO THE PUBLIC" IN RELATION TO ANY SECURITIES IN NORWAY MEANS THE COMMUNICATION IN ANY FORM AND BY ANY MEANS OF SUFFICIENT INFORMATION ON THE TERMS OF THE OFFER AND THE SECURITIES TO BE OFFERED SO AS TO ENABLE AN INVESTOR TO DECIDE TO PURCHASE OR SUBSCRIBE THE SECURITIES, AS THE SAME MAY BE VARIED IN NORWAY BY ANY MEASURE IMPLEMENTING THE PROSPECTUS DIRECTIVE IN NORWAY AND THE EXPRESSION "DOCUMENT DIRECTIVE" MEANS DIRECTIVE 2003/71/EC (AS AMENDED) AND INCLUDES ANY RELEVANT IMPLEMENTING MEASURE IN NORWAY.

NOTICE TO RESIDENTS OF OMAN

FOR RESIDENTS OF THE SULTANATE OF OMAN

THE INFORMATION CONTAINED IN THIS DOCUMENT NEITHER CONSTITUTES A PUBLIC OFFER OF SECURITIES IN THE SULTANATE OF OMAN AS CONTEMPLATED BY THE COMMERCIAL COMPANIES LAW OF OMAN (ROYAL DECREE 4/74) OR THE CAPITAL MARKET LAW OF OMAN (ROYAL DECREE 80/98), NOR DOES IT CONSTITUTE AN OFFER TO SELL, OR THE SOLICITATION OF ANY OFFER TO BUY NON-OMANI SECURITIES IN

THE SULTANATE OF OMAN AS CONTEMPLATED BY ARTICLE 139 OF THE EXECUTIVE REGULATIONS TO THE CAPITAL MARKET LAW (ISSUED BY DECISION NO.1/2009). ADDITIONALLY, THIS DOCUMENT IS NOT INTENDED TO LEAD TO THE CONCLUSION OF ANY CONTRACT OF WHATSOEVER NATURE WITHIN THE TERRITORY OF THE SULTANATE OF OMAN.

NOTICE TO RESIDENTS OF PORTUGAL

SEE "ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA" BELOW.

NOTICE TO RESIDENTS OF QATAR

THE SECURITIES ARE ONLY BEING OFFERED TO A LIMITED NUMBER OF INVESTORS WHO ARE WILLING AND ABLE TO CONDUCT AN INDEPENDENT INVESTIGATION OF THE RISKS INVOLVED IN AN INVESTMENT IN SUCH SECURITIES. THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC AND IS FOR THE USE ONLY OF THE NAMED ADDRESSEE AND SHOULD NOT BE GIVEN OR SHOWN TO ANY OTHER PERSON (OTHER THAN EMPLOYEES, AGENTS OR CONSULTANTS IN CONNECTION WITH THE ADDRESSEE'S CONSIDERATION THEREOF). NO TRANSACTION WILL BE CONCLUDED IN YOUR JURISDICTION AND ANY INQUIRIES REGARDING THE SECURITIES SHOULD BE MADE TO THE INITIAL PURCHASER.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

THIS DOCUMENT MAY NOT BE DISTRIBUTED IN THE KINGDOM OF SAUDI ARABIA EXCEPT TO SUCH PERSONS AS ARE PERMITTED UNDER THE OFFERS OF SECURITIES REGULATIONS ISSUED BY THE SAUDI ARABIAN CAPITAL MARKET AUTHORITY. THE SAUDI ARABIAN CAPITAL MARKET AUTHORITY DOES NOT MAKE ANY REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF THIS DOCUMENT AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS ARISING FROM, OR INCURRED IN RELIANCE UPON, ANY PART OF THIS DOCUMENT. PROSPECTIVE PURCHASERS OF THE SECURITIES OFFERED HEREBY SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE ACCURACY OF THE INFORMATION RELATING TO THE SECURITIES. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISER.

NOTICE TO RESIDENTS OF SINGAPORE

OFFERS MADE UNDER THE INSTITUTIONAL INVESTOR EXEMPTION AND/OR THE 275 EXEMPTION

THIS DOCUMENT HAS NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE. ACCORDINGLY, THIS DOCUMENT AND ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF SECURITIES MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY SECURITIES BE OFFERED OR SOLD OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 274 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE (THE "SFA"), (II) TO A RELEVANT PERSON PURSUANT TO SECTION 275(1) OF THE SFA OR ANY PERSON PURSUANT TO SECTION 275(1A) OF THE SFA, AND IN EACH CASE IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275 OF THE SFA OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA.

WHERE SECURITIES ARE SUBSCRIBED OR PURCHASED UNDER SECTION 275 BY A RELEVANT PERSON WHICH IS:

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

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

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

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

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

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

(4) AS SPECIFIED IN SECTION 276(7) OF THE SFA.

NOTICE TO RESIDENTS OF SPAIN

NEITHER THE SECURITIES NOR THIS DOCUMENT HAVE BEEN APPROVED OR REGISTERED WITH THE SPANISH SECURITIES MARKETS COMMISSION (COMISION NACIONAL DEL MERCADO DE VALORES). ACCORDINGLY, THE SECURITIES MAY NOT BE OFFERED OR SOLD IN SPAIN EXCEPT IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING OF SECURITIES WITHIN THE MEANING OF ARTICLE 30-BIS OF THE SPANISH SECURITIES MARKET LAW OF 28 JULY 1988 (LEY 24/1988, DE 28 DE JULIO, DEL MERCADO DE VALORES), AS AMENDED AND RESTATED, AND SUPPLEMENTAL RULES ENACTED THEREUNDER.

NOTICE TO RESIDENTS OF SWEDEN

SEE "ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA" BELOW.

NOTICE TO RESIDENTS OF SWITZERLAND

THIS DOCUMENT IS BEING COMMUNICATED IN OR FROM SWITZERLAND TO A SMALL NUMBER OF SELECTED INVESTORS ONLY. EACH COPY OF THIS DOCUMENT IS ADDRESSED TO A SPECIFICALLY NAMED RECIPIENT AND MAY NOT BE PASSED ON TO THIRD PARTIES. THE SECURITIES ARE NOT BEING OFFERED TO THE PUBLIC IN OR FROM SWITZERLAND, AND NEITHER THIS DOCUMENT, NOR ANY OTHER OFFERING MATERIALS RELATING TO THE SECURITIES MAY BE DISTRIBUTED IN CONNECTION WITH ANY SUCH PUBLIC OFFERING.

NOTICE TO RESIDENTS OF TAIWAN

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

THE SECURITIES ARE BEING MADE AVAILABLE TO PROFESSIONALINVESTORS IN TAIWAN THROUGH BANK TRUST DEPARTMENTS, LICENSED SECURITIES BROKERS AND/OR INSURANCE COMPANY INVESTMENT LINKED INSURANCE POLICIES PURSUANT TO TAIWAN RULES GOVERNING OFFSHORE STRUCTURED PRODUCTS. NO OTHER OFFER OR SALE IN TAIWAN IS PERMITTED.

NOTICE TO RESIDENTS OF TURKEY

NO INFORMATION IN THIS DOCUMENT IS PROVIDED FOR THE PURPOSE OF OFFERING, MARKETING AND SALE BY ANY MEANS OF ANY CAPITAL MARKET INSTRUMENTS IN THE REPUBLIC OF TURKEY. THEREFORE, THIS DOCUMENT MAY NOT BE CONSIDERED AS AN OFFER MADE OR TO BE MADE TO RESIDENTS OF THE REPUBLIC OF TURKEY.

THE OFFERED SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE TURKISH CAPITAL MARKET BOARD (THE "CMB") UNDER THE PROVISIONS OF THE CAPITAL MARKET LAW (LAW NO. 2499) (THE "CAPITAL MARKET LAW"). ACCORDINGLY NEITHER THIS DOCUMENT NOR ANY OTHER OFFERING MATERIAL RELATED TO THE OFFERING MAY BE UTILIZED IN CONNECTION WITH ANY OFFERING TO THE PUBLIC WITHIN THE REPUBLIC OF TURKEY WITHOUT THE PRIOR APPROVAL OF THE CMB. HOWEVER, ACCORDING TO ARTICLE 15 (D) (II) OF THE DECREE NO.32 THERE IS NO RESTRICTION ON THE PURCHASE OR SALE OF THE OFFERED SECURITIES BY RESIDENTS OF THE REPUBLIC OF TURKEY, PROVIDED THAT: THEY PURCHASE OR SELL SUCH OFFERED SECURITIES IN THE FINANCIAL MARKETS OUTSIDE OF THE REPUBLIC OF TURKEY; AND SUCH SALE AND PURCHASE IS MADE THROUGH BANKS AND/OR LICENSED BROKERAGE INSTITUTIONS IN THE REPUBLIC OF TURKEY.

NOTICE TO RESIDENTS OF UNITED ARAB EMIRATES

THIS DOCUMENT, AND THE INFORMATION CONTAINED HEREIN, DOES NOT CONSTITUTE, AND IS NOT INTENDED TO CONSTITUTE, A PUBLIC OFFER OF SECURITIES IN THE UNITED ARAB EMIRATES AND ACCORDINGLY SHOULD NOT BE CONSTRUED AS SUCH. THE SECURITIES ARE ONLY BEING OFFERED TO A LIMITED NUMBER OF SOPHISTICATED INVESTORS IN THE UAE (A) WHO ARE WILLING AND ABLE TO CONDUCT AN INDEPENDENT INVESTIGATION OF THE RISKS INVOLVED IN AN INVESTMENT IN SUCH SECURITIES AND (B) UPON THEIR SPECIFIC REQUEST. THE SECURITIES HAVE NOT BEEN APPROVED BY OR LICENSED OR REGISTERED WITH THE UAE CENTRAL BANK, THE SECURITIES AND COMMODITIES AUTHORITY OR ANY OTHER RELEVANT LICENSING AUTHORITIES OR GOVERNMENTAL AGENCIES IN THE UAE. THIS DOCUMENT IS FOR THE USE OF THE NAMED ADDRESSEE ONLY AND SHOULD NOT BE GIVEN OR SHOWN TO ANY OTHER PERSON (OTHER THAN EMPLOYEES, AGENTS OR CONSULTANTS IN CONNECTION WITH THE ADDRESSEE'S CONSIDERATION THEREOF). NO TRANSACTION WILL BE CONCLUDED IN THE UAE AND ANY ENQUIRIES REGARDING THE SECURITIES SHOULD BE MADE TO THE INITIAL PURCHASER.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

THIS DOCUMENT IS BEING ISSUED INSIDE AND OUTSIDE THE UNITED KINGDOM BY CREDIT SUISSE SECURITIES (EUROPE) LIMITED (WHICH IS AUTHORISED AND REGULATED BY THE FINANCIAL SERVICES AUTHORITY ("FSA")) ONLY TO, AND/OR IS DIRECTED ONLY AT, PERSONS WHO ARE PROFESSIONAL CLIENTS OR ELIGIBLE COUNTERPARTIES FOR THE PURPOSES OF THE FSA'S CONDUCT OF BUSINESS SOURCEBOOK.

CREDIT SUISSE SECURITIES (EUROPE) LIMITED REPRESENTS 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 FSMA) RECEIVED BY IT IN CONNECTION WITH THE ISSUE OR SALE OF THE SECURITIES IN CIRCUMSTANCES IN WHICH SECTION 21(1) OF THE FSMA DOES NOT APPLY TO THE CO-ISSUERS; 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 SECURITIES IN, FROM OR OTHERWISE INVOLVING THE UNITED KINGDOM.

ADDITIONAL NOTICE TO RESIDENTS OF EUROPEAN ECONOMIC AREA

INFORMATION FOR INVESTORS OF THE EUROPEAN ECONOMIC AREA: IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA WHICH HAS IMPLEMENTED THE PROSPECTUS DIRECTIVE (EACH, A "RELEVANT MEMBER STATE"), EACH PURCHASER OF THE SECURITIES ACKNOWLEDGES THAT WITH EFFECT FROM AND INCLUDING THE DATE ON WHICH THE PROSPECTUS DIRECTIVE IS IMPLEMENTED IN THAT RELEVANT MEMBER STATE (THE "RELEVANT IMPLEMENTATION DATE") NO OFFER OF SECURITIES MAY BE MADE TO THE PUBLIC IN THAT RELEVANT MEMBER STATE EXCEPT THAT, WITH EFFECT FROM AND INCLUDING THE RELEVANT IMPLEMENTATION DATE, AN OFFER OF SECURITIES MAY BE MADE TO THE PUBLIC IN THAT RELEVANT MEMBER STATE:

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

(II) TO FEWER THAN 100 OR, IF THE RELEVANT MEMBER STATE HAS IMPLEMENTED THE RELEVANT PROVISION OF THE 2010 PD AMENDING DIRECTIVE, 150, NATURAL OR LEGAL PERSONS (OTHER THAN QUALIFIED INVESTORS AS DEFINED IN THE PROSPECTUS DIRECTIVE), AS PERMITTED UNDER THE PROSPECTUS DIRECTIVE, SUBJECT TO OBTAINING THE PRIOR CONSENT OF THE RELEVANT DEALER OR DEALERS NOMINATED BY THE ISSUER FOR ANY SUCH OFFER; OR

(III) IN ANY OTHER CIRCUMSTANCES FALLING WITHIN ARTICLE 3(2) OF THE PROSPECTUS DIRECTIVE,

PROVIDED THAT NO SUCH OFFER OF SECURITIES 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 THE PROVISION ABOVE, THE EXPRESSION AN "OFFER OF SECURITIES TO THE PUBLIC" IN RELATION TO ANY SECURITIES IN ANY RELEVANT MEMBER STATE MEANS THE COMMUNICATION IN ANY FORM AND BY ANY MEANS OF SUFFICIENT INFORMATION ON THE TERMS OF THE OFFER AND THE SECURITIES TO BE OFFERED SO AS TO ENABLE AN INVESTOR TO DECIDE TO PURCHASE OR SUBSCRIBE THE SECURITIES, AS THE SAME MAY BE VARIED IN THAT MEMBER STATE BY ANY MEASURE IMPLEMENTING THE PROSPECTUS DIRECTIVE IN THAT MEMBER STATE AND THE EXPRESSION PROSPECTUS DIRECTIVE MEANS DIRECTIVE 2003/71/EC (AND AMENDMENTS THERETO, INCLUDING THE 2010 PD AMENDING DIRECTIVE, TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATE), AND INCLUDES ANY RELEVANT IMPLEMENTING MEASURE IN THE RELEVANT MEMBER STATE AND THE EXPRESSION 2010 PD AMENDING DIRECTIVE MEANS DIRECTIVE 2010/73/EU.

STABILISATION

IN CONNECTION WITH THE ISSUE OF THE SECURITIES, THE INITIAL PURCHASER (OR PERSONS ACTING ON BEHALF OF THE INITIAL PURCHASER) MAY OVER-ALLOT SECURITIES PROVIDED THAT THE AGGREGATE PRINCIPAL AMOUNT OF SECURITIES ALLOTTED DOES NOT EXCEED 105 PER CENT OF THE AGGREGATE PRINCIPAL AMOUNT OF THE SECURITIES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE SECURITIES AT A LEVEL HIGHER THAN THAT MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE INITIAL PURCHASER (OR PERSONS ACTING ON BEHALF OF THE INITIAL PURCHASER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE FINAL TERMS OF THE OFFER OF THE SECURITIES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN 30 DAYS AFTER THE CLOSING DATE.

SUMMARY OF TERMS

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

Principal Terms of the Securities

Designation	Class A-1 Notes	Class A-2 Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Subordinated Notes
Type	Floating Rate	Floating Rate	Deferrable Floating Rate	Deferrable Floating Rate	Deferrable Floating Rate	Deferrable Floating Rate	Subordinated Notes
Issuer(s)	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Issuer	Issuer	Issuer
Initial Principal Amount / Face Amount (U.S.$)	$320,000,000	$45,600,000	$47,200,000	$25,600,000	$22,800,000	$14,000,000	$43,000,000
Expected Moody's Initial Rating	"Aaa (sf)"	N/A	N/A	N/A	N/A	N/A	N/A
Expected S&P Initial Rating	"AAA (sf)"	"AA (sf)"	"A (sf)"	"BBB (sf)"	"BB (sf)"	"B (sf)"	N/A
Interest Rate*,**	LIBOR + 1.45%	LIBOR + 1.80%	LIBOR + 2.70%	LIBOR + 3.25%	LIBOR + 4.50%	LIBOR + 5.50%	N/A
Stated Maturity	January 18, 2026	January 18, 2026	January 18, 2026	January 18, 2026	January 18, 2026	January 18, 2026	January 18, 2026
Minimum Denominations (U.S.$) (Integral Multiples)	$250,000 ($1.00)	$250,000 ($1.00)	$250,000 ($1.00)	$250,000 ($1.00)	$250,000 ($1.00)	$250,000 ($1.00)	***
Priority Class	None	A-1	A	A, B	A, B, C	A, B, C, D	A, B, C, D, E
Junior Class	A-2, B, C, D, E Subordinated Notes	B, C, D, E, Subordinated Notes	C, D, E, Subordinated Notes	D, E, Subordinated Notes	E, Subordinated Notes	Subordinated Notes	None
Deferred Interest Notes	No	No	Yes	Yes	Yes	Yes	N/A
Form	Book-Entry (Physical for IAIs)	Book-Entry (Physical for IAIs)	Book-Entry (Physical for IAIs)	Book-Entry (Physical for IAIs)	Book-Entry (Physical for IAIs, Benefit Plan Investors and Controlling Persons)	Book-Entry (Physical for IAIs, Benefit Plan Investors and Controlling Persons)	Book-Entry (Physical for Accredited Investors, Benefit Plan Investors, Controlling Persons)

* LIBOR will be determined as described in "Description of the Securities—Interest." LIBOR for the first Interest Accrual Period will be set on two different Interest Determination Dates and, therefore, two different rates may apply during that period.
** The spread over LIBOR applicable with respect to any Class of Secured Notes other than the Class A-1 Notes may be reduced in connection with a Re-Pricing of such Class of Notes, subject to the conditions set forth under "Description of the Securities—Re-Pricing of the Notes."
*** $100,000 and integral multiples of $1.00 in respect of sales and transfers under Regulation S, and $250,000 and integral multiples of $1.00 in respect of all other sales or transfers.

The Class D Notes, the Class E Notes and the Subordinated Notes are referred to as the "**Issuer Only Securities**." The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes are referred to herein collectively as the "**Secured Notes.**" The Secured Notes and the Subordinated Notes are referred to herein collectively as the "**Notes.**" The Class A Notes, the Class B Notes and the Class C Notes are referred to as the "**Co-Issued Securities**." The Co-Issued Securities and the Issuer Only Securities are referred to herein collectively as the "**Securities**."

Issuer: ..... ING IM CLO 2013-3, Ltd., an exempted company incorporated with limited liability in the Cayman Islands (the "Issuer").

Co-Issuer: ..... ING IM CLO 2013-3, LLC, a Delaware limited liability company (the "**Co-Issuer**" and, together with the Issuer, the "**Co-Issuers**").

Investment Manager:	ING Alternative Asset Management LLC, a Delaware limited liability company ("**ING**" and, in such capacity, the "**Investment Manager**").
Trustee:	State Street Bank and Trust Company (the "**Trustee**").
Collateral Administrator:	State Street Bank and Trust Company (the "**Collateral Administrator**").
Initial Purchaser:	Credit Suisse Securities (USA) LLC (the "**Initial Purchaser**" or "**Credit Suisse**").
Eligible Purchasers:	The Securities are being offered hereby (i) to non-U.S. persons in offshore transactions in reliance on Regulation S ("**Regulation S**") under the Securities Act of 1933, as amended (the "**Securities Act**") and (ii) to, or for the account or benefit of, persons that are (A) qualified institutional buyers ("**Qualified Institutional Buyers**") within the meaning of Rule 144A under the Securities Act ("**Rule 144A**") and "qualified purchasers" (as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the "**Investment Company Act**")) ("**Qualified Purchasers**"), (B) in the case of Secured Notes, Qualified Purchasers that are also institutional accredited investors (each an "**IAI**" or an "**Institutional Accredited Investor**") meeting the requirements of Rule 501(a)(1), (2), (3) or (7) under the Securities Act or (C) in the case of Subordinated Notes, accredited investors meeting the requirements of Rule 501(a) under the Securities Act ("**Accredited Investor**"), that are also (1) Qualified Purchasers, or (2) "knowledgeable employees" (as defined in Rule 3c-5 under the Investment Company Act) ("**Knowledgeable Employees**"). See "Description of the Securities—Form, Denomination and Registration of the Securities" and "Transfer Restrictions."
Payments on the Securities:	
Payment Dates.....	The 18th day of January, April, July and October of each year (or, if such day is not a Business Day, then the next succeeding Business Day), each Redemption Date and each Post-Acceleration Payment Date (each, a "**Payment Date**"), commencing on the Payment Date in July 2014; *provided*, that, following the redemption or repayment in full of the Secured Notes, holders of Subordinated Notes may receive payments on any dates designated by the Investment Manager (which dates may or may not be the dates stated above) with (i) at least five Business Days' prior written notice to the Trustee and the Collateral Administrator (which notice the Trustee will promptly forward to the holders of the Subordinated Notes) and (ii) the prior written consent of a Majority of the Subordinated Notes, and such dates will thereafter constitute Payment Dates.
Secured Note interest	Interest on the Secured Notes is payable at the applicable Interest Rate quarterly in arrears on each Payment Date in accordance with the Priority of Payments.
Deferral of interest.....	So long as any more senior Class of Secured Notes is Outstanding, to the extent interest is not paid on the Class B Notes, the Class C Notes, the Class D Notes or the Class E Notes (the "**Deferred Interest Notes**") on any Payment Date, such amounts will be deferred. The amount deferred will be added to the principal amount of the related Class and will bear interest at the Interest Rate for such Class until paid. The failure to pay such Deferred Interest on a Payment Date will not be an Event of Default under the indenture governing the Securities, dated on or about the Closing Date (the "**Indenture**"), among the Issuer, the Co-Issuer and the Trustee. See "Description of the Securities—Interest."
Distributions on Subordinated Notes	The Subordinated Notes will not bear a stated rate of interest but will be entitled to receive distributions on each Payment Date if and to the extent

	funds are available for such purpose. Such payments will be made on the Subordinated Notes only pursuant to the Priority of Payments. See "—Priority of Payments" and "Description of the Securities—The Subordinated Notes—Distributions on the Subordinated Notes."
Redemption:	
Non-Call Period	During the period from the Closing Date to but excluding the Payment Date in January 2016 (such period, the "**Non-Call Period**"), the Securities are not subject to Optional Redemption or Partial Redemption.
Redemption of Secured Notes after Non-Call Period	The Notes (in whole) may be optionally redeemed by the Co-Issuers at the applicable Redemption Prices on any Business Day (which will be the related Redemption Date) after the Non-Call Period (an "**Optional Redemption**") as described below or, prior thereto, on any Business Day upon the occurrence of a Tax Event. A Majority of the Subordinated Notes may direct that an Optional Redemption of all Outstanding Secured Notes occur by directing the Investment Manager either to (i) liquidate a sufficient amount of the Assets (a "**Redemption by Liquidation**") to fully redeem all Outstanding Classes of Secured Notes, or (ii) negotiate and obtain a Refinancing on behalf of the Issuer. Upon receipt of a notice of Redemption by Liquidation, the Investment Manager will direct the sale of Assets in order to make payments as described under "Description of the Securities—Optional Redemption and Refinancing; Tax Redemption."
Partial Redemption	One or more (but not all) Outstanding Classes of Secured Notes may be refinanced after the Non-Call Period at the direction of a Majority of the Subordinated Notes as described under "Description of the Securities—Optional Redemption and Refinancing; Tax Redemption."
Tax Redemption	On any Business Day following a Tax Event, a Majority of the Subordinated Notes will also have the right to require the Issuer to redeem the Securities, in whole but not in part, in the manner described under "Description of the Securities—Optional Redemption and Refinancing; Tax Redemption" (a "**Tax Redemption**"). A Tax Redemption may only be effected by a Redemption by Liquidation.
Redemption of Subordinated Notes	The Subordinated Notes will be redeemed by the Issuer, in whole but not in part at their Redemption Price, on any Business Day on or after the date on which all of the Secured Notes have been redeemed or repaid in full, at the written direction of a Majority of the Subordinated Notes, which direction may be given in connection with a direction to conduct an Optional Redemption of the Secured Notes.
Clean-Up Call Redemption:	The Secured Notes will be redeemed by the Co-Issuers (a "**Clean-Up Call Redemption**"), in whole but not in part, at the applicable Redemption Prices on the Payment Date immediately following the date on which a Monthly Report is distributed reporting a Collateral Principal Amount that is less than 20.0% of the Aggregate Ramp-Up Par Amount, unless the Investment Manager or a Majority of the Subordinated Notes objects or other conditions are not satisfied. See "Description of the Securities—Clean-Up Call Redemption."
Special Redemption:	Subject to the satisfaction of conditions described herein, the Secured Notes will be subject to redemption in part during the Reinvestment Period at the

	direction of the Investment Manager if the Investment Manager in its sole discretion notifies the Trustee that it is unable to identify additional Collateral Obligations for reinvestment for a period of at least 20 Business Days. See "Description of the Securities—Special Redemption."
Rating Confirmation Redemption:	The Secured Notes will be subject to redemption in part by the Co-Issuers on any Payment Date after the Effective Date if the Investment Manager notifies the Trustee that a redemption is required (a "**Rating Confirmation Redemption**") in order to obtain from each Rating Agency written confirmation of its initial rating of each Class of the Secured Notes that it rated or, to the extent the Moody's Effective Date Rating Condition has been satisfied, such written confirmation from S&P ("**Effective Date Ratings Confirmation**"). See "Description of the Securities—Rating Confirmation Redemption."
Re-Pricing of the Notes	On any Business Day after the Non-Call Period, at a direction of a Majority of the Subordinated Notes, the Issuer will reduce the spread over LIBOR applicable with respect to any Class of Secured Notes other than the Class A-1 Notes. The holders of the proposed Re-Priced Class will be provided notice of the Re-Pricing and the opportunity to consent thereto. The Notes of a proposed Re-Priced Class held by holders that do not consent to such Re-Pricing will be required to be sold by such holders at the applicable Redemption Price to transferees designated by, or on behalf of, the Issuer. There are certain other restrictions on the ability of the Issuer to effect a Re-Pricing. "Description of the Securities—Re-Pricing of the Notes."
Surrender or Cancellation of Securities:	All Securities that are redeemed or paid in full and surrendered for cancellation as described herein will forthwith be canceled and may not be reissued or resold. No Security may be surrendered (including any surrender in connection with any abandonment) except for payment as provided in the Indenture, or for registration of transfer, exchange or redemption as provided in the Indenture, or for replacement in connection with any Security deemed lost or stolen as provided in the Indenture.
Priority of Payments:	On each Payment Date, the Trustee will disburse amounts in the Payment Account in accordance with the priorities described below, the Priority of Interest Proceeds, the Priority of Principal Proceeds, the Special Priority of Proceeds and the Priority of Partial Redemption Proceeds (together, the "**Priority of Payments**").
Application of Interest Proceeds	On each Payment Date (other than a Post-Acceleration Payment Date, a Redemption Date or the Stated Maturity), Interest Proceeds with respect to the related Collection Period will be applied in the following order of priority (the "**Priority of Interest Proceeds**"): (A) (1) *first*, to the payment of taxes, governmental fees and registered office fees owing by the Issuer or the Co-Issuer, if any, and (2) *second*, to the payment of the accrued and unpaid Administrative Expenses (in the order set forth in the definition of such term); *provided*, that amounts paid or deposited pursuant to clause (2) and any Administrative Expenses paid from the Expense Reserve Account or from the Collection Account pursuant to the Indenture on or between Payment Dates, collectively, may not exceed, in the aggregate, the Administrative Expense Cap; (B) to pay to the Investment Manager (i) the accrued and unpaid Senior Investment Management Fee, *plus* (ii) an amount in respect of unpaid Deferred Senior Fees equal to the lesser of (1) the amount of unpaid Deferred Senior

Fees elected by the Investment Manager to be paid on such Payment Date and (2) the excess of (x) the amount of Interest Proceeds available for distribution pursuant to this clause (B) on such Payment Date less (y) the amounts payable pursuant to clause B(i) and clause (C) below *plus* the current interest payments on each Class of Secured Notes;

(C) to the payment on a *pro rata* basis of the following amounts based on the respective amounts due on such Payment Date: (1) any amounts due to a Hedge Counterparty under a Hedge Agreement other than amounts due as a result of the termination (or partial termination) of such Hedge Agreement; and (2) any amounts due to a Hedge Counterparty under a Hedge Agreement pursuant to an early termination (or partial termination) of such Hedge Agreement as a result of a Priority Hedge Termination Event;

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

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

(F) if either of the Class A Coverage Tests is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause both Class A Coverage Tests to be met as of the related Determination Date on a *pro forma* basis after giving effect to any payments made through this clause (F);

(G) to the payment of accrued and unpaid interest (other than any Deferred Interest) on the Class B Notes;

(H) if either of the Class B Coverage Tests is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause both Class B Coverage Tests to be met as of the related Determination Date on a *pro forma* basis after giving effect to any payments made through this clause (H);

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

(J) to the payment of accrued and unpaid interest (other than any Deferred Interest) on the Class C Notes;

(K) if either of the Class C Coverage Tests is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause both Class C Coverage Tests to be met as of the related Determination Date on a *pro forma* basis after giving effect to any payments made through this clause (K);

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

(M) to the payment of accrued and unpaid interest (other than any Deferred Interest) on the Class D Notes;

(N) if either of the Class D Coverage Tests is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause both Class D Coverage Tests to be met as of the related Determination Date on a *pro forma* basis after giving effect to any payments made through this clause (N);

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

(P) to the payment of accrued and unpaid interest (other than any Deferred Interest) on the Class E Notes;

(Q) if the Class E Coverage Test is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause the Class E Coverage Test to be met as of the related Determination Date on a *pro forma* basis after giving effect to any payments made through this clause (Q);

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

(S) if Effective Date Ratings Confirmation has not been obtained, to the payment of the Rating Confirmation Redemption Amount (without duplication of any payments received by any Class of Secured Notes under clauses (D) through (R) above or under clause (A) of the Priority of Principal Proceeds, in accordance with the Note Payment Sequence;

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

(U) to the payment of (1) *first*, any Administrative Expenses not paid pursuant to clause (A)(2) above due to the limitations contained therein (in the priority stated in clause (A)(2) above), (2) *second*, *pro rata* based on amounts due, any amounts due to any Hedge Counterparty under any Hedge Agreement not otherwise paid pursuant to clause (C) above;

(V) to the payment of any accrued and unpaid Subordinated Investment Management Fee to the Investment Manager, except to the extent that the Investment Manager elects to treat such current Subordinated Investment Management Fee as Deferred Subordinated Fees, *plus* any unpaid Deferred Subordinated Fee that has been deferred with respect to prior Payment Dates which the Investment Manager elects to have paid on such Payment Date;

(W) to the Holders of the Subordinated Notes in an amount necessary to achieve the Target Return;

(X) to the Investment Manager to pay the Investment Manager Incentive Fee Amount in an amount equal to 20% of all Interest Proceeds remaining after application pursuant to clauses (A) through (W) above on such Payment Date; and

(Y) any remaining Interest Proceeds will be paid to the Holders of the Subordinated Notes.

Application of Principal Proceeds	On each Payment Date (other than a Post-Acceleration Payment Date, a Redemption Date or the Stated Maturity), Principal Proceeds (other than Principal Proceeds which have previously been reinvested in Collateral Obligations or which the Investment Manager has committed to invest or intends to invest in Collateral Obligations during the next Collection Period) on deposit in the Collection Account that are received on or before the related Determination Date and are transferred to the Payment Account will be applied in the following order of priority (the "**Priority of Principal Proceeds**"): (A) in accordance with clauses (A) through (R) of the Priority of Interest Proceeds, in each case (a) solely to the extent not paid in full thereunder, and (b) subject to any applicable cap set forth therein, *provided*, that (1) payments under clauses (G) and (I) will be made only to the extent that the Class B Notes are the Controlling Class, (2) payments under clauses (J) and (L) will be made only to the extent that the Class C Notes are the Controlling Class, (3) payments under clauses (M) and (O) will be made only to the extent that the Class D Notes are the Controlling Class and (4) payments under clauses (P) and (R) will be made only to the extent that the Class E Notes are the Controlling Class; (B) If such Payment Date is a Special Redemption Date, the Special Redemption Amount in accordance with the Note Payment Sequence; (C) (1) during the Reinvestment Period, to the Collection Account as Principal Proceeds to invest in Eligible Investments and/or to the purchase of additional Collateral Obligations or (2) after the Reinvestment Period, at the sole discretion of the Investment Manager, so long as no Event of Default has occurred and is continuing, Principal Proceeds received with respect to Credit Risk Obligations and Unscheduled Principal Payments to the Collection Account as Principal Proceeds to invest in Eligible Investments and/or to the purchase of additional Collateral Obligations; (D) after the Reinvestment Period, to make payments in accordance with the Note Payment Sequence after taking into account payments made pursuant to the Priority of Interest Proceeds and clauses (A) and (B) above; (E) after the Reinvestment Period, to the payment of the Administrative Expenses, in the order of priority set forth in clause (A) of the Priority of Interest Proceeds (without regard to the Administrative Expense Cap), but only to the extent not previously paid in full under clauses (A) and (U) thereof and under clause (A) above; (F) after the Reinvestment Period, to the payment on a *pro rata* basis based on amounts due, of any amounts due to any Hedge Counterparty under any Hedge Agreement not previously paid in full under clauses (C) and (U) of the Priority of Interest Proceeds and under clause (A) above; (G) after the Reinvestment Period, to the payment of the Deferred Senior Fee, in the order of priority set forth in clause (B) of the Priority of Interest Proceeds, but only to the extent not previously paid in full under such clause (B) and under clause (A) above; (H) after the Reinvestment Period, to the payment of the accrued and unpaid Subordinated Investment Management Fee to the Investment Manager (less any portion thereof waived or deferred at the election of the Investment Manager pursuant to the Investment Management Agreement) *plus* any unpaid Deferred Subordinated Fee that has been deferred with respect to prior Payment Dates which the Investment Manager elects to have paid on such

	Payment Date to the extent not previously paid in full under clause (V) of the Priority of Interest Proceeds; (I) after giving effect to clause (W) of the Priority of Interest Proceeds, to the holders of the Subordinated Notes in an amount necessary to achieve the Target Return; (J) to the Investment Manager to pay the Investment Manager Incentive Fee Amount in an amount equal to 20% of all Principal Proceeds remaining after application pursuant to clauses (A) through (I) above on such Payment Date; and (K) any remaining Principal Proceeds will be paid to the Holders of the Subordinated Notes.
Application of Interest Proceeds and Principal Proceeds on Post-Acceleration Payment Date, Redemption Date or the Stated Maturity	On each Post-Acceleration Payment Date, Redemption Date (other than a Partial Redemption Date or a Re-Pricing Redemption Date) or on the Stated Maturity, all Interest Proceeds and all Principal Proceeds (except for any Principal Proceeds that will be used to settle binding commitments entered into prior to the Determination Date for the purchase of Collateral Obligations in accordance with the terms of the Indenture) will be applied in the following order of priority (the "**Special Priority of Proceeds**"): (A) to pay all amounts under clauses (A) through (C)(1) of the Priority of Interest Proceeds in the priority and subject to the limitations stated therein; (B) to the payment of any amounts due to a Hedge Counterparty under any Hedge Agreement pursuant to an early termination (or partial termination) of such Hedge Agreement as a result of a Priority Hedge Termination Event; (C) to the payment of accrued and unpaid interest on the Class A-1 Notes (including any defaulted interest), until such amounts have been paid in full; (D) to the payment of principal on the Class A-1 Notes until such amount has been paid in full; (E) to the payment of accrued and unpaid interest on the Class A-2 Notes (including any defaulted interest), until such amounts have been paid in full; (F) to the payment of principal on the Class A-2 Notes until such amount has been paid in full; (G) to the payment of, first, accrued and unpaid interest and then any Deferred Interest on the Class B Notes until such amounts have been paid in full; (H) to the payment of principal of the Class B Notes until such amount has been paid in full; (I) to the payment of, first, accrued and unpaid interest and then any Deferred Interest on the Class C Notes until such amounts have been paid in full; (J) to the payment of principal of the Class C Notes until such amount has been paid in full;

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

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

(M) to the payment of, first, accrued and unpaid interest and then any Deferred Interest on the Class E Notes until such amounts have been paid in full;

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

(O) to the payment of (1) *first*, any Administrative Expenses not paid pursuant to clause (A) above due to the Administrative Expense Cap (in the priority stated therein), (2) *second*, any Deferred Senior Fees not otherwise paid pursuant to clause (A) above, and (3) *third*, *pro rata* based on amounts due, any amounts due to any Hedge Counterparty under any Hedge Agreement pursuant to an early termination (or partial termination) of such Hedge Agreement not otherwise paid pursuant to clause (B) above;

(P) to the payment of the accrued and unpaid Subordinated Investment Management Fee to the Investment Manager (less any portion thereof waived or deferred at the election of the Investment Manager pursuant to the Investment Management Agreement) *plus* any unpaid Deferred Subordinated Fee that has been deferred with respect to prior Payment Dates which the Investment Manager elects to have paid on such Payment Date;

(Q) to the Holders of the Subordinated Notes in an amount necessary to achieve the Target Return;

(R) to the Investment Manager to pay the Investment Manager Incentive Fee Amount in an amount equal to 20% of all Interest Proceeds and Principal Proceeds remaining after application pursuant to clauses (A) through (Q) above on such Payment Date; and

(S) any remaining Interest Proceeds and Principal Proceeds to the Holders of the Subordinated Notes.

The proceeds from any liquidation of Assets after an acceleration may be distributed on any Business Day.

Application of Refinancing Proceeds and Interest Proceeds on a Partial Redemption Date ..... On any Partial Redemption Date or Re-Pricing Redemption Date, Refinancing Proceeds, the proceeds of Re-Pricing Replacement Notes and Partial Redemption Interest Proceeds will be distributed in the following order of priority (the "**Priority of Partial Redemption Proceeds**"):

(A) to pay the Redemption Price, in accordance with the Note Payment Sequence, of each Class of Secured Notes being refinanced, without duplication of any payments received by any such Class pursuant to the Priority of Interest Proceeds or the Special Priority of Proceeds; and

(B) any remaining proceeds from the Refinancing will be deposited in the Collection Account as Principal Proceeds.

Note Payment Sequence	The "**Note Payment Sequence**" will be the application, in accordance with the Priority of Payments, of Interest Proceeds or Principal Proceeds, as applicable, in the following order: (i) to the payment of principal of the Class A-1 Notes until such amount has been paid in full; (ii) to the payment of principal of the Class A-2 Notes until such amount has been paid in full; (iii) to the payment of accrued and unpaid interest (including any defaulted interest) and any Deferred Interest on the Class B Notes until such amounts have been paid in full; (iv) to the payment of principal of the Class B Notes until such amount has been paid in full; (v) to the payment of accrued and unpaid interest (including any defaulted interest) and any Deferred Interest on the Class C Notes until such amounts have been paid in full; (vi) to the payment of principal of the Class C Notes until such amount has been paid in full; (vii) to the payment of accrued and unpaid interest (including any defaulted interest) and any Deferred Interest on the Class D Notes until such amounts have been paid in full; (viii) to the payment of principal of the Class D Notes until such amount has been paid in full; (ix) to the payment of accrued and unpaid interest (including any defaulted interest) and any Deferred Interest on the Class E Notes until such amounts have been paid in full; and (x) to the payment of principal of the Class E Notes until such amount has been paid in full.
Management Fees:.....	On each Payment Date, including any Redemption Date (other than a Partial Redemption Date or a Re-Pricing Redemption Date), the Investment Manager is entitled to receive "**Management Fees**" that are payable in accordance with the Priority of Payments and consist of: (i) a "**Senior Investment Management Fee**" in an amount equal to 0.15% *per annum* (calculated on the basis of a 360 day year and the actual number of days elapsed during the related Interest Accrual Period) of the Fee Basis Amount measured as of the first day of the Collection Period relating to such Payment Date; (ii) a "**Subordinated Investment Management Fee**" in an amount equal to 0.35% *per annum* (calculated on the basis of a 360 day year and the actual number of days elapsed during the related Interest Accrual Period) of the Fee Basis Amount measured as of the first day of the Collection Period relating to such Payment Date; and (iii) an "**Investment Manager Incentive Fee Amount**" in an amount equal to 20% of any remaining Interest Proceeds and Principal Proceeds, as applicable, on such Payment Date; *provided*, that the Target Return has been achieved.

	Management Fees will be calculated, and subject to the limitations of the Investment Management Agreement and payable under the Priority of Payments.
Security for the Secured Notes:	
General.....	The Secured Notes will be secured by the Assets, which include the various accounts pledged under the Indenture. In purchasing and selling Collateral Obligations, the Issuer will generally be required to meet the Collateral Quality Test, the Coverage Tests, the Concentration Limitations and various other criteria described under "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria." Substantially all of the Collateral Obligations will be rated below investment grade and accordingly will have greater credit and liquidity risk than investment grade corporate obligations. See "Risk Factors—Relating to Collateral Obligations—Below investment-grade Assets involve particular risks." The initial portfolio of Collateral Obligations will be purchased through the application of the net proceeds of the sale of the Securities. See "Security for the Secured Notes—Collateral Obligations." During the Ramp-Up Period, pending investment in such Collateral Obligations, a portion of such net proceeds will be invested in Eligible Investments.
Collateral Obligations.....	The composition of the Collateral Obligations will change over time as a result of (i) the acquisition of additional Collateral Obligations during the Ramp-Up Period, (ii) scheduled and unscheduled principal payments on the Collateral Obligations and (iii) sales of Assets and reinvestment of Sale Proceeds and other Principal Proceeds, subject to the limitations described under "—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria." A "**Collateral Obligation**" will be any debt obligation that as of the date of the Issuer's commitment to acquire it: (i) is a Secured Loan Obligation, a Senior Secured Note, a Second Lien Loan, a High-Yield Bond or a DIP Collateral Obligation; (ii) is U.S. Dollar denominated and is not convertible by (a) the Issuer or (b) the Obligor of such Collateral Obligation into any other currency, with any payments under such Collateral Obligation to be made only in U.S. Dollars; (iii) is not a Defaulted Obligation or a Credit Risk Obligation; (iv) is not a Synthetic Security; (v) is not a lease other than a Finance Lease; (vi) is not a Structured Finance Obligation; (vii) is not a Deferrable Security; (viii) provides for a fixed amount of principal payable on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortization or prepayment at a price of less than par; (ix) does not pay scheduled interest less frequently than semi-annually; (x) does not constitute Margin Stock; (xi) gives rise only to payments that do not and will not subject the Issuer or the relevant Tax Subsidiary to withholding tax or other similar tax, other

than any taxes imposed pursuant to FATCA and withholding or other similar taxes on commitment fees or similar fees or fees that by their nature are commitment fees or similar fees, unless the related obligor is required to make "gross-up" payments that ensure that the net amount actually received by the Issuer or the relevant Tax Subsidiary (after payment of all taxes, whether imposed on such obligor or the Issuer or the relevant Tax Subsidiary) will equal the full amount that the Issuer would have received had no such taxes been imposed;

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

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

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

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

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

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

(xviii) is issued by a Non-Emerging Market Obligor that is not Domiciled in a Group IV Country or Spain and if Domiciled in Ireland, the country from which a substantial portion of its operations is located or from which a substantial portion of its revenue is derived (directly or through subsidiaries) is not Ireland;

(xix) is not a Zero-Coupon Security, a Step-Up Obligation or a Step-Down Obligation;

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

(xxi) either (A) is treated as indebtedness for U.S. federal income tax purposes and is not a United States real property interest for U.S. federal income tax purposes, (B) is not treated as indebtedness for U.S. federal income tax purposes and is issued by an entity that is treated for U.S. federal income tax purposes as (x) a corporation that is a Tax Subsidiary or the equity interests in which are not "United States real property interests" for U.S. federal income tax purposes, it being understood that stock will not be treated as a United States real property interest if the class of such stock is regularly traded on an established securities market and the Issuer holds no more than 5% of such class at any time, all within the meaning of Section 897(c)(3) of the Code, (y) a partnership or disregarded entity for U.S. federal income tax purposes that is not engaged in a trade or business within the United States for U.S. federal income tax purposes and does not own any "United States real property interests" within the meaning of Section 897(c)(1) of the Code, or (z) a grantor trust all of the assets of which are treated as debt instruments that are in registered form for U.S. federal income tax purposes, or (C) based upon Tax Advice, the acquisition, ownership or disposition of such security will not cause the Issuer to be treated as engaged in a trade or business within the

	United States for U.S. federal income tax purposes or otherwise subject to U.S. federal income tax on a net income tax basis; (xxii) is not issued pursuant to Underlying Instruments governing the issuance of indebtedness having an aggregate issuance amount (whether drawn or undrawn) of less than $125,000,000; and (xxiii) is not (A) an Equity Security, or (B) by its terms convertible into or exchangeable for an Equity Security.
Hedge Agreements:	The Issuer does not expect to enter into any Hedge Agreements on the Closing Date. However, subject to certain restrictions, the Issuer is permitted to enter into one or more interest rate Hedge Agreements after the Closing Date, with any one or more qualified Hedge Counterparties. See "Security for the Secured Notes—Hedge Agreements."
Investment Management:	Management of the Assets will be conducted by the Investment Manager pursuant to an investment management agreement to be entered into between the Issuer and the Investment Manager (the "**Investment Management Agreement**"). Under the Investment Management Agreement, and subject to the limitations of the Indenture, the Investment Manager will manage the selection, acquisition, reinvestment and disposition of the Assets, including exercising rights and remedies associated with the Assets, disposing of the Assets and certain related functions.
Use of Proceeds:.....	The net cash proceeds of the offering of the Securities will be applied by the Issuer to purchase Collateral Obligations on and after the Closing Date, all of which will be pledged under the Indenture by the Issuer to the Trustee. See "Use of Proceeds." Any excess of such proceeds remaining after the Effective Date will be applied as provided under "Security for the Secured Notes—The Ramp-Up Account."
Contributions:.....	At any time during or after the Reinvestment Period, any Holder of Subordinated Notes issued in the form of a Certificated Security may direct the Issuer to transfer any portion of Interest Proceeds that would otherwise be distributed on its Subordinated Notes to the Principal Collection Account for application as Principal Proceeds (each, a "**Contribution**," and each such Holder, a "**Contributing Noteholder**").
Purchase of Collateral Obligations:.....	The Issuer will use its commercially reasonable efforts to have purchased or to have entered into binding agreements to purchase, by the earlier of (a) May 30, 2014 and (b) the date selected by the Investment Manager in its sole discretion, Collateral Obligations in an amount sufficient to satisfy the Aggregate Ramp-Up Par Condition (such date, the "**Effective Date**" and the period from the Closing Date to the Effective Date, the "**Ramp-Up Period**").
Reinvestment Period:	The "**Reinvestment Period**" will be the period from and including the Closing Date to and including the earliest of (i) January 18, 2018, (ii) the date on which the maturity of the Secured Notes is accelerated due to an Event of Default as described under "Description of the Securities—The Indenture" (iii) the end of the Collection Period related to a Redemption Date in connection with an Optional Redemption, a Tax Redemption or a Clean-Up Call Redemption and (iv) the date on which the Investment Manager reasonably determines and notifies the Issuer, the Rating Agencies, the Trustee and the Collateral Administrator that it can no longer reinvest in additional Collateral Obligations in accordance with the Indenture or the Investment Management Agreement.

Once terminated, the Reinvestment Period may, in the case of termination under clause (ii), be reinstated with the consent of the Investment Manager if (a) the acceleration has been rescinded and (b) no other events that would terminate the Reinvestment Period have occurred and are continuing.

Collateral Quality Test: ..... The "**Collateral Quality Test**" is used as a criterion for purchasing Collateral Obligations. The Collateral Quality Test consists of the following tests:

(i) the Minimum Fixed Coupon Test;

(ii) the Minimum Floating Spread Test;

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

(iv) the Moody's Diversity Test;

(v) the S&P CDO Monitor Test;

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

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

(viii) the Weighted Average Life Test.

The Collateral Quality Test will be satisfied if, as of any date of determination at, or subsequent to, the Effective Date, in the aggregate, the Collateral Obligations owned (or in relation to a proposed purchase of a Collateral Obligation, proposed to be owned) by the Issuer satisfy each of the tests set forth above (or, unless otherwise explicitly provided for in the Indenture, if any such test is not satisfied, the level of compliance with such test is maintained or improved). See "Security for the Secured Notes—The Collateral Quality Test."

Concentration Limitations: ..... The "**Concentration Limitations**" will be satisfied if, as of any date of determination at or subsequent to the Effective Date, in the aggregate, the Collateral Obligations owned (or in relation to a proposed purchase of a Collateral Obligation, proposed to be owned) by the Issuer comply with all of the requirements set forth below (or, if not in compliance at the time of reinvestment, the relevant requirements must be maintained or improved, except as provided in the Investment Criteria).

Domicile of Obligor ..... (i) (x) not more than 10% of the Collateral Principal Amount may be issued by obligors Domiciled in European Countries, and (y) no more than the percentage listed below of the Collateral Principal Amount may be issued by obligors Domiciled in the country or countries set forth opposite such percentage:

% Limit	Country or Countries
20.0%	All countries (in the aggregate) other than the United States;
10.0%	All countries (in the aggregate) other than the United States and Canada
5.0%	Any individual Group II Country;
7.5%	All Group III Countries (except Spain) in the aggregate;
5.0%	Any individual Group III Country; and
5.0%	All Tax Jurisdictions in the aggregate;

Counterparty Exposure ..... (ii) with respect to any Participation Interest or Letter of Credit, the Moody's Counterparty Criteria are met and the Third Party Credit Exposure Limits are not exceeded;

Senior Secured Loans	(iii) not less than 95% of the Collateral Principal Amount may consist of Senior Secured Loans and Eligible Investments representing Principal Proceeds;
Second Lien Loans; Senior Secured Notes	(iv) not more than 5% of the Collateral Principal Amount may consist of Second Lien Loans, Senior Secured Notes and High-Yield Bonds;
Bridge Loans and Finance Leases	(v) not more than 3% of the Collateral Principal Amount may consist of Bridge Loans and Finance Leases*;*
Current Pay Obligations	(vi) not more than 2.5% of the Collateral Principal Amount may consist of Current Pay Obligations;
Fixed Rate Collateral Obligations	(vii) not more than 5% of the Collateral Principal Amount may consist of fixed rate Collateral Obligations;
Participation Interests	(viii) not more than 5% of the Collateral Principal Amount may consist of Participation Interests;
DIP Collateral Obligations	(ix) not more than 7.5% of the Collateral Principal Amount may consist of DIP Collateral Obligations;
Single Obligor	(x) (1) not more than 2% of the Collateral Principal Amount may consist of obligations issued by a single obligor, except that obligations issued by up to five obligors may each constitute up to 2.25% of the Collateral Principal Amount and (2) not more than 1% of the Collateral Principal Amount may consist of Collateral Obligations that are not Senior Secured Loans and are issued by a single obligor;
Single S&P Industry Classification Group	(xi) not more than 10% of the Collateral Principal Amount may consist of obligations in the same S&P Industry Classification, except that Collateral Obligations in up to two S&P Industry Classifications may each constitute up to 15% of the Collateral Principal Amount;
Rating of "Caa1" and below	(xii) not more than 7.5% of the Collateral Principal Amount may consist of Collateral Obligations with a Moody's Rating of "Caa1" or below;
Rating of "CCC+" and below	(xiii) not more than 7.5% of the Collateral Principal Amount may consist of Collateral Obligations with an S&P Rating of "CCC+" or below;
Interest less frequently than quarterly	(xiv) not more than 5% of the Collateral Principal Amount may consist of Collateral Obligations that are required to pay interest less frequently than quarterly;
Cov-Lite Loans	(xv) not more than 60% of the Collateral Principal Amount may consist of Cov-Lite Loans;
Revolving Collateral Obligations; Delayed Drawdown Collateral Obligations:	(xvi) not more than 5% of the Collateral Principal Amount may consist of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations;

Collateral Obligations Subject to an Offer: ..... (xvii) not more than 5% of the Collateral Principal Amount may consist of obligations that are subject to an Offer or notice of redemption of which the Investment Manager has actual knowledge; *provided* that any such Offer must include payment of cash in an amount at least equal to the par amount of the Collateral Obligation; and

Letters of Credit ..... (xviii) not more than 3% of the Collateral Principal Amount may consist of Letters of Credit; and

Partial Deferring Securities..... (xix) not more than 2.5% of the Collateral Principal Amount may consist of Partial Deferring Securities.

Coverage Tests and the Interest Diversion Test:..... The Coverage Tests will be used primarily to determine whether principal and interest may be paid on the Secured Notes and distributions may be made on the Subordinated Notes or whether funds which would otherwise be used to pay interest on the Secured Notes (other than the Class A Notes) and to make distributions on the Subordinated Notes must instead be used to pay principal on one or more Classes of Secured Notes according to the priorities referred to in "Summary of Terms—Priority of Payments." The "**Coverage Tests**" will consist of (i) the Overcollateralization Ratio Test and the Interest Coverage Test, each as applied to both the Class A-1 Notes and the Class A-2 Notes (together, the "**Class A Coverage Tests**"), (ii) the Overcollateralization Ratio Test and the Interest Coverage Test applied to the Class B Notes (together, the "**Class B Coverage Tests**"), (iii) the Overcollateralization Ratio Test and the Interest Coverage Test applied to the Class C Notes (together, the "**Class C Coverage Tests**"), (iv) the Overcollateralization Ratio Test and the Interest Coverage Test applied to the Class D Notes (together, the "**Class D Coverage Tests**") and (v) the Overcollateralization Ratio Test applied to the Class E Notes (the "**Class E Coverage Test**"). Measurement of the degree of compliance with the Overcollateralization Ratio Tests will be required as of the Effective Date and each Measurement Date thereafter. Measurement of the degree of compliance with the Interest Coverage Tests will be required as of the Determination Date immediately preceding the second Payment Date and each subsequent Measurement Date.

The "**Overcollateralization Ratio Test**" and "**Interest Coverage Test**" applicable to the indicated Class or Classes of Secured Notes will be satisfied as of any applicable date of determination if (i) the applicable Overcollateralization Ratio or Interest Coverage Ratio, as the case may be, is at least equal to the applicable ratio indicated below or (ii) such Class or Classes of Secured Notes is no longer Outstanding. If the Coverage Tests are not satisfied on any applicable date of determination, the Issuer will be required to apply available amounts in the Payment Account on the related Payment Date to make payments in accordance with the Priority of Payments to the extent necessary to achieve compliance with such Coverage Tests.

Class	Required Overcollateralization Ratio
A	126.8%
B	112.6%
C	107.1%
D	102.9%
E	100.7%

Class	Required Interest Coverage Ratio
A	120%

Class	Required Overcollateralization Ratio
B	115%
C	110%
D	105%

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

The "**Interest Diversion Test**" will be satisfied as of any Measurement Date during the Reinvestment Period if the Overcollateralization Ratio for the Class E Notes is at least equal to 101.7%.

Other information:

Minimum denominations ..... The Notes will be issued in minimum denominations ("**Minimum Denominations**") of (i) solely in the case of sales of Subordinated Notes to non-U.S. persons pursuant to Regulation S, $100,000 and integral multiples of $1.00 in excess thereof and (ii) in all other cases, $250,000 and integral multiples of $1.00 in excess thereof.

Listing, trading ..... Application has been made to the Irish Stock Exchange for the Securities to be admitted to the Official List and to trading on the Global Exchange Market of the Irish Stock Exchange. There can be no assurance that any such listing will be maintained. See "Listing and General Information." There is currently no market for any Class of Securities and there can be no assurance that such a market will develop. See "Risk Factors—Relating to the Securities—The Securities will have limited liquidity; the Securities are subject to substantial transfer restrictions."

Governing law ..... The Notes and the Indenture will be governed by, and construed in accordance with, the laws of the State of New York.

Tax matters ..... See "Certain U.S. Federal Income Tax Considerations" and "Cayman Islands Income Tax Considerations."

ERISA ..... See "Certain ERISA and Related Considerations."

Additional Issuance ..... At any time during the Reinvestment Period, the Co-Issuers may issue and sell additional Securities of each Class (on a *pro rata* basis with respect to each Class of Notes or on a *pro rata* basis for all Classes that are subordinate to the Class A-1 Notes, except, in each case, that a larger proportion of Subordinated Notes may be issued and any Class may be issued as a component of a combination security) and use the net proceeds to purchase additional Collateral Obligations or for other purposes permitted under the Indenture if the conditions for such additional issuance described under "Description of the Securities—The Indenture—Additional Issuance" are met.

RISK FACTORS

An investment in the Securities involves certain risks. Prospective investors should carefully consider the following factors, in addition to the matters set forth elsewhere in this Offering Memorandum, prior to investing in the Securities.

General Commercial Risks

General Economic Conditions. Significant risks may exist for the Issuer and investors in Securities as a result of the uncertain general economic conditions. These risks include, among others, (i) the possibility that, on or after the Closing Date, the prices at which Collateral can be sold by the Issuer will have deteriorated from their effective purchase price, (ii) the illiquidity of the Securities, as there may be no secondary trading in the Securities and (iii) possibility of decline in the market value of the Securities. These risks may affect the returns on the Securities to investors and the ability of investors to realize their investment in the Securities 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 Obligations. These additional risks may affect the returns on the Securities 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 Obligations. 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 realization value of the Collateral Obligations. It is possible that the Collateral will experience higher default rates than anticipated and that performance will suffer. In recent years, some leading global financial institutions have been forced into mergers with other financial institutions, have been partially or fully nationalized or have become bankrupt or insolvent. The bankruptcy or insolvency of a major financial institution may have an adverse effect on the Issuer, particularly if such financial institution is the administrative agent of a leveraged loan or is a selling institution with respect to a participation. In addition, the bankruptcy, insolvency or financial distress of one or more additional financial institutions, or one or more sovereigns, 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 Securities.

The market value and performance of the Collateral Obligations and the Securities may be adversely impacted by current and future economic conditions, including perceptions of potential, current or future conditions, market trading imbalances or technical dislocation. To the extent that economic and business conditions fail to improve or deteriorate further, the levels of defaults and delinquencies are likely to increase and market values may decrease or not fully recover, which may adversely affect the amount of Sale Proceeds that could be obtained upon the sale of the Collateral Obligations and could adversely impact the ability of the Issuer to make payments on the Securities.

Illiquidity in the Leveraged Finance Market. The financial markets have experienced substantial fluctuations in prices for leveraged loans and high-yield debt securities and limited liquidity for such instruments. During periods of limited liquidity and higher price volatility, the Issuer's ability to acquire or dispose of Collateral Obligations at a price and time that the Investment Manager deems advantageous may be severely impaired, which may impair its ability to dispose of investments in a timely fashion and for a fair price, as well as its ability to take advantage of market opportunities. Furthermore, some Collateral Obligations will have a limited trading market (or none) under any market conditions. Illiquid debt obligations may trade at a discount from comparable, more liquid investments. The impact of the liquidity crisis on the global credit markets may adversely affect the management flexibility of the Investment Manager in relation to the Collateral and, ultimately, the returns on the Securities to investors.

Conditions in Europe May Adversely Affect Holders. Certain of the Collateral Obligations may be issued by obligors located in the European Union (the "EU") or otherwise affected by the strength of the euro. European financial markets have experienced volatility and have been adversely affected by concerns about rising government debt levels, credit rating downgrades, and possible default on or restructuring of government debt. These events have caused bond yield spreads (the cost of borrowing debt in the capital markets) and credit default spreads (the cost of purchasing credit protection) to increase, most notably in relation to certain eurozone countries. The

governments of several member countries of the EU have experienced large public budget deficits, which have adversely affected the sovereign debt issued by those countries and may ultimately lead to declines in the value of the euro.

It is possible that countries that have already adopted the euro could abandon the euro and return to a national currency and/or that the euro will cease to exist as a single currency in its current form. The effects on a country of abandonment of the euro or a country's forced expulsion from the EU are impossible to predict, but are likely to be negative. The exit of any country out of the EU or the abandonment by any country of the euro would likely have a destabilizing effect on all eurozone countries and their economies and a negative effect on the global economy as a whole. Although all Collateral Obligations must be U.S. dollar denominated, the effect of such potential events on the obligors, Collateral Obligations, the Issuer or the Securities is impossible to predict.

Relating to the Securities

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

Nature of the Obligations. The Issuer Only Securities will be limited recourse debt obligations of the Issuer, and the Co-Issued Securities will be limited recourse debt obligations of the Co-Issuers, in each case, payable solely from the Collateral pursuant to the Indenture. The Securities do not represent interests in or obligations of, and are not guaranteed, insured or secured by any rating agency, Credit Suisse, the Investment Manager, any other Transaction Party (other than the Issuer or, in the case of the Co-Issued Securities, the Co-Issuers), any Affiliate, director, member or partner of the Co-Issuers or any other Transaction Party, or any other person or entity (other than the Issuer, or in the case of the Co-Issued Securities, the Co-Issuers). If distributions on the Collateral are insufficient to make payments on the Securities, no other assets will be available for payment of the deficiency and, following liquidation of the Collateral, the obligations of the Issuer, and in the case of the Co-Issued Securities, the Co-Issuers, to pay any such deficiency will be extinguished.

Liquidity Considerations. There is currently no secondary market for the Securities, and none may develop. The Securities are not expected to be readily marketable. In addition, the Securities are subject to certain transfer restrictions (including minimum denominations) that may further limit their liquidity. Furthermore, various regulatory requirements may restrict a potential investor's ability to purchase Securities or make such an investment unattractive to them. See "—Tax Considerations" and "—Relating to Regulatory and other Legal Considerations—Recent Legal and Regulatory Developments." The Securities are designed for long-term investors and should not be considered a vehicle for short-term trading purposes. As a result, investors must be prepared to bear the risk of holding the Securities until their Stated Maturity. To the extent that any secondary market exists for the Securities in the future, the price (if any) at which Securities may be sold could be at a discount, which in some cases may be substantial, from the principal amount of the Securities. To the extent any market exists for the Securities in the future, significant delays could occur in the actual sale of Securities.

Subordination. Payments on the Securities are subordinated to payments on each Priority Class (including in the case of the Subordinated Notes, subordinated to any required payments on the Secured Notes) and certain fees and expenses. Failure to satisfy any Coverage Test or obtain Effective Date Ratings Confirmation as of any Determination Date will result in diversion of cash flows (if any) otherwise payable to Junior Classes of Securities to the payment of principal on Priority Classes of Secured Notes as set forth in the Priority of Payments. If during the Reinvestment Period the Interest Diversion Test is not satisfied, Interest Proceeds will be diverted, in accordance with the Priority of Payments, to purchase additional Collateral Obligations.

At Stated Maturity or if acceleration of the maturity of the Notes occurs after an Event of Default, Interest Proceeds and Principal Proceeds will be applied to pay both principal of and interest on each Priority Class until each such Class is paid in full before any further payment or distribution will be made on any Junior Class. See "The Indenture—Payments after an Acceleration of Maturity." As a result, Junior Classes will not receive interest payments until each Priority Class has been paid principal and interest, Junior Classes may not receive partial or full payment of principal and further distributions may not be made in respect of the Subordinated Notes.

None of Credit Suisse, the Investment Manager or any other Transaction Parties (other than the Issuer and, in the case of the Co-Issued Securities, the Co-Issuer) or any Affiliates of the Issuer or Co-Issuer or of any other Transaction Party, any of their respective partners, directors, or members or any other person or entity (other than the Issuer and, in the case of the Co-Issued Securities, the Co-Issuer) will be obligated to make payments on the Securities. To the extent any losses are suffered, such losses will be borne by the owners of the Securities, beginning with the Subordinated Notes as the most Junior Class.

Subordinated Notes are Unsecured. The Subordinated Notes are not secured by the Collateral Obligations or other Collateral securing the Secured Notes. As a result, the Holders of the Subordinated Notes will rank behind all of the secured creditors, whether known or unknown, of the Issuer, including, without limitation, the Holders of the Secured Notes and any Hedge Counterparties. No Person or entity other than the Issuer will be required to make any distributions on the Subordinated Notes. Except with respect to the obligations of the Issuer to make payments pursuant to the Priority of Payments, the Issuer does not expect to have any creditors. Any distributions on the Subordinated Notes will be payable only to the extent funds are available in accordance with the Priority of Payments.

Leveraged Credit Risk. The Issuer will utilize a high degree of leverage, which is a speculative investment technique that increases the risk to owners of the Securities, particularly owners of the Subordinated Notes. In certain scenarios, the Secured Notes may not be paid in full and the Subordinated Notes may be subject to up to 100% loss of invested capital. The Subordinated Notes represent the most Junior Class in a highly leveraged capital structure. As a result, any deterioration in performance of the Collateral, including defaults and losses, a reduction of realized yield or other factors, will be borne first by owners of the Subordinated Notes. In addition, the use of leverage can magnify the effects on the Subordinated Notes of deterioration in the performance of the Collateral. The Collateral is expected to consist of below investment grade debt obligations. Such obligations have greater liquidity risk and credit risk than investment grade debt obligations. Failure to satisfy any Coverage Test or obtain Effective Date Ratings Confirmation as of any Determination Date will result in diversion of cash flows otherwise payable to Junior Classes of Securities to the payment of principal on Priority Classes of Secured Notes as set forth in the Priority of Payments. During the Reinvestment Period Interest Proceeds will be diverted, in accordance with the Priority of Payments, to purchase additional Collateral Obligations if the Interest Diversion Test is not satisfied. In addition, if acceleration of the maturity of the Notes occurs after an Event of Default, Interest Proceeds and Principal Proceeds will be applied to pay both principal of and interest on each Priority Class until each such Class is paid in full before any further payment or distribution will be made on any Junior Class. This will likely reduce returns on the Subordinated Notes and cause a temporary or permanent suspension of payments on the Subordinated Notes. Furthermore, if additional Securities are issued after the Closing Date, such securities may not be issued in the same proportion as existing Classes of Notes, which may adversely affect returns on the Subordinated Notes. In addition, certain expenses (including the Management Fees) are generally based on a percentage of the Collateral Principal Amount, which includes the Collateral obtained through the use of leverage. Accordingly, expenses attributable to the Subordinated Notes will be higher because such expenses will be based on the Collateral Principal Amount.

A significant amount of the initial proceeds of the sale of the Securities will be applied to pay organizational and other expenses incurred by the Issuer in connection with the offering of the Securities rather than to make investments in Collateral Obligations. As a result, the Aggregate Principal Balance of the Collateral Obligations will be less than the initial Aggregate Outstanding Amount of the Securities. In addition, during the lifetime of the transaction, except as described herein, Interest Proceeds will be paid to the Holders of the Subordinated Notes, rather than being invested in additional Collateral Obligations. Therefore, it is highly likely that after payments of the Secured Notes and the other amounts payable prior to the Subordinated Notes under the Priority of Payments, Principal Proceeds will be insufficient to return the initial investment made in the Subordinated Notes. Therefore, over the passage of time, Holders of Subordinated Notes will have to rely on Interest Proceeds for their ultimate return.

Impact of Uninvested Cash Balances; Unpaid Accrued Interest on Collateral. To the extent the Investment Manager (on behalf of the Issuer) maintains cash balances invested in short-term investments instead of higher yielding obligations, portfolio income will be reduced which will result in lower amounts available for distributions on the Securities, in particular the Subordinated Notes. On the Closing Date, the Issuer is expected to have significant uninvested proceeds. This will likely reduce the amount of Interest Proceeds that would otherwise be

available to distribute to the Holders of the Subordinated Notes, particularly on the first Payment Date. If the Issuer issues additional Securities after the Closing Date, the Issuer may have significant uninvested proceeds of the offering, pending investment in Collateral Obligations. 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.

In addition, there will be a mismatch between the payment dates of the Collateral Obligations and the Payment Dates with respect to the Securities. Accordingly, interest that has accrued on Collateral Obligations during a Collection Period may not be received by the Issuer during such Collection Period, which may adversely affect the Issuer's ability to make payments and distributions on the Securities, particularly the Subordinated Notes and particularly on the first Payment Date.

Calculation of Overcollateralization Ratio Tests and the Interest Diversion Test. If any Coverage Test is not satisfied as of any Determination Date, cash flows otherwise payable to Junior Classes of Securities will be diverted to the payment of principal of Priority Classes of Secured Notes as set forth in the Priority of Payments. In addition, Interest Proceeds will be diverted, in accordance with the Priority of Payments, to purchase additional Collateral Obligations during the Reinvestment Period if the Interest Diversion Test is not satisfied. Calculation of the Adjusted Collateral Principal Amount of Collateral Obligations for purposes of the Overcollateralization Ratio Tests and the Interest Diversion Test applies certain reductions to the par amount of Collateral Obligations. For example, for purposes of this calculation, a Defaulted Obligation will have a Principal Balance that is the lesser of its S&P Collateral Value and its Moody's Collateral Value and CCC Collateral Obligations and Caa Collateral Obligations in excess of certain levels will be carried at a balance equal to their Adjusted Collateral Principal Balance. Such reductions may increase the likelihood that one or more Overcollateralization Ratio Tests is not satisfied and cash flows otherwise payable to Junior Classes of Securities will be diverted to the payment of principal of Priority Classes of Secured Notes. Such reductions also may increase the likelihood that the Interest Diversion Test is not satisfied, in which case Interest Proceeds will be diverted, in accordance with the Priority of Payments, to purchase additional Collateral Obligations during the Reinvestment Period.

Valuation Information; Limited Information. None of Credit Suisse, the Investment 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 Obligations and none of the Transaction Parties (including the Issuer, Trustee, or Investment Manager) will be required to provide any information other than what is required in the Indenture or the Investment Management Agreement. Furthermore, if any information is provided to the Holders (including required reports under the Indenture), such information may not be audited. Finally, the Investment Manager may be in possession of material, non-public information with regard to the Collateral Obligations and will not be required to disclose such information to the Holders.

Concentrated Ownership of Subordinated Notes. On the Closing Date, one or more affiliated investors will purchase a majority of the Subordinated Notes. At any time one or more affiliated owners hold a Majority of the Subordinated Notes, it may be more difficult for other investors to take (or avoid taking) certain actions that require consent of the Subordinated Notes. For example, a Majority of the Subordinated Notes may direct an Optional Redemption or the removal of the Investment Manager for cause, subject to certain conditions. Holders of Subordinated Notes are not required under the Indenture to take into account the interests of any other Class. The actions pursued by Holders of Subordinated Notes may be adverse to interests of Holders of other Classes.

Control of Remedies. The Controlling Class will have the right to direct certain actions and control certain decisions, including if an Event of Default occurs and is continuing with respect to remedies and acceleration of maturity on the Notes, providing consent to certain amendments of the Indenture, and directing or consenting to certain actions under the Investment Management Agreement with respect to removal for cause of the Investment Manager and appointment of a successor manager. The remedies and other actions pursued by the Controlling Class could be adverse to the interests of Holders of other Classes of Securities. For example, a Supermajority of the Class A-1 Notes could vote to direct the Trustee to liquidate the Collateral following default in payment of interest due in respect of the Class A-1 Notes even if a delay in the exercise of such remedy might permit the value of the Collateral to increase to the benefit of the Holders of other Classes of Notes.

Amendments to the Indenture. The Indenture may be amended, and in many cases may be amended without the consent of Holders of Securities. Such amendments could be adverse to certain owners of Securities. Further, the

Issuer may be unable to obtain required consents for amendments that the Investment Manager believes would be beneficial. See "The Indenture—Amendments of the Indenture."

Average Life and Prepayment Considerations. The average life of the Secured Notes is expected to be shorter than the number of years remaining to the Stated Maturity. The average life of the Secured Notes will be affected by a number of factors, including any early termination of the Reinvestment Period, any redemption or any acceleration described herein, the amount and frequency of principal payments on the Secured Notes as a result of the failure of Coverage Tests, the financial condition of the obligors of the underlying Collateral Obligations and the characteristics of such obligations, including the stated maturity, existence and frequency of exercise of any redemption rights (or tender offers or exchange offers for such obligations), the prevailing level of interest rates, the redemption price, the actual default rate and the actual level of recoveries on defaulted obligations, the level of reinvestment of certain types of proceeds after permitted to be reinvested, prepayments and the amount and frequency of any sales of Collateral Obligations by the Investment Manager and the ability of the Investment Manager to invest in additional Collateral Obligations. A shortening of the average life of the Secured Notes may adversely affect returns on the Subordinated Notes.

The Issuer may cause the redemption (in whole but not in part) or re-pricing of all Classes of the Notes, as described under, and subject to the conditions described in, "Description of the Securities—Optional Redemption and Tax Redemption" and "Description of the Securities—Re-Pricing of the Notes," and the Notes may be subject to Clean-Up Call Redemption as described under, and subject to the conditions described in, "Description of the Securities—Clean-Up Call Redemption." In addition, the Notes may be accelerated upon the occurrence of an Event of Default, as described under "Description of the Securities—The Indenture—Events of Default." There can be no assurance that, upon any redemption, the proceeds realized would permit any payment on the Subordinated Notes after all required payments are made in accordance with the Priority of Payments, or upon an acceleration of the Notes, the proceeds realized would be sufficient to pay the Secured Notes in full and permit any payment on the Subordinated Notes. In particular, the market prices of the Collateral Obligations and any payment due to Hedge Counterparties will affect returns on the Subordinated Notes. In addition, a Redemption by Liquidation or acceleration of the Notes could require the Investment Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realized value of the obligations sold.

The Secured Notes (other than the Class A-1 Notes) are subject to Re-Pricing. After the Non-Call Period, if interest rates on investments similar to the Secured Notes fall below current levels, the Issuer may be directed to effect a Re-Pricing of one or more Classes of Secured Notes (except the Class A-1 Notes), which will result in the reduction of the Interest Rate payable with respect to each Re-Priced Class. Any holder of a Note in a Re-Priced Class that elects not to participate in the Re-Pricing will be required to sell its Note at the applicable Redemption Price to a transferee specified by the Issuer or on behalf of the Issuer at a time when they may be trading in the market at a premium and when other investments bearing the same rate of interest may be difficult or expensive to acquire. A Re-Pricing may also result in a shorter investment than a holder of Secured Notes may have anticipated.

A U.S. holder that continues to own a Note following a Re-Pricing of such Note may be deemed, under Section 1001 of the Code, to have exchanged a debt instrument with the characteristics of such Note prior to the Re-Pricing for a newly issued debt instrument with the characteristics of such Note after the Re-Pricing. Therefore, as a result of having so participated in the Re-Pricing, such a U.S. holder, among other consequences, may be required to recognize taxable gain during the taxable year in which the Re-Pricing occurs as a result of the deemed exchange, and may recognize short-term capital gain or loss if it sells, exchanges, retires or otherwise disposes of such Note within one year after the Re-Pricing, even if such gain or loss otherwise would have been long-term capital gain or loss. A deemed exchange of the Note for a newly issued debt instrument may alternatively be treated as a tax-free recapitalization if the Note and newly issued debt instrument are both considered to be "securities" under Section 354 of the Code. If a Re-Pricing of a Note is treated as a recapitalization, a U.S. holder will generally not recognize gain or loss upon the deemed exchange and the holder's tax basis in the deemed new debt instrument will be the same as the holder's tax basis in the Notes. However, the timing and amount of income on the Notes may be affected by the deemed exchange. U.S. holders should consult their tax advisors regarding the U.S. federal income tax consequences to them of participating in a Re-Pricing.

Additional Issuances of Notes May Prevent the Failure of Coverage Tests and an Event of Default. At any time, the Issuer may issue and sell additional notes and use the net proceeds to acquire Collateral Obligations or, in the case of issuances of Subordinated Notes only, for other purposes permitted under the Indenture. See "Description of

the Securities—The Indenture—Additional Issuance." The application of the proceeds of additional notes toward the acquisition of additional Collateral Obligations could result in satisfaction of a Coverage Test that would otherwise be failing and could also prevent certain Events of Default from occurring and, thus, potentially decrease the occurrence of principal prepayments of the highest Priority Class of Notes.

Considerations Relating to the Investment Manager; Dependence on Key Personnel. The Issuer will depend on the managerial expertise available to the Investment Manager; prior investment results are not indicative of future results. Because the composition of the Collateral Obligations will vary over time, the performance of the portfolio depends heavily on the skills of the Investment Manager and certain key personnel of the Investment Manager in analyzing, selecting and managing the Collateral Obligations. As a result, the Issuer will be highly dependent on the financial and managerial experience of certain individuals associated with the Investment Manager. Employment between such individuals and the Investment Manager is generally at will and subject to change without the consent of the Issuer. The loss of one or more of such individuals could have a material adverse effect on the performance of the Issuer.

No Initial Purchaser Role Post-Closing. The Initial Purchaser takes no responsibility for, and has no obligations in respect of, the Issuer and will have no obligation to monitor the performance of the Collateral or the actions of the Investment Manager or the Issuer and no authority to advise the Investment Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Investment Manager and the Issuer. If the Initial Purchaser or its Affiliates owns Securities, they will have no responsibility to consider the interests of any other owner of Securities with respect to actions they take or refrain from taking in such capacity.

Beneficial Owners of Global Securities. Holders of beneficial interests in any Global Securities will not be considered Holders under the Indenture. After payment of any interest, principal or other amount to DTC, the Issuer (or in the case of Co-Issued Securities, the Co-Issuers) will not have any responsibility or liability for the payment of such amount by The Depository Trust Company ("**DTC**") or to any owner of a beneficial interest. Further, beneficial owners may experience delays in payments as upon receipt of such payments, DTC will be required to credit them to the accounts of its participants which thereafter will be required to credit them to the accounts of the applicable owners of the Securities, either directly or indirectly through indirect participants.

DTC or its nominee will be the sole Holder of each Global Security, and therefore owners of beneficial interest in a Global Security must rely on the procedures of DTC and, if such person is not a participant in DTC, on the procedures of the participant through which such person holds such interest with respect to the exercise of voting rights of a Holder.

Ratings on Secured Notes. A credit rating is not a recommendation to buy, sell or hold a security, and it may be subject to revisions or withdrawal at any time by the assigning Rating Agency. Moreover, the Rating Agencies may change their published ratings criteria or methodologies applicable to the Securities at any time and may retroactively apply any such new standards. Any such action could result in a substantial lowering, suspension or withdrawal of any rating assigned to any Class of Secured Notes, despite the fact that such Class might still be performing fully to the specifications described in this Offering Memorandum and set forth in the transaction documents. Additionally, any Rating Agency may, at any time and without any change in its published ratings criteria or methodology, lower, suspend or withdraw any rating assigned by it to any Class of Secured Notes. If any rating initially assigned to any Class is subsequently lowered, suspended or withdrawn for any reason, the market value of such Securities may be reduced such that interests in those Securities may not be able to be sold except at a substantial discount.

Potential for Unsolicited Ratings. In compliance with Rule 17g-5 under the Exchange Act, the Issuer has and will cause to be posted on a password-protected internet website, at or before the time that such information is provided to a Rating Agency, all information the Issuer provides to such Rating Agency for the purposes of determining its initial credit rating of the Secured Notes or undertaking credit rating surveillance of the Secured Notes. Nationally recognized statistical rating organizations ("**NRSROs**") providing the requisite certification will have access to all information posted on such website. As a result, an NRSRO other than the Rating Agencies may issue ratings on the Securities ("**Unsolicited Ratings**"), which may be lower, and could be significantly lower, than the ratings assigned by the Rating Agencies. Unsolicited Ratings may be issued prior to or after the Closing Date. Issuance of an Unsolicited Rating will not affect or delay the issuance of the Securities. Issuance of an Unsolicited Rating lower than the ratings assigned by the Rating Agencies on the Secured Notes could adversely affect the value and liquidity

of the such Notes and, for certain investors, could affect the status of the Securities as a legal investment or the capital treatment of the Secured Notes. Investors in the Secured Notes should monitor whether an Unsolicited Rating has been issued and should consult with their advisors regarding the effect of the issuance of an Unsolicited Rating that is lower than the expected ratings set forth in this Offering Memorandum. In addition, if the Issuer does not comply with Rule 17g-5 (by not providing required information to non-hired NRSROs through the website or otherwise), a Rating Agency could withdraw its ratings on one or more Classes of Secured Notes, which could adversely affect the market value, liquidity and transferability of such Notes and may adversely affect any beneficial owner that relies on ratings of such Notes for regulatory or other compliance purposes.

Relating to Tax Considerations

The Issuer and/or payments on the Securities may be subject to tax. An investment in the Securities involves complex tax issues. See "Certain U.S. Federal Income Tax Considerations" for a more detailed discussion of certain tax issues raised by an investment in the Securities.

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

Although the Issuer does not intend to be subject to U.S. federal income tax with respect to its net income, income derived by the Issuer may be subject to withholding or gross income taxes imposed by the United States or other countries. In this regard and subject to certain exceptions, the Issuer may generally acquire a particular Collateral Obligation only if, at the time of commitment to purchase, either the interest payments thereon are not subject to withholding tax or the issuer of the Collateral Obligation is required to make "gross-up" payments. The Issuer may, however, be subject to withholding or gross income taxes in respect of commitment fees, letter of credit fees, facility fees, and other similar fees, as well as with respect to substitute dividend payments, interest and disposition proceeds in respect of U.S. Collateral Obligations issued or materially modified on or after July 1, 2014 (as discussed in more detail below), and such withholding or gross income taxes may not be grossed up. In addition, certain payments on Letters of Credit are expected to be subject to withholding taxes and, as a condition of their eligibility for acquisition, are required to be subject to withholding by the relevant agent bank, unless the Issuer has received Tax Advice which concludes that such withholding should or will not be required or the Issuer deposits into the LC Reserve Account an amount equal to 30% (or such other percentage equal to the withholding rate then in effect) of all of the fees received in respect of the Letters of Credit.

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

FATCA potentially imposes a withholding tax of 30% on certain payments made to the Issuer after June 30, 2014, including potentially all interest paid on (and after December 31, 2016, proceeds from the sale or other disposition of) U.S. Collateral Obligations issued or materially modified on or after July 1, 2014, unless the Issuer complies with Cayman legislation that implements the intergovernmental agreement between the Cayman Islands and the United States signed on November 29, 2013 (the "**Cayman IGA**") with respect to the implementation of FATCA. The Cayman IGA requires, among other things, that the Issuer collect and provide to the Cayman Islands Government substantial information regarding direct and indirect holders of the Securities and withhold (or instruct

paying agents to withhold) 30% of certain payments to certain holders of Securities (as described below), unless the Issuer qualifies as a Non-Reporting Cayman Islands Financial Institution (as defined in the Cayman IGA). The Issuer intends to comply with its obligations under the Cayman IGA. However, in some cases, the ability to avoid such withholding tax will depend on factors outside of the Issuer's control. For example, the Issuer may not be considered to comply with FATCA if more than 50% of the Subordinated Notes (and any other classes of Securities treated as equity for U.S. federal income tax purposes) are owned by a person that is, or is affiliated with, a foreign financial institution that is not compliant with FATCA. Under the Cayman IGA, the Issuer will be required to comply with Cayman Islands legislation that will be implemented to give effect to the Cayman IGA, the exact terms of which are still uncertain. Unless it qualifies as a Non-Reporting Cayman Islands Financial Institution, the Issuer will report information to the Cayman Islands Tax Information Authority, which will exchange such information with the IRS under the terms of the Cayman IGA. Under the terms of the Cayman IGA, withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer, unless the IRS has specifically listed the Issuer as a non-participating financial institution, the Issuer has otherwise assumed responsibility for withholding under U.S. tax law, or the Issuer cannot comply with FATCA as a result of factors outside of its control, as described above.

In addition, future guidance under FATCA may subject payments on Subordinated Notes (or other classes of Securities that are treated as equity for U.S. federal income tax purposes) and Secured Notes that are materially modified more than six months after the issuance of such future guidelines, to a withholding tax of 30% if each foreign financial institution that holds any such Security, or through which any such Security is held, has not entered into an information reporting agreement with the IRS or complied with the terms of a relevant intergovernmental agreement. Each owner of an interest in Securities will be required to provide the Issuer and the Trustee or their agents with information necessary to comply with the Cayman IGA as discussed above. Owners that do not supply required information, or whose ownership of Securities may otherwise prevent the Issuer from complying with FATCA (for example by causing the Issuer to be affiliated with a non-compliant foreign financial institution), may be subjected to punitive measures, including forced transfer of their Securities. There can be no assurance, however, that these measures will be effective, and that the Issuer and owners of the Securities will not be subject to the noted withholding taxes. The imposition of such taxes could materially affect the Issuer's ability to make payments on the Securities or could reduce such payments. The imposition of withholding taxes and incurrence by the Issuer of FATCA Compliance Costs in excess of certain thresholds (whether actually imposed or incurred, or reasonably anticipated) is a Tax Event that allows the Issuer to retire Securities.

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

The Issuer is expected to be treated as a passive foreign investment company 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. holder of Subordinated Notes may be subject to adverse tax consequences. Such a U.S. holder may elect to treat the Issuer as a qualified electing fund. In addition, depending on the overall ownership of the Subordinated Notes, a U.S. holder of more than 10% of the Subordinated Notes may be treated as a "U.S. shareholder" in a controlled foreign corporation and required to recognize currently its proportionate share of the

"subpart F income" of the Issuer whether or not distributed to such U.S. holder. A U.S. holder that makes a qualified electing fund election or that is required to recognize currently its proportionate share of the subpart F income of the Issuer will be required to include in current income its pro rata share of the Issuer's earnings or income whether or not the Issuer actually makes any payments to such holder. Accordingly, a U.S. holder that makes a qualified electing fund election, or that is required to include subpart F income in the event that the Issuer is treated as a controlled foreign corporation, may recognize income in amounts significantly greater than the payments received from the Issuer. Taxable income may exceed cash payments when, for example, the Issuer uses earnings to repay principal on the Notes or accrues income on the Collateral Obligations prior to the receipt of cash or the Issuer discharges its debt at a discount.

Payments on the Securities are not required to be grossed up for tax withheld. The Issuer expects that payments on the Securities ordinarily will not be subject to any withholding tax (other than United States backup withholding tax or, if applicable, withholding on "passthru payments" (as defined in the Code)). If the Issuer were determined to be engaged in a trade or business within the United States, however, and had income effectively connected therewith, then interest paid on the Securities to a non-U.S. holder could be subject to a 30% U.S. withholding tax. In the event that withholding or deduction of any taxes from payments on the Securities is required by law in any jurisdiction, neither of the Co-Issuers shall be under any obligation to make any additional payments in respect of such withholding or deduction.

Relating to the Collateral

Below Investment Grade Debt Obligations. It is expected that primarily all of the Collateral Obligations will be rated below investment grade. Such debt obligations have greater credit and liquidity risk than investment grade obligations. The lower rating of such obligations reflects a greater possibility that adverse changes in the financial condition of an obligor or in general economic conditions, or both, may impair the ability of the Issuer to make payments on the Securities. In addition, obligors of below investment grade debt obligations may be highly leveraged and may not have available to them more traditional methods of financing. During an economic downturn, a sustained period of rising interest rates, or a period of fluctuating exchange rates (in respect of those obligors with operations located in non-U.S. countries), such obligors may be more likely to experience financial stress and may be unable to meet their debt obligations due to the obligors' inability to achieve sufficient financial results or the unavailability of financing or under certain market conditions may not be able to refinance their debt obligations which may increase their risk of default. Although recently default rates for below investment grade debt obligations have decreased relative to prior years, there can be no assurance that default rates will not increase, perhaps significantly, in the future. All risks associated with the Issuer's investment in such obligations will be borne by the owners of the Securities, beginning with the Subordinated Notes as the most Junior Class. See "— Defaults; Market and Credit Spread Volatility."

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

Loan Repricing. In addition to default frequency, recovery rate and market price volatility, 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 recapitalized or if credit spreads were declining for leveraged loans, such obligor would likely seek to refinance at a lower credit spread. In addition, borrowers may have the right under the terms of a Collateral Obligation to re-price the interest rate of such

Collateral Obligation and prepay any holder or lender that does not accept the new rate. The rates at which leveraged loans may prepay or refinance and the level of credit spreads for leveraged loans in the future are subject to numerous factors and are difficult to predict. 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 Obligations, which would have an adverse effect on the amount available for distributions on Notes, beginning with the Subordinated Notes as the most Junior Class.

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 Obligations with lower-yielding Collateral Obligations.

Limited Control of Administration and Amendment of Collateral Obligations. As a holder of an interest in a syndicated loan, the Issuer will have limited consent and control rights and such rights may not be effective in view of the expected proportion of such obligations held by the Issuer. The Investment Manager will exercise or enforce, or refrain from exercising or enforcing, any or all of the Issuer's rights in connection with the Collateral Obligations or any related documents.

Due to the size of the Issuer's position in any Collateral Obligation, the Investment Manager will have limited influence over any amendment, waiver or modification of the Collateral Obligation. The Investment Manager may, in accordance with its investment management practices and subject to the applicable terms of the Indenture and the Investment Management Agreement, elect to accept any offer by the issuer of a security or by any other Person made to all of the holders of such security to purchase or otherwise acquire such security or to convert or exchange such security into or for cash, securities or any other type of consideration, or accept a solicitation by the issuer of a Collateral Obligation to extend or defer the maturity, or to adjust the outstanding balance of, such Collateral Obligation, or otherwise amend, modify or waive the terms of any related loan agreement, including the payment terms thereunder. The acceptance of any such offer or solicitation will not be considered an acquisition or purchase of a Collateral Obligation by the Issuer that must comply with the Investment Criteria. Moreover, Holders will not have any rights to direct the Investment Manager in exercising the Issuer's rights pursuant to any such offer or solicitation, or otherwise under the governing documents of any Collateral Obligation. Any such offer or amendment, waiver or modification relating to a Collateral Obligation could postpone the expected maturity of the Notes and reduce the likelihood of timely and complete payment of interest on or principal of the Secured Notes or distributions on the Subordinated Notes.

Participation on Creditors' Committees. The Issuer may (through the Investment Manager) participate on committees formed by creditors to negotiate the management of financially troubled companies that may or may not be in bankruptcy or the Issuer may seek to negotiate directly with the debtors with respect to restructuring issues. If the Issuer does join a creditors' committee, the participants of the committee would be interested in obtaining an outcome that is in their respective individual best interests and there can be no assurance of obtaining results most favorable to the Issuer in such proceedings. By participating on such committees, the Issuer may be deemed to have duties to other creditors represented by the committees, which might thereby expose the Issuer to liability to such other creditors who disagree with the Issuer's actions.

The Issuer may also be provided with material non-public information that may restrict the Issuer's ability to trade in the company's securities. While the Issuer intends to comply with all applicable securities laws and to make judgments concerning restrictions on trading in good faith, the Issuer may trade in the company's securities while engaged in the company's restructuring activities. Such trading creates a risk of litigation and liability that may cause the Issuer to incur significant legal fees and potential losses.

Limited Information Available About the Collateral Obligations. Neither the Issuer nor the Investment Manager will be required to provide Holders or the Trustee with financial or other information (which may include material non-public information) it receives pursuant to the Collateral Obligations and related documents. The Investment Manager also will not be obligated to disclose to any of these parties the contents of any notice it receives pursuant to the Collateral Obligations or related documents. In particular, the Investment Manager will not have any obligation to keep any of these parties informed as to matters arising in relation to any Collateral Obligations.

Limitations of Portfolio Diversification. The Indenture will require that certain levels of diversification are maintained or improved in connection with reinvestments. The Collateral Obligations are expected to consist primarily of below investment grade debt obligations. To the extent that below investment grade debt obligations as an asset class generally underperform or experience increased levels of credit losses. liquidity or market volatility, the Collateral Obligations will likely experience credit and trading losses even with significant obligor and industry diversification. In addition, given the capital structure of the Issuer, any losses resulting from defaults and/or trading losses will be borne first by the Subordinated Notes, as the most Junior Class. Because losses on the Assets will be borne first by the Subordinated Notes, losses in value or payment defaults on the obligations of any single obligor or industry sector will likely affect distributions on the Subordinated Notes more than distributions on the more senior Classes. The diversification requirements of the Indenture will not reduce the sensitivity of the distributions on the Subordinated Notes to these losses.

Interest Rate Risk; Hedge Agreements. There will be a rate mismatch between the Floating Rate Notes and a portion of the Collateral Obligations. Moreover, the Aggregate Outstanding Amount of Floating Rate Notes may be different than the Aggregate Principal Balance of the floating rate Collateral Obligations. The Indenture will restrict the principal amount of fixed rate Collateral Obligations that may be purchased by the Issuer. Although all or most Collateral Obligations are expected to bear interest at rates based on LIBOR, some may be based on other indices, and even those based on LIBOR will likely have reset dates or periods different from those of the Notes. The percentage of floating rate Collateral Obligations at any time is influenced by, among other factors, the amount and frequency of defaults, prepayments, sales by the Investment Manager of the Collateral Obligations and the amount of floating rate Collateral Obligations actually held by the Issuer at that time. The portfolio of Collateral Obligations also is expected to include loans with LIBOR "floors." Each such loan effectively earns a fixed coupon until the LIBOR rate applicable to the loan rises above the LIBOR floor for the loan. This may create additional interest rate mismatch between the Floating Rate Notes and the floating rate Collateral Obligations.

As described under "Hedge Agreements," the Issuer may enter into one or more Hedge Agreements to manage the interest rate exposure of the portfolio of Collateral Obligations. However, there can be no assurance that any such Hedge Agreements will fully cover any deficiency in Interest Proceeds resulting from any interest rate mismatch. Furthermore, although any Hedge Counterparty will be a highly rated institution at the time of entering into the applicable Hedge Agreement, there can be no assurance that it will meet its obligations under the applicable Hedge Agreement. In the case of an early termination of a Hedge Agreement (including as a result of bankruptcy or default by the Hedge Counterparty), the Issuer may be required to make a payment to the Hedge Counterparty and, even if the Hedge Counterparty makes a termination payment to the Issuer, the Issuer may be required to pay additional amounts to enter into a replacement hedge. There is no assurance that any replacement hedge will have terms as favorable to the Issuer as the terminated hedge. In addition, the actual principal balance of any fixed and floating rate mismatch between the Collateral Obligations and the Notes may not exactly match the notional balance under any Hedge Agreement. All risks associated with any rate, reset date, notional balance mismatch or termination will be borne by owners of the Securities, beginning with the Subordinated Notes as the most Junior Class. Changes in LIBOR applicable to the Notes may adversely affect returns on the Subordinated Notes.

Historical performance of LIBOR. The Interest Rate on each class of Secured Notes is based upon LIBOR and therefore may fluctuate from one Interest Accrual Period to another in response to changes in LIBOR. From time to time, LIBOR has experienced high volatility. The historical performance of LIBOR should not be taken as an indication of future performance during the term of the Secured Notes. Changes in LIBOR will affect the amount of interest payable on the Secured Notes and the trading price of the Secured Notes, but it is impossible to predict whether LIBOR will rise or fall. Some Collateral Obligations, however, may have LIBOR floor arrangements, but there is no guarantee that any such LIBOR floor will fully mitigate the risk of falling LIBOR. There is no requirement for any Collateral Obligation to have a LIBOR floor, and issuers of new loans may decrease the level of LIBOR floors or cease to include LIBOR floors in new issue loans. In addition, an increase in LIBOR may reduce or obviate the benefit of a LIBOR floor by decreasing the yield of the portfolio and reducing the amount available to make payments on the Notes, beginning with the Subordinated Notes as the most Junior Class. If LIBOR payable on the Secured Notes rises during periods in which LIBOR with respect to the various Collateral Obligations is stable, is falling or is rising but is capped at a lower level, "excess spread" (i.e., the difference between the interest collected on the Collateral Obligations and the sum of the interest payable on the Secured Notes and certain transaction fees payable by the Issuer) that otherwise would be available as credit support or to make distributions on Subordinated Notes may instead be used to pay interest on the Secured Notes. There may also be a timing

mismatch between the Secured Notes and the underlying floating rate Collateral Obligations as the LIBOR on such Collateral Obligations may adjust more frequently or less frequently or on different dates than LIBOR on the Secured Notes. Such a mismatch could result in the Issuer not collecting sufficient Interest Proceeds to make interest payments on the Secured Notes. The Issuer is not expected to enter into interest rate swap transactions to hedge any interest rate or timing mismatch.

Additional information about LIBOR. Regulators and law-enforcement agencies from a number of governments, including entities in the U.S., Japan, Canada and the United Kingdom, are conducting civil and criminal investigations into whether the banks that contribute to the British Bankers' Association (the "**BBA**") in connection with the calculation of daily LIBOR may have been under-reporting or otherwise manipulating or attempting to manipulate LIBOR for their own benefit. Actions by the BBA, regulators or law-enforcement agencies may affect LIBOR (and/or the determination thereof) in unknown ways, which could adversely affect the value of the Notes. The Financial Services Authority of the United Kingdom has selected a new administrator, effective in early 2014, for the compilation of LIBOR submissions. This could result in a change in the methodology of setting LIBOR or a discontinuing of the publication of LIBOR. Any uncertainty in the value of LIBOR, the development of a widespread market view that LIBOR has been or is being manipulated by BBA member banks or the discontinuance of the publication of LIBOR may adversely affect liquidity of the Notes in the secondary market and their market value. An increase in alternative types of financing at the expense of LIBOR-based syndicated commercial loans may make it more difficult for the Issuer to purchase Collateral Obligations that satisfy the Investment Criteria or may increase interest expense. If LIBOR were no longer available, under the definition of LIBOR, the LIBOR rate would be the last rate that was able to be determined based on the required methodology. An amendment of the Indenture would be required to provide for an alternate base rate for determination of the Interest Rate of the Floating Rate Notes. Consent of all holders of the Notes would be required for such an amendment, which may be difficult or impossible to obtain. Investors should consider the investigations into LIBOR and their possible effects in making their investment decision.

Loans and Participations. Loans may become non-performing for a variety of reasons and may require substantial workout negotiations or restructuring that may entail, among other things, a substantial reduction in the interest rate and a substantial write-down of principal. While the Issuer may have limited rights to participate in such workout negotiations or restructuring and voting rights with respect to interests in loans it owns through assignments, the Issuer will not own a large enough interest to control any such activities or votes. In addition, when the Issuer holds a loan participation, it may not have voting rights with respect to any waiver of enforcement of any restrictive covenant breached by a borrower. Selling institutions commonly reserve the right to administer loan participations sold by them as they see fit (unless their actions constitute gross negligence or willful misconduct) and to amend the documentation evidencing the obligations in all respects. However, most participation agreements provide that the selling institutions may not vote in favor of any amendment, modification or waiver that forgives principal, interest or fees, reduces principal, interest or fees that are payable, postpones any payment of principal (whether a scheduled payment or a mandatory prepayment), interest or fees or releases any material guarantee or security without the consent of the participant (at least to the extent the participant would be affected by any such amendment, modification or waiver). Selling institutions voting in connection with a potential waiver of a restrictive covenant may have interests different from those of the Issuer, and such selling institutions might not consider the interests of the Issuer in connection with their votes.

Debt obligations in the form of loans rather than bonds are generally subject to additional liquidity risks and, in some cases, credit risks. Loans are not generally traded on established trading exchanges but are traded by banks, dealers and other institutional investors engaged in syndications, trading and investment. Consequently, there can be no assurance that there will be any market for any loan if the Issuer is required to sell or otherwise dispose of such loan. Depending on the terms of the underlying loan documentation, consent of the borrower may be required for an assignment, and a purported assignee may not have any direct right to enforce compliance by the obligor with the terms of the loan agreement in the absence of this consent. A holder of a loan participation is subject to additional risks not applicable to a holder of a direct interest in a loan. In the event of the insolvency of the selling institution, under the laws of the United States and the various states thereof, a holder of a loan participation may be treated as a general creditor of the selling institution and may not have any exclusive or senior claim with respect to the selling institution's interest in, or the collateral with respect to, the loan. Consequently, the holder of a loan participation will be subject to the credit risk of the selling institution as well as of the borrower. Participants also often do not benefit from the collateral (if any) supporting the loans in which they have a participation interest

because participations often do not provide a purchaser with direct rights to enforce compliance by the borrower with the terms of the loan agreement or any rights of set-off against the borrower. The Investment Manager is not required, and does not expect, to perform independent credit analyses of the selling institutions.

The Collateral may include Second Lien Loans that are subordinated in right of payment to senior secured loans and other secured debt obligations of the related obligor. Accordingly, they are subject to a greater risk than senior secured loans that the available cash flows and the property, if any, securing such loans may be insufficient to make the scheduled payments and they may be subject to a higher degree of credit risk and more price volatility and may be less liquid than senior secured loans. Such loans may be subordinated to first lien debt obligations with respect to specific collateral of the obligor and, in the event that the proceeds or value of such collateral is insufficient to repay the first lien debt obligations, the Second Lien Loans will likely suffer a loss of principal and interest. Such Second Lien Loans will generally have rights that are subordinated to those of the first lien debt obligations. Second Lien Loans are subject to the same risks as senior secured loans, including credit risk, market risk, liquidity risk and interest rate risk. However, due to the subordinated nature of these loans they involve a higher degree of overall risk than the senior secured loans of the same obligor.

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

Significant numbers of obligors are facing the need to refinance their debt over the next few years, and significant numbers of collateralized loan obligation transactions are facing the end of their reinvestment periods or the final maturities of their own debt. As a result of the foregoing "refinancing cliff," there could be significant pressure on the ability of obligors to refinance their debt over the next few years. If the issue is not addressed through adequate systemic liquidity or other measures, increased defaults could result, and there could be downward pressure on the prices and markets for debt instruments, including Collateral Obligations.

Cov-Lite Loans. A significant portion of the Collateral Obligations may be comprised of Cov-Lite Loans which contain limited, if any, financial covenants. Generally, such loans either do not require the obligor to maintain debt service or other financial ratios or do not contain common restrictions on the ability of the obligor to change significantly its operations or to enter into other significant transactions that could affect its ability to repay such loans. Ownership of Cov-Lite Loans may expose the Issuer to different risks, including with respect to liquidity, price volatility and ability to restructure loans, than is the case with loans that have such requirements and restrictions, which could result in an adverse impact on the Issuer's ability to make payments on the Securities.

Investing in Non-U.S. Assets. A portion of the Collateral may be securities and obligations of issuers that are not domiciled in the United States. Such non-U.S. securities and obligations are subject to regional economic conditions and sovereignty risks not normally associated with investments in United States issuers, including risks associated with political and economic uncertainty, fluctuations of currency exchange rates, differing levels of disclosure and regulation of non-U.S. nations or other taxes imposed with respect to investments in non-U.S. nations, foreign currency exchange controls (which may include suspension of the ability either to transfer currency from a given country or to repatriate investments) and uncertainties as to the status, interpretation and application of laws. In addition, information about non-U.S. issuers is often less publicly available than information about U.S. issuers.

Moreover, non-U.S. issuers may not be subject to uniform accounting, auditing and financial reporting standards, and auditing practices and requirements may not be comparable to those applicable to U.S. companies. It may also be more difficult to obtain and enforce a judgment relating to obligations of non-U.S. persons in a court outside of the United States.

Acquisition and Sale of Collateral. By the Closing Date, the Issuer expects to have purchased or entered into agreements to purchase Collateral Obligations with an aggregate principal balance of approximately $300,000,000. The Investment Manager expects to purchase (and enter into agreements to purchase) additional Collateral Obligations by the Effective Date, which may be approximately five months after the Closing Date. A significant portion of the Collateral Obligations will be purchased on or after the Closing Date. The price and availability of Collateral Obligations may be adversely affected by a number of market factors, including price volatility of Collateral Obligations and availability of investments suitable for the Issuer, which could hamper the ability of the Issuer to acquire an initial portfolio of Collateral Obligations that will satisfy the Concentration Limitations and allow the Issuer to reach the Aggregate Ramp-Up Par Amount prior to the Effective Date. Delays in reaching the Aggregate Ramp-Up Par Amount may adversely affect the timing and amount of payments received by the Holders of Securities and the yield to maturity of the Secured Notes and the distributions on the Subordinated Notes.

The Collateral Obligations actually acquired by the Issuer may be different from those expected to be purchased by the Investment Manager, on behalf of the Issuer, due to market conditions, availability of such Collateral Obligations and other factors. The actual portfolio of Collateral Obligations owned by the Issuer will change from time to time as a result of scheduled and unscheduled payments of principal and sales and purchases of Collateral Obligations.

Under the Indenture, the Investment Manager may direct (a) the disposition of (i) Defaulted Obligations and Equity Securities at any time, and (ii) subject to certain restrictions in the event of a downgrade of the ratings on the Secured Notes, Credit Risk Obligations and Credit Improved Obligations and (c) Discretionary Sales subject, after the Effective Date, to an annual percentage limitation. Circumstances may exist under which the Investment Manager may believe that it is in the best interests of the Issuer to acquire or dispose of a Collateral Obligation but will not be permitted to do so under the terms of the Indenture or the Investment Management Agreement. In addition, circumstances may exist which cause the Issuer not to be able to fully invest its cash in Collateral Obligations, for example, because of market conditions, the unavailability of suitable obligations or an inability to satisfy the Investment Criteria. Accordingly, during certain periods or in certain specified circumstances, as a result of the restrictions contained in the Indenture and Investment Management Agreement, the Issuer may be unable to acquire or dispose of Collateral Obligations or to take other actions that the Investment Manager might consider in the interests of the Issuer and the Holders.

Reinvestment Risks. Amounts available for distribution on the Securities will decline if and when the Issuer invests the proceeds from matured, prepaid, sold or called Collateral Obligations into lower yielding instruments. Subject to criteria described herein, the Investment Manager will have discretion to use Principal Proceeds to invest in Collateral Obligations in compliance with the Investment Criteria. The yield with respect to such Collateral Obligations will depend on, among other factors, reinvestment rates available at the time, the availability of investments satisfying the Investment Criteria and acceptable to the Investment Manager, and market conditions related to Collateral Obligations in general. The need to satisfy the Investment Criteria and identify acceptable investments may require the purchase of Collateral Obligations with a lower yield than those replaced, with different characteristics than those replaced (including, but not limited to, coupon, spread, maturity, call features, covenants and/or credit quality) or require that such funds be maintained in Eligible Investments pending reinvestment in Collateral Obligations, which will further reduce the yield on the Collateral Obligations. Any decrease in the yield on the Collateral Obligations will have the effect of reducing the amounts available to make distributions on the Securities, especially the Subordinated Notes. There can be no assurance that yields on Collateral Obligations that are available and eligible for purchase will be at the same levels as those replaced, that the characteristics of any Collateral Obligations purchased will be the same as those replaced or as to the timing of the purchase of any such Collateral Obligations.

Leveraged loans 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 customized non-uniform nature of loan agreements and private syndication. The reduced liquidity and lower volume of trading in such debt obligations, in addition to restrictions on investment represented by the Investment Criteria, could result in periods

of time during which the Issuer is not able to fully invest its cash in Collateral Obligations. The longer the period before investment of cash in Collateral Obligations, the greater the adverse impact will be on aggregate Interest Proceeds available for distribution by the Issuer, especially on the Junior Classes, thereby resulting in lower yields than could have been obtained if proceeds were immediately invested. In addition, leveraged loans are often prepayable by the borrowers with no, or limited, penalty or premium. As a result, leveraged loans generally prepay more frequently than other corporate obligations of the same borrower. Senior leveraged 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 amortization of leveraged loans increase the associated reinvestment risk on the Collateral Obligations which risk will be borne by owners of the Securities, beginning with the Subordinated Notes as the most Junior Class. See "—Defaults; Market and Credit Spread Volatility."

Defaults; Market and Credit Spread Volatility. To the extent that a default occurs with respect to any Collateral Obligation and the Issuer sells or otherwise disposes of that Collateral Obligation, it is likely that the proceeds will be less than its unpaid principal and interest or its purchase price. This could have a material adverse effect on the payments on the Securities. The Issuer also may incur additional expenses to the extent it is required to seek recovery after a default or participate in the restructuring of an obligation. Even in the absence of a default with respect to any of the Collateral Obligations, the market value of the Collateral Obligation at any time will vary, and may vary substantially, from the price at which that Collateral Obligation was initially purchased and from the principal amount of such Collateral Obligation due to market volatility, changes in relative credit quality, availability of financial information and remedies under the Underlying Instruments of such Collateral Obligation, general economic conditions, the level of interest rates, changes in exchange rates, the supply of below investment grade debt obligations and other factors that are difficult to predict. In addition, the Indenture places significant restrictions on the Investment Manager's ability to buy and sell Collateral Obligations.

The market price of below investment grade debt obligations has and may from time to time in the future experience significant volatility. No assurance can be given as to the levels of volatility in the below investment grade debt market in the future. Such volatility may adversely impact the liquidity, market prices and other performance characteristics of the Collateral Obligations.

In addition to default frequency, recovery rate and market price volatility, 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 recapitalized or if credit spreads were declining for leveraged loans, such obligor would likely seek to refinance at a lower credit spread. The rates at which leveraged loans may prepay or refinance and the level of credit spreads for leveraged loans in the future are subject to numerous factors and are difficult to predict. 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 Obligations, which would have an adverse effect on the amount available for distributions on Notes, beginning with the Subordinated Notes as the most Junior Class.

Illiquidity of Collateral. The lack of an established, liquid secondary market for some of the Collateral Obligations may have an adverse effect on the market value of the Collateral Obligations and on the Issuer's ability to dispose of them. The market for below investment grade debt obligations may become illiquid from time to time as a result of adverse market conditions, regulatory developments or other circumstances. Additionally, Collateral Obligations will be subject to certain other transfer restrictions that may contribute to illiquidity. Therefore, no assurance can be given that, if the Issuer determined to dispose of all or a substantial portion of a particular investment, it could dispose of such investment, particularly at any previously prevailing market price or any specific valuation level.

Credit Ratings. A credit rating is not a recommendation to buy, sell or hold a security, and it may be subject to revisions or withdrawal at any time by the assigning rating agency. Credit ratings of debt obligations represent the rating agencies' opinions regarding their credit quality and are not a guarantee of quality. Rating agencies attempt to

evaluate the likelihood that the obligor will make principal and interest payments and do not evaluate the risks of fluctuations in market value. Therefore, credit ratings may not fully reflect all of the risks of an investment. In addition, rating agencies may not make immediate changes in credit ratings in response to events that impact an obligor, so that an obligor's current financial condition may be worse than a rating indicates when compared with other obligors with equivalent ratings.

Reports Provided by the Trustee Will Not Be Audited. The Monthly Reports and Distribution Reports made available to Holders will be compiled by the Collateral Administrator, on behalf of the Issuer, based on certain information provided to it by the Investment Manager. Information in the reports will not be audited nor will reports include a review or opinion by a public accounting firm.

Relating to the Investment Manager

Performance history of the Investment Manager may not be indicative of future results. The past performance of the Investment Manager, its affiliates or its current personnel in other portfolios or investment vehicles may not necessarily be indicative of, and does not guarantee, the results that the Investment Manager may be able to achieve with the Collateral Obligations and this collateralized loan obligation transaction. Similarly, the past performance obtained by the Investment Manager, its affiliates and its current personnel over a particular period may not necessarily be indicative of, and does not guarantee, the results that may be expected in future periods. Furthermore, the nature of, and risks associated with, the Issuer's investments may differ substantially from those investments and strategies undertaken in connection with such other portfolios or investment vehicles. There can be no assurance that the Issuer's investments will perform as well as such past investments, that the Issuer will be able to avoid losses or that the Issuer will be able to make investments similar to such past investments. In addition, such past investments may have been made utilizing no leverage or varying amounts of leverage, an asset mix and fee arrangements that are different from the anticipated capital structure, asset mix and fee arrangements of the Issuer, and may have been made during periods when differing economic circumstances prevailed. In addition, such investments may have had less complicated structures with fewer and/or less restrictive investment guidelines and restrictions, and may have permitted investment in a wider range of assets. Moreover, because the investment criteria that govern investments in the Issuer's portfolio do not govern the Investment Manager's investments and investment strategies generally, such investments conducted in accordance with such criteria, and the results they yield, are not directly comparable with, and may differ substantially from other investments undertaken by or managed by the Investment Manager, its affiliates or its current personnel.

The Investment Manager Incentive Fee Amount and fee arrangements may create different incentives for the Investment Manager. On each Payment Date, the Investment Manager will be paid the Investment Manager Incentive Fee Amount to the extent of funds available on such Payment Date under the Priority of Payments, if the holders of the Subordinated Notes have realized an annualized Internal Rate of Return greater than or equal to the Target Return as of such Payment Date. The manner in which the Investment Manager Incentive Fee Amount is determined could create an incentive for the Investment Manager to make more speculative investments in the Collateral Obligations than the Issuer would otherwise make in order to seek to increase the likelihood that the holders of the Subordinated Notes will realize an annualized Internal Rate of Return of greater than or equal to the Target Return for the Investment Manager to be entitled to be paid the Investment Manager Incentive Fee Amount.

The Issuer will depend on the managerial expertise available to the Investment Manager and its key personnel. The composition and performance of the Collateral Obligations will depend on the skills of the Investment Manager in analyzing, selecting and managing the Assets. As a result, the Issuer will be highly dependent on the financial and managerial experience of the investment professionals employed by the Investment Manager who are assigned to manage the Assets. There is no assurance that such persons will continue to be employed by the Investment Manager or will continue to be assigned to manage the Assets. The loss of any of these individuals could have a material adverse effect on the performance of the Assets. In addition, the Investment Manager may add additional employees to manage the Assets at any time. The additional employees added to manage the Assets may not have the same level of experience in selecting and managing loans and other assets as the persons they replace. The performance of the Assets will also depend on the skill of the investment professionals assigned to manage the Assets in applying the portfolio criteria and other requirements that apply to the selection, management and disposition of the assets in a collateralized loan obligation ("**CLO**") transaction. See "Security for the Secured Notes." The ING Senior Loan Group currently manages over $17 billion in assets that are substantially similar to the Collateral Obligations and Eligible Investments that it will manage for the Issuer across 30 portfolios, including

16 CLOs (including the Issuer). The assets in those CLO transactions and such other funds and portfolios consist primarily of non-investment grade secured loans and high-yield debt.

The Investment Manager may also resign or be removed in certain circumstances described herein. See "The Investment Management Agreement—Removal, Resignation and Replacement of the Investment Manager."

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

The Issuer will be subject to various conflicts of interest involving the Investment Manager. On the Closing Date, the Investment Manager and/or one or more of its Affiliates is expected to purchase Subordinated Notes equal to approximately 7% of the Subordinated Notes. Such Subordinated will be priced at a discount to par and may be transferred to related or unrelated parties at any time after the Closing Date. The Investment Manager and its Affiliates may purchase other Classes of Securities. The Initial Purchaser will waive the payment of its fee for such sales to the Investment Manager and its Affiliates on the Closing Date. On the Closing Date, the Investment Manager will be reimbursed by the Issuer for certain of its expenses incurred in connection with the Offering.

Various potential and actual conflicts of interest may arise from the overall investment activities of the Investment Manager, its Affiliates and their respective clients and employees. The Investment Manager and its Affiliates may invest, on behalf of themselves and other clients, in securities that would be appropriate as Assets. The Investment Manager and its Affiliates may give advice or take action for their own account or their other client accounts with similar strategies that may differ from advice given or action taken for the Issuer. The Investment Manager and its Affiliates may also have ongoing relationships with companies whose obligations are included in the Assets, and may own, directly or through other funds that they manage, equity or debt securities issued by obligors of obligations included in the Assets. The Investment Manager and its Affiliates may also provide certain services to companies whose obligations are pledged by the Issuer as Assets. In addition, the Investment Manager, its Affiliates and their respective clients and employees may invest, or have already invested, in obligations and/or other securities that are identical to or senior to, or have interests different from or adverse to, the Collateral Obligations. In addition, the Investment Manager or any of its Affiliates may serve as a general partner, adviser, officer, director, sponsor or manager of partnerships or companies organized to issue collateralized bond or loan obligations secured by non-investment grade loans. The Investment Manager may at certain times be engaged in seeking investments to purchase for the Issuer while at the same time the Investment Manager or one or more Affiliates is also seeking to purchase or has already purchased similar or identical investments for its own account or clients or Affiliates or another entity for which it serves as a general partner, adviser, officer, director, sponsor or manager. By reason of the various activities of the Investment Manager and its Affiliates, the Investment Manager and such Affiliates may acquire confidential or material non-public information or be restricted from effecting transactions in certain Collateral Obligations or other Assets that otherwise might have been initiated or prevented. At times, the Investment Manager, in an effort to avoid restrictions for the Issuer and its other clients, may elect not to receive information that other market participants or counterparties are eligible to receive or have received. Affiliates of the Investment Manager syndicate or distribute new issue loans. The Investment Manager may cause the Issuer to purchase such loans subject to the Operating Guidelines and requirements of the Investment Management Agreement.

Neither the Investment Manager nor any of its Affiliates has any affirmative obligation to offer any investments to the Issuer or to inform the Issuer of any investments before offering any investments to other funds or accounts that the Investment Manager or any of its Affiliates manage or advise. The Investment Manager and its Affiliates may also make investments on their own behalf without offering such investment opportunities to the Issuer. Furthermore, the Investment Manager and its Affiliates may be bound by affirmative obligations at present or in the future, whereby it or they are obligated to offer certain investments to funds or accounts that it or they manage or advise before or without the Investment Manager or its Affiliates offering those investments to the Issuer. Typically, the Investment Manager and its Affiliates offer certain investments to funds or accounts that it or they manage or

advise simultaneously with or in addition to offering those investments to the Issuer. Thus, other funds or accounts that it or they manage or advise could become co-investors with the Issuer.

The Investment Manager will endeavor to resolve conflicts with respect to investment opportunities in a manner that it deems equitable to the extent practicable under the prevailing facts and circumstances. Further, the Investment Manager will be prohibited under the terms of the Investment Management Agreement from directing the acquisition of Assets from, or disposition of Assets to, its Affiliates or any other account managed by the Investment Manager except in a transaction conducted on an arm's-length basis, where the terms of such transaction are at least substantially as advantageous to the Issuer as the terms the Issuer would obtain in a comparable arm's length transaction with a non-Affiliate, and where such transaction complies with the Investment Advisers Act of 1940, as amended (the "**Investment Advisers Act**"). In addition, both prior and subsequent to the Closing Date, the Investment Manager has caused and may continue to cause the Issuer to purchase Collateral Obligations directly from other funds or portfolios advised by the Investment Manager and/or its affiliates. All such purchases will be made on arms-length terms in accordance with applicable law and with the Investment Manager's established policies and procedures.

The Investment Manager currently serves as the portfolio manager for a number of collateralized debt obligation transactions, retail mutual funds, institutional funds and private accounts secured by collateral consisting primarily of non-investment grade loans. Although the professional staff of the Investment Manager will devote as much time to the Issuer as the Investment Manager deems appropriate to perform its duties in accordance with the Investment Management Agreement, the staff of the Investment Manager may have conflicts in allocating their time and services among the Issuer and the Investment Manager's other accounts. The Investment Manager may, in its sole discretion, aggregate orders for its accounts under management. There is no assurance that any CLO or other client with strategies or investment objectives similar to the Issuer will hold the same assets or perform in a similar manner.

In addition, the Investment Manager and its affiliates may, from time to time, be presented with investment opportunities that fall within the investment objectives of the Issuer and other investment funds managed by the Investment Manager or its affiliates, and in such circumstances, the Investment Manager and its affiliates expect to allocate such opportunities among the Issuer and such other affiliated funds on a basis that the Investment Manager and its affiliates determine in good faith is appropriate taking into consideration such factors as its duties owed to the Issuer and such other funds, the primary mandates of the Issuer and such other funds, the capital available to the Issuer and such other funds, any restrictions on investment, the sourcing of the transaction, the size of the transaction, the amount of potential follow-on investing that may be required for such investment and the other Collateral Obligations of the Issuer and such other funds, the relation of such opportunity to the investment strategy of the Issuer and such other funds, reasons of portfolio balance, the nature and extent of involvement in the transaction on the part of the respective teams of investment professionals for the Issuer and each such other fund and any other consideration deemed relevant by the Investment Manager and its affiliates in good faith. The objective of the Investment Manager will be to allocate investments in any participating accounts (including the Issuer) in a manner that is fair and equitable over time and is consistent with applicable law, such allocation procedures as may be in place from time to time as described in its Form ADV Part 2A which will be provided to the Issuer prior to entering into the Investment Management Agreement and is available subsequently upon request from the Investment Manager and other relevant internal policies and procedures of the Investment Manager from time to time. However, there is no assurance that such investment opportunities will be allocated to the Issuer fairly or equitably in the short-term or over time and there can be no assurance that the Issuer will be able to participate in all such investment opportunities that are suitable for it. For example, if the Investment Manager or its Affiliates seek to purchase a loan or other asset on behalf of the Issuer and other accounts they manage, the amount of such asset available in the market and allocated to the Issuer by the Investment Manager or its Affiliates may be less than the amount the Investment Manager originally intended for the Issuer to purchase.

On each Payment Date on which the Investment Manager Inventive Fee Amount shall be due and payable, the Investment Manager will be paid the Investment Manager Incentive Fee Amount to the extent of funds available in accordance with the Priority of Payments. The manner in which the Investment Manager Incentive Fee Amount is determined could create an incentive for the Investment Manager to make more speculative investments in the Assets than the Issuer would otherwise make in order to seek to increase the likelihood that the Target Return would be achieved so that the Investment Manager would be paid the Investment Manager Incentive Fee Amount.

The Investment Manager and its Affiliates and portfolios managed by them may own equity or other securities of obligors on the Collateral Obligations or other Assets and may have provided and may provide in the future, advisory and other services to obligors of Assets. The Investment Manager and/or its Affiliates and portfolios managed by them may from time to time purchase and hold Securities.

While the Investment Manager may interact with investors and prospective investors in the Securities and may provide to them information regarding the portfolio of investments of the Issuer, the Investment Manager has the sole authority to select and manage the portfolio of Assets. Upon request, investors and prospective investors may obtain information regarding the Investment Manager's selections of Collateral Obligations for the Issuer; however, no investor or prospective investor has any right to require the Investment Manager to select a particular asset for purchase or sale by the Issuer.

ING Group restructuring. The Investment Manager is currently an indirect, wholly owned subsidiary of ING U.S., Inc., which in turn is a majority owned subsidiary of ING Group N.V. ("**ING Group**"). Pursuant to a restructuring plan adopted by ING Group and approved by the European Commission in October 2009 and subsequently amended and approved in November 19, 2012 (the "**Amended Restructuring Plan**"), ING Group agreed to divest its insurance and investment management operations, including ING U.S. and its subsidiaries. Under the terms of the Amended Restructuring Plan, ING Group is required to divest at least 25% of ING U.S. by December 31, 2013, more than 50% by December 31, 2014 and 100% by December 31, 2016. ING Group has announced that its base case is to divest its ownership of ING U.S. in one or more public offerings.

On May 1, 2013, ING U.S. undertook an initial public offering (IPO), and on May 2, 2013 shares began trading on the New York Stock Exchange (NYSE: VOYA). The IPO settled on May 7th and resulted in the divestment of 25% of ING Group's ownership in ING U.S. prior to the exercise of an option to purchase additional shares by the underwriters. On May 28, 2013, the underwriters exercised their option to purchase an additional amount of ING U.S. shares, thereby reducing ING Group's stake to approximately 71%. On October 29, 2013, ING Group closed the sale of an additional 37.95 million shares of common stock of ING U.S., further reducing its ownership stake to 57%.

As part of the separation from ING Group, ING U.S. plans to rebrand as Voya Financial in September 2014, and ING U.S. Investment Management, of which the Investment Manager is a part plans to rebrand as Voya Investment Management in May 2014.

There can be no assurance that the remaining divestitures required under the Amended Restructuring Plan will be carried out through public offerings or at all. The Amended Restructuring Plan, whether implemented through the planned public offerings or through other means, in whole or in part, may be disruptive to the businesses of ING entities, including the Investment Manager, and may cause, among other things, interruption or reduction of business and services, diversion of management's attention from day-to-day operations, and loss of key employees or customers. A failure to complete the offerings or other means of implementation of the Amended Restructuring Plan on favorable terms could have a material adverse impact on the operations of the businesses subject to the restructuring. The restructuring may result in the Investment Manager's loss of access to services and resources of ING Group. Currently, the Investment Manager does not expect that the restructuring will have a material adverse impact on its operations or on its ability to perform the services required under the Investment Management Agreement and the Indenture.

If the restructuring plan is fully implemented, either as currently contemplated or otherwise, it may result in a change of control of the Investment Manager that could constitute an assignment of the Investment Management Agreement for purposes of the Investment Advisers Act. Such an assignment would require the consent of the Issuer. The Issuer is expected to consent to such an assignment in advance in the Investment Management Agreement. In addition, so long as, immediately after the assignment, the Investment Manager employs the same principal personnel performing the duties required under the Investment Management Agreement no consent of Holders will be required.

Relating to the Issuer and its Service Providers

Certain Conflicts of Interest Relating to the Initial Purchaser and Its Affiliates. Credit Suisse and its Affiliates (the "Credit Suisse Parties") will play various roles in relation to the Offering, including acting as the structurer of the transaction and in other roles described below.

As the structurer, Credit Suisse will help coordinate the development of the Concentration Limitations, the Coverage Tests, the Collateral Quality Test, the Priority of Payments, and other criteria in and provisions of the Indenture. These may be influenced by discussions that the Initial Purchaser may have 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 Securities.

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

The Credit Suisse 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. The Credit Suisse Parties may own positions in and will likely have placed or underwritten certain of the Collateral Obligations (or other obligations of the obligors of Collateral 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 Obligations. In addition, the Credit Suisse Parties and their clients may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, Collateral Obligations. Each of the Credit Suisse Parties will act in its own commercial interest in its various capacities without regard to whether its interests conflict with those of the Holders or any other party. Moreover, the Issuer may invest in loans of obligors affiliated with the Credit Suisse Parties or in which one or more Credit Suisse Parties hold an equity or participation interest. The purchase, holding or sale of such Collateral Obligations by the Issuer may increase the profitability of the Credit Suisse Party's own investments in such obligors.

From time to time the Investment Manager will purchase from or sell Collateral Obligations through or to the Credit Suisse Parties (including a portion of the Collateral Obligations to be purchased on or prior to the Closing Date) and one or more Credit Suisse Parties may act as the selling institution with respect to Participation Interests and/or a counterparty under a Hedge Agreement (if any). The Credit Suisse Parties may act as placement agent and/or initial purchaser or investment manager in other transactions involving issues of collateralized debt obligations or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the availability of collateral for the Issuer.

The Credit Suisse Parties do not disclose specific trading positions or hedging strategies, including whether they are in a long or short position in any Security or obligation referred to in this Offering Memorandum. Nonetheless, in the ordinary course of business, Credit Suisse Parties and employees or customers of the Credit Suisse Parties may actively trade in the Securities, Collateral Obligations and Eligible Investments for their own accounts and for the accounts of their customers. Accordingly, the Credit Suisse Parties and their employees or customers expect to hold on the Closing Date a long or short position in such Collateral Obligations, and at any time thereafter may hold a long or short position in such Securities or Collateral Obligations, but are not required to do so. Credit Suisse Parties and employees or customers of the Initial Purchaser and its Affiliates may also enter into credit derivative or other derivative transactions with other parties pursuant to which they sell or buy credit protection with respect to such Securities and obligations.

Credit Suisse Parties will on the Closing Date purchase Securities of one or more Classes and may hold Securities or one or more Class after the Closing Date. If a Credit Suisse Party becomes an owner of any of the Securities, 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 Securities. To the extent a Credit Suisse Party makes a market in the Securities (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 Securities. 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 Securities. The price at which a Credit Suisse Party may be willing to purchase Securities, 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 Securities and significantly lower than the price at which it may be willing to sell the Securities.

It is expected that a majority of the Collateral Obligations to be held by the Issuer as of the Closing Date will be purchased prior to the Closing Date in accordance with the terms of the warehouse agreement. See "—Pre-Closing Collateral Accumulation." The Pre-Closing Parties under the warehouse agreement include Affiliates of Credit Suisse. The warehouse agreement must be terminated on the Closing Date and all amounts owing to the Pre-Closing Parties in connection therewith must be repaid by the Closing Date.

The Initial Purchaser takes no responsibility for, and has no obligations in respect of, the Issuer and will have no obligation to monitor the performance of the Collateral or the actions of the Investment Manager or the Issuer and will have no authority to advise the Investment Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Investment Manager and the Issuer. If the Initial Purchaser or its Affiliates owns Securities, they will have no responsibility to consider the interests of any other owners of Securities in actions they take or refrain from taking in such capacity.

Certain Other Conflicts of Interest. The Trustee or any Hedge Counterparty or any of their respective Affiliates or employees may purchase Securities (either upon initial issuance or through secondary transfers), buy credit protection on Securities, or exercise any voting rights to which such Securities are entitled or hold a long or short position in one or more Classes of Securities and Collateral Obligations.

Waiver of Conflicts of Interest. By purchasing a Security, 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.

Pre-Closing Collateral Accumulation. The Investment Manager has advised the Issuer with respect to the accumulation of obligations prior to the Closing Date. Financing for acquisition of each obligation is being provided by Credit Suisse AG, Cayman Islands Branch ("**CS**"), an Affiliate of the Initial Purchaser and the Investment Manager (the "**Pre-Closing Parties**") subject to certain conditions, including satisfaction of eligibility criteria and approval of CS. The financing will be repaid in full on the Closing Date out of proceeds from the sale of the Securities. In consideration for providing financing, the Pre-Closing Parties also will be entitled to receive on the Closing Date virtually all of the interest income paid or payable on the loans on or prior to the Closing Date. Any interest on the loans accrued but unpaid as of the Closing Date (the "**Warehouse Accrued Interest**") will be paid to the Pre-Closing Parties out of the proceeds from the sale of the Securities. When the Warehouse Accrued Interest is paid to the Issuer, the Issuer will retain such amounts and treat them as Principal Proceeds.

The prices paid for such loans will be their market value on the date the Issuer entered into the commitment to purchase, which may be greater or less than the market value thereof on the Closing Date. In addition, although such loans are expected to satisfy the limitations applicable to Collateral Obligations at the time of purchase because of events occurring between the purchase or commitment to purchase and the Closing Date, they may not satisfy such limitations on the Closing Date.

There can be no assurance that the market value of any asset owned by the Issuer on the Closing Date will be equal to or greater than the price paid by the Issuer, and after repayment of financing costs any net losses (as well as net gains) experienced in respect of any such loan during the pre-closing period will be for the Issuer's account. In addition, events occurring between the date the Issuer committed to acquire an asset and the Closing Date, including changes in prevailing interest rates, prepayments of principal, developments or trends in any particular industry, changes in the financial condition of the obligors of such loans, the timing of purchases during the pre-closing period and a number of other factors beyond the Issuer's control, including the condition of certain financial markets, general economic conditions and U.S. and international political events, could adversely affect the market value of the assets purchased during this pre-closing period. To the extent that any losses are realized on the

Collateral after the Closing Date, such losses will be borne by the owners of the Securities, beginning with the most Junior Classes.

No Operating History. The Co-Issuers are recently formed companies and have not commenced operations (other than those activities incidental to its incorporation or formation and, in the case of the Issuer, the acquisition of Collateral Obligations in anticipation of the Closing Date and activities incidental thereto). Accordingly, neither of the Co-Issuers has a performance history for prospective investors to consider. The performance of other entities organized to issue collateralized debt obligations secured by obligations that are similar to the Collateral Obligations advised by the Investment Manager should not be relied upon as an indication or prediction of the performance of the Collateral. Such other CLO vehicles may have significantly different characteristics, including structures, composition of the collateral pool, investment objectives, management personnel and terms when compared to the Issuer.

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

Third Party Litigation. The activities of the Co-Issuers subject them to the normal risks of becoming involved in litigation by third parties. This risk would be somewhat greater if either of the Co-Issuers were to exercise control or significant influence over an obligor of a Collateral Obligation or Equity Security or act as a participant on a creditors committee. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would, absent bad faith, willful misconduct or gross negligence in the performance, or reckless disregard, of the Investment Manager's obligations under the Investment Management Agreement and the terms of the Indenture applicable to the Investment Manager, be borne by the Issuer and would reduce amounts available for distribution and the Issuer's net assets.

Rating Agency Confirmation. Historically, many actions by issuers of collateralized debt obligation vehicles (including but not limited to issuing additional securities and amending relevant agreements) have been conditioned on receipt of confirmation from the applicable rating agencies that such action would not cause the ratings on the applicable securities to be reduced or withdrawn. Recently, certain rating agencies have changed the manner and the circumstances under which they are willing to provide such confirmation and have indicated reluctance to provide confirmation in the future, regardless of the requirements of the applicable indenture and other transaction documents. If the transaction documents require that the Moody's Rating Condition or S&P Rating Condition be satisfied before certain action 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 realized by the Issuer and, indirectly, by Holders of Notes. Moreover, if either Rating Agency has made a public announcement or informs the Issuer, the Investment Manager or the Trustee that it believes such confirmation is not required with respect to an action or its practice is not to give such confirmations, or if a rating agency no longer is considered a Rating Agency under the Indenture, the requirements for ratings confirmation with respect to that Rating Agency will not apply.

Relating to Regulatory and Other Legal Considerations

Recent Legal and Regulatory Developments. In response to the recent downturn in the credit markets and the global economic crisis, various agencies and regulatory bodies of the U.S. federal government have taken or are considering taking actions to address the financial crisis. These actions include, but are not limited to, the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), which was signed into law on July 21, 2010, and which imposes a new regulatory framework over the U.S. financial services industry and the consumer credit markets in general, and proposed regulations by the SEC that, if enacted, would significantly alter the manner in which asset-backed securities, including securities similar to the Securities, are

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

Pursuant to the Dodd-Frank Act, the Commodity Futures Trading Commission (the "**CFTC**") has promulgated a range of new regulatory requirements that may affect the pricing, terms and compliance costs associated with Hedge Agreements and the swap transactions that the Issuer may enter into thereunder from time to time. Some or all of the Hedge Agreements may be affected by requirements for central clearing of swap transactions with a derivatives clearinghouse organization, by initial and variation margin required by clearing organizations or otherwise required by law, reporting obligations in respect of derivatives transactions, documentation retention responsibilities and other matters. These new requirements may significantly increase costs to the Issuer and/or the Investment Manager of entering into Hedge Agreements, such that the Issuer may be unable to purchase certain types of Collateral Obligations, have unforeseen legal consequences on the Issuer or the Investment Manager or have other material adverse effects on the Issuer or the Holders.

In addition, the CFTC recently adopted rules under the Dodd-Frank Act that include "swaps" along with "commodities" as contracts which if traded by an entity may cause that entity to be a "commodity pool" under the Commodity Exchange Act (the "**CEA**") and any person that, on behalf of such entity, engages in or facilitates such activity to be a "commodity pool operator" ("**CPO**") and a "commodity trading advisor" ("**CTA**"). Based on recent CFTC interpretive guidance, the Issuer is not expected to be treated as a commodity pool. In the event that such guidance changes or the Issuer engages in one or more activities that might cause it to be treated as a commodity pool, regulation of the Issuer as a commodity pool and/or regulation of the Investment Manager as a CPO and CTA could cause the Issuer to be subject to extensive registration and reporting requirements that would involve material costs to the Issuer. The scope of such requirements and related compliance costs is uncertain but could adversely affect the amount of funds available to make payments on the Securities. While limited exemptions from certain of these requirements may be available, the conditions of such an exemption may constrain the extent to which the Issuer may be able to enter into swap transactions. In particular, the limits imposed by such exemptions may prevent the Issuer from entering into a Hedge Agreement that the Investment Manager believes would be advisable or result in the Issuer incurring financial risks that would have been hedged pursuant to swap transactions absent such limits.

As a result of these developments, the Issuer will not be permitted to enter into any Hedge Agreement unless either (a) entering into the Hedge Agreement would not cause the Issuer to be considered a "commodity pool" under the CEA, (b) if the Issuer would be considered a commodity pool, the Investment Manager would be the CPO, the Investment Manager would be eligible for an exemption from registration as a CPO and all requirements of that exemption would be satisfied or (c) if the Issuer would be considered a commodity pool, the Investment Manager would be the CPO and the Investment Manager, at all material times, would be a registered CPO as required under the CEA. In addition, the Issuer will not be permitted to enter into a Hedge Agreement without the consent of a Majority of the Controlling Class and satisfaction of the Global Rating Agency Condition. Accordingly, there may be circumstances where it would otherwise be in the Issuer's interest to enter into a Hedge Agreement to hedge or mitigate certain economic risks, but it will not be able to do so, which could reduce amounts available to make payments on the Securities.

The Financial Accounting Standards Board has adopted changes to the accounting standards for structured products. These changes, or any future changes, may affect the accounting for entities such as the issuing entity, could under certain circumstances require an investor or its owner generally to consolidate the assets of the issuing entity in its financial statements and record third parties' investments in the Issuer as liabilities of that investor or owner or could otherwise adversely affect the manner in which the investor or its owner must report an investment in Securities for financial reporting purposes.

The EU has also taken a number of actions in response to the financial crisis. European reforms related to the regulation of securitization markets include risk retention and due diligence requirements. The number and type of entities that will be subject to these requirements will increase beginning in January 2014. In addition to credit institutions organized in the European Economic Area ("**EEA**"), certain types of investment funds organized in the EEA will face punitive capital requirements with respect to investments in securitizations that fail to comply with certain requirements concerning retention by the originator, sponsor or original lender of the securitized assets of a portion of the securitization's credit risk. Proposed legislation would impose similar requirements on other entities, including insurance and reinsurance undertakings, investment firms and UCITS. The Issuer and the other parties to this transaction have not taken, and do not intend to take, any steps to comply with these risk retention requirements, which will likely limit the ability of these types of institutions to purchase Securities. This, in turn, may adversely affect the liquidity of the Securities in the secondary market and could adversely affect the ability to transfer Securities or the price received upon any sale of the Securities.

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

U.S. banking supervisors have recently implemented regulations that will increase the costs of owning CLO securities for certain large financial institutions subject to these rules. These regulations include increased requirements for the amount of capital required by large banks and an increase in the assessment imposed by the Federal Deposit Insurance Corporation for deposit insurance in connection with owning certain securitization assets, including CLO securities. Banks subject to one or both of these regulations may be deterred from purchasing the Securities. This may adversely affect the liquidity of the Securities in the secondary market. See "—Relating to the Securities—Liquidity Considerations."

No assurance can be made that the U.S. federal government, any U.S. regulatory body or any non-U.S. government or regulatory body will not continue to take further legislative or regulatory action in response to the economic crisis or otherwise, and the effect of such actions, if any, cannot be known or predicted.

Insolvency Considerations Under U.S. Federal Bankruptcy Law. Various laws enacted for the protection of debtors or creditors may apply to the Collateral Obligations under U.S. federal bankruptcy law. If a court were to find that the obligor of a Collateral Obligation did not receive fair consideration or reasonably equivalent value for incurring the indebtedness constituting the Collateral Obligation and, after giving effect to such indebtedness, the obligor (i) was insolvent, (ii) was engaged in a business for which its remaining assets constituted unreasonably small capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they matured, the court could invalidate, in whole or in part, the indebtedness as a fraudulent conveyance, subordinate the indebtedness to existing or future creditors of the obligor or recover amounts previously paid by the obligor in satisfaction of the indebtedness. There can be no assurance as to what standard a court would apply in order to determine whether the obligor was "insolvent." In addition, in the event of the insolvency of an obligor of a Collateral Obligation, payments made on the Collateral Obligation could be subject to avoidance as a preference if made within a certain period of time (which may be as long as one year and one day) before insolvency.

A U.S. bankruptcy court may be able to recapture payments that are determined to be "avoidable" (whether as a preference or otherwise) either from the initial recipient (such as the Issuer) or from subsequent transferees of such payments (such as the owners of the Securities). To the extent that any such payments are recaptured from the Issuer, the resulting loss will be borne by the owners of the Securities beginning with the Subordinated Notes as the most Junior Class. A court in a bankruptcy or insolvency proceeding would be able to direct the recapture of payments from an owner of Securities only to the extent that it has jurisdiction over the owner or its assets. Moreover, it is likely that avoidable payments could not be recaptured directly from an owner that has given value in exchange for its Securities, in good faith and without knowledge that the payments were avoidable. Nevertheless, since there is no judicial precedent relating to a structured transaction such as the Securities, there can be no assurance that an owner of Securities will be able to avoid recapture on this or any other basis.

Lender Liability Considerations and Equitable Subordination. A number of judicial decisions in the United States and some non-U.S. jurisdictions have upheld the right of borrowers to sue lending institutions and others on the basis of various evolving legal theories. Generally, lender liability is founded upon the premise that a lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower that creates a fiduciary duty owed to the borrower or its other creditors or shareholders.

In some cases, courts have subordinated the claim of a lender against a borrower to claims of other creditors of the borrower when the lending institution is found to have engaged in unfair, inequitable or fraudulent conduct. Because of the nature of certain of the Collateral Obligations, the Issuer could be subject to claims from creditors of obligors that the Issuer's claim under the Collateral Obligation should be equitably subordinated.

Insolvency Considerations With Respect to Collateral Obligations of Non-U.S. Issuers. Collateral Obligations consisting of obligations of non-U.S. obligors may be subject to various laws enacted in their home countries for the protection of debtors or creditors, which could adversely affect the Issuer's ability to recover amounts owed. These insolvency considerations will differ depending on the country in which each obligor is located and may differ depending on whether the obligor is a non-sovereign or a sovereign entity. These Collateral Obligations may also be subject to greater risks than Collateral Obligations of U.S. obligors, such as: (i) less publicly available information; (ii) varying levels of governmental regulation and supervision; and (iii) the difficulty of enforcing legal rights in a non-U.S. jurisdiction and uncertainties as to the status, interpretation and application of laws. A number of European jurisdictions operate "debtor-friendly" insolvency regimes that would result in delays in payments from obligors subject to such regimes. The different insolvency regimes applicable in European jurisdictions result in a corresponding variability of recovery rates for Collateral Obligations with obligors in such jurisdictions. No reliable historical data is available.

Not Registered. Neither the Securities nor the Offering will be registered under the Securities Act. Such registration provides investors with certain protections, including disclosure requirements that will not be applicable to the investors in the Securities.

Investment Company Act of 1940. None of the Issuer, the Co-Issuer or the pool of collateral has registered with the SEC as an investment company pursuant to the Investment Company Act, in reliance on an exception from registration and no-action positions available for non-U.S. obligors (a) whose outstanding securities owned by U.S. persons (other than Knowledgeable Employees) are owned exclusively by Qualified Purchasers and (b) which do not make a public offering of their securities in the United States. Accordingly, investors in the Securities will not be accorded the protections of the Investment Company Act. Counsel for the Co-Issuers will opine, in connection with the sale of the Securities, that neither the Issuer nor the Co-Issuer is at such time an investment company required to be registered under the Investment Company Act (assuming, for the purposes of such opinion, the accuracy and completeness of all representations and warranties made or deemed to be made by investors in the Securities). No opinion or no-action position has been requested of the SEC.

If the SEC or a court of competent jurisdiction were to find that the Issuer or the Co-Issuer is required, but had failed, to register in violation of the Investment Company Act, 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 could sue the Issuer or the Co-Issuer and recover any damages caused by the violation of the registration requirement of the Investment Company Act; and (iii) any contract to which the Issuer or the Co-Issuer is party that is made in, or whose performance involves a, violation of the Investment Company Act would be unenforceable by any party to the contract unless a court were to find that under the circumstances enforcement would produce a more equitable result than nonenforcement and would not be inconsistent with the purposes of the Investment Company Act. Should the Issuer or the Co-Issuer be subjected to any or all of the foregoing, there would be a material adverse effect on the Issuer or the Co-Issuer.

DESCRIPTION OF THE SECURITIES

General

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

Status and Security

The Securities will be limited recourse obligations of the Issuer and the Co-Issued Securities will be limited recourse obligations of the Co-Issuer, secured as described below, and will rank in priority with respect to each other as described herein. Under the terms of the Indenture, the Issuer will grant to the Trustee a security interest in the Assets to secure the Issuer's obligations under the Indenture and the Secured Notes. See "Security for the Secured Notes." To the extent these amounts are insufficient to meet payments due in respect of the Secured Notes and expenses following liquidation of the Assets, none of the Co-Issuers, the Initial Purchaser, the Investment Manager or their respective Affiliates will have any obligation to pay such deficiency. See "Risk Factors—Relating to the Securities—The Securities are limited recourse obligations of the Issuer; investors must rely on available collections from the Collateral Obligations and will have no other source for payment."

Payments of interest and principal on the Secured Notes will be made from the proceeds of the Assets, in accordance with the Priority of Payments. The aggregate amount that will be available from the Assets for payment on the Secured Notes and of certain expenses of the Co-Issuers on any Payment Date will be the sum of Interest Proceeds and Principal Proceeds received by the Issuer during the Collection Period for such Payment Date *plus* any payments received on or before such Payment Date on any Hedge Agreement.

The Subordinated Notes will be fully subordinated to the Secured Notes and to the payment of all other amounts payable in accordance with the Priority of Payments. The Subordinated Notes will not be secured by the Assets or any pledge of the Assets but, under the terms of the Indenture, the Trustee will pay to the holders of the Subordinated Notes amounts available pursuant to the Priority of Payments.

The "**Collection Period**" is, with respect to any Payment Date, the period commencing immediately following the prior Collection Period (or on the Closing Date, in the case of the Collection Period relating to the first Payment Date) and ending on the day that is seven Business Days prior to (but excluding) the Payment Date; *provided*, that (i) the final Collection Period preceding the latest Stated Maturity of any Class of Notes will commence immediately following the prior Collection Period and end on the day preceding such Stated Maturity and (ii) the final Collection Period preceding an Optional Redemption, a Tax Redemption or a Clean-Up Call Redemption of the Securities will commence immediately following the prior Collection Period and end (x) in the case of a Redemption by Liquidation or a Clean-Up Call Redemption, on the day preceding the Redemption Date and (y) in the case of a Refinancing, on the Redemption Date; *provided*, *further*, that with respect to any Payment Date and any amounts payable to the Issuer under a Hedge Agreement, the Collection Period will commence on the day after the prior Payment Date and end on such Payment Date.

Interest

The Secured Notes will bear interest from the Closing Date and such interest will be payable in arrears on each Payment Date on the Aggregate Outstanding Amount thereof on the first day of the related Interest Accrual Period (after giving effect to payments of principal thereof on such date). The period from and including the Closing Date to but excluding the first Payment Date, and each succeeding period from and including each Payment Date to but excluding the following Payment Date until the principal of the Secured Notes is paid or made available for payment (or, in the case of a Note that is being redeemed on a Partial Redemption Date or Re-Pricing Redemption Date, to but excluding such Partial Redemption Date or Re-Pricing Redemption Date) is an "**Interest Accrual Period**;" *provided*, that any interest bearing notes issued after the Closing Date in accordance with the terms of the Indenture will accrue interest during the Interest Accrual Period in which such notes are issued from and including the applicable date of issuance of such notes to but excluding the last day of such Interest Accrual Period at the applicable interest rate for such notes. For purposes of determining any Interest Accrual Period, if the 18th day of the relevant month is not a Business Day, then the Interest Accrual Period with respect to such Distribution Date

shall end on but exclude the Business Day on which payment is made and the succeeding Interest Accrual Period shall begin on and include such date.

The *per annum* stated interest rate payable on each Class of Secured Notes which, if a Re-Pricing has occurred with respect to such Class, will be the applicable Re-Pricing Rate (the "**Interest Rate**" for such Class) with respect to each Interest Accrual Period will be the rate indicated under "Summary of Terms—Principal Terms of the Securities." Interest on the Floating Rate Notes will be calculated on the basis of the actual number of days elapsed in the applicable Interest Accrual Period (or for the first Interest Accrual Period, the related portion thereof) *divided by* 360.

So long as any more senior Class of Secured Notes is Outstanding, to the extent that funds are not available in accordance with the Priority of Payments on any Payment Date to pay the full amount of interest on the Class B Notes, the Class C Notes, the Class D Notes or the Class E Notes or, if such interest is not paid in order to satisfy the Coverage Tests, such amounts ("**Deferred Interest**") will not be due and payable on such Payment Date, but will be deferred. The amount deferred will be added to the principal amount of the related Class and such amount will bear interest at the Interest Rate for such Class until paid. The failure to pay Deferred Interest on a Payment Date will not be an Event of Default under the Indenture; *provided*, that any such Deferred Interest must, in any case, be paid no later than the earlier of the Redemption Date or Stated Maturity of the relevant Class of the Secured Notes in accordance with the Priority of Payments. See "—The Indenture—Events of Default." Interest may be deferred on any Class of Deferred Interest Notes as long as any Note of any Priority Class is Outstanding.

If any interest due and payable in respect of any Class A-1 Note or Class A-2 Note (or, if there are no Class A-1 Notes or Class A-2 Notes Outstanding, the Controlling Class), is not punctually paid or duly provided for on the applicable Payment Date or at the applicable Stated Maturity and such default continues for five Business Days, an Event of Default will occur. To the extent lawful and enforceable, interest on such defaulted interest will accrue at a *per annum* rate equal to the Interest Rate applicable to such Notes from time to time in each case until paid.

The Issuer will initially appoint the Trustee as calculation agent (the "**Calculation Agent**") for purposes of determining LIBOR. The Calculation Agent will determine LIBOR on each Interest Determination Date. The "**Interest Determination Date**" will be with respect to the (a) first Interest Accrual Period, (x) for the period from the Closing Date to but excluding the First Interest Determination End Date, the second London Banking Day preceding the Closing Date, and (y) for the remainder of the first Interest Accrual Period, the second London Banking Day preceding the First Interest Determination End Date, and (b) each Interest Accrual Period thereafter, the second London Banking Day preceding the first day of such Interest Accrual Period. The "**First Interest Determination End Date**" will be April 18, 2014.

"**LIBOR**" means, with respect to the Floating Rate Notes, for any Interest Accrual Period (or, in the case of the first Interest Accrual Period, for the relevant portion thereof), will equal (a) the rate appearing on the Reuters Screen for deposits with the Designated Maturity; or (b) if such rate is unavailable at the time LIBOR is to be determined, LIBOR will be determined on the basis of the rates at which deposits in U.S. Dollars are offered by four major banks in the London market selected by the Calculation Agent after consultation with the Investment Manager (the "**Reference Banks**") at approximately 11:00 a.m., London time, on the Interest Determination Date to prime banks in the London interbank market for a period approximately equal to the Interest Accrual Period (or, in the case of the first period, the relevant portion thereof) and an amount approximately equal to the amount of the Aggregate Outstanding Amount of the Floating Rate Notes. The Calculation Agent will request the principal London office of each Reference Bank to provide a quotation of its rate. If at least two such quotations are provided, LIBOR will be the arithmetic mean of such quotations (rounded upward to the next higher 1/100). If fewer than two quotations are provided as requested, LIBOR with respect to such period will be the arithmetic mean of the rates quoted by three major banks in New York, New York selected by the Calculation Agent after consultation with the Investment Manager at approximately 11:00 a.m., New York Time, on such Interest Determination Date for loans in U.S. Dollars to leading European banks for a term approximately equal to such period and an amount approximately equal to the Aggregate Outstanding Amount of the Floating Rate Notes. If the Calculation Agent is required but is unable to determine a rate in accordance with at least one of the procedures described above, LIBOR will be LIBOR as determined on the previous Interest Determination Date. When used in reference to Collateral Obligations or Eligible Investments, "LIBOR" means the London inter-bank offered rate determined under the related Underlying Instruments. If at any time the rate for the Designated Maturity is applicable but not available, LIBOR will be determined by interpolating between the rate for the next shorter period of time for which rates are available and the

rate for the next longer period of time for which rates are available. All interpolation between rates will be linear and rounded to five decimal places.

"**London Banking Day**" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London, England.

"**Reuters Screen**" means the rates for deposits in dollars which appear on the Reuters Screen LIBOR 01 Page (or such other page that may replace that page on such service for the purpose of displaying comparable rates) on the Bloomberg Financial Markets Commodities News as of 11:00 a.m., London time, on the Interest Determination Date.

As soon as possible after 11:00 a.m. London time on each Interest Determination Date, but in no event later than 11:00 a.m. New York time on the London Banking Day immediately following each Interest Determination Date, the Calculation Agent will calculate the Interest Rate for each Class of Floating Rate Notes for the next Interest Accrual Period (or for the first Interest Accrual Period, the related portion thereof) and the amount of interest payable in respect of each $100,000 principal amount of each Class of Floating Rate Notes (the "**Note Interest Amount**" with respect thereto) (in each case, rounded to the nearest cent, with half a cent being rounded upward) on the related Payment Date to be given to the Co-Issuers, the Trustee, the Paying Agents, Euroclear, Clearstream, the Investment Manager and, so long as any Securities are listed on the Irish Stock Exchange, to the Irish Listing Agent to send to the Irish Stock Exchange. The Calculation Agent will also specify to the Co-Issuers the quotations upon which the Interest Rate for each Class of Floating Rate Notes are based, and in any event the Calculation Agent will notify the Co-Issuers and the Investment Manager before 5:00 p.m. (New York time) on every Interest Determination Date if it has not determined and is not in the process of determining any such Interest Rate or Note Interest Amount, together with its reasons therefor.

The Issuer will agree that for so long as any Floating Rate Notes remain Outstanding there will at all times be a Calculation Agent which will not control, be controlled by or be under common control with the Issuer or its affiliates or the Investment Manager or its affiliates. The Calculation Agent may be removed by the Issuer or the Investment Manager, on behalf of the Issuer, at any time. If the Calculation Agent is unable or unwilling to act as such or is removed by the Issuer or the Investment Manager, on behalf of the Issuer, the Issuer or the Investment Manager, on behalf of the Issuer, will be required to appoint promptly a replacement Calculation Agent which does not control and is not controlled by or under common control with the Issuer, the Investment Manager or their respective affiliates. In addition, for so long as any Securities are listed on the Irish Stock Exchange and the guidelines of such exchange so require, notice of the appointment of any replacement Calculation Agent will be sent to the Irish Stock Exchange.

Principal

The Secured Notes of each Class will mature at par on the Stated Maturity for each Class of Secured Notes, unless previously redeemed or repaid prior thereto as described herein. During the Reinvestment Period, principal will not be payable on the Secured Notes except in an Optional Redemption, Partial Redemption, Tax Redemption, Clean-Up Call Redemption, Mandatory Redemption, Special Redemption and Rating Confirmation Redemption. On each Payment Date after the Reinvestment Period, Principal Proceeds will be payable on the Secured Notes in accordance with the Priority of Payments.

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

Any payment of principal on a Class of Secured Notes will be made by the Trustee on a *pro rata* basis among the holders of such Class of Notes according to its Aggregate Outstanding Amount immediately prior to such payment.

Distributions on the Subordinated Notes

The Subordinated Notes will receive distributions on each Payment Date to the extent of any Interest Proceeds and Principal Proceeds remaining after all other required payments and reserves are made in accordance with the Priority of Payments. Distributions on the Subordinated Notes will not be made at any stated rate and will be payable only

to the extent funds are available therefor in accordance with the Priority of Payments. Distributions on the Subordinated Notes are subordinated to the payment on each Payment Date of the interest due and payable on the Secured Notes (including any defaulted interest, Deferred Interest and interest thereon) and other amounts in accordance with the Priority of Payments.

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

Optional Redemption and Refinancing; Tax Redemption

General—Redemption of Notes. Until the end of the Non-Call Period, the Securities are not subject to Optional Redemption or Partial Redemption. The Securities may be subject to a Tax Redemption at any time following the occurrence and during the continuation of a Tax Event.

The Secured Notes may be redeemed by the Co-Issuers at the applicable Redemption Prices on any Business Day after the Non-Call Period at the direction of a Majority of the Subordinated Notes. At the direction of a Majority the Subordinated Notes, the Subordinated Notes will be redeemed by the Issuer, in whole but not in part, on any Payment Date on or after the date on which all of the Secured Notes have been redeemed or repaid.

A Majority of the Subordinated Notes may direct a Redemption by Liquidation or direct the Investment Manager to negotiate and obtain a Refinancing on behalf of the Issuer. "**Refinancing**" means (i) one or more loans or other financing arrangements to be made to the Issuer, and/or (ii) the issuance of replacement notes (the "**Replacement Notes**") by the Issuer.

Upon receipt of a notice of Redemption by Liquidation, the Investment Manager in its sole discretion will direct the sale of all or part of the Assets in an amount sufficient that Sale Proceeds and all other funds available for such purpose in the Collection Account and the Payment Account will be at least sufficient to pay the Redemption Prices of all of the Secured Notes and to pay all accrued and unpaid Administrative Expenses and other fees and expenses (including Dissolution Expenses) payable under the Priority of Interest Proceeds prior to any distributions with respect to the Subordinated Notes (the "**Redemption Amount**"). If the Sale Proceeds and other available funds would not be at least equal to the Redemption Amount, the Secured Notes may not be redeemed. The Investment Manager, in its discretion, may effect the sale of all or any part of the Collateral Obligations or other Assets through the sale of one or more participations in such Assets.

Upon receipt of a notice of an Optional Redemption by Refinancing, the Investment Manager may obtain a Refinancing on behalf of the Issuer only if (i) the proceeds from such Refinancing and all other available funds will be at least equal to the Redemption Amount, (ii) the proceeds from such Refinancing and other available funds are used (to the extent necessary) to make such redemption, and (iii) the agreements relating to such Refinancing contain limited recourse and non-petition provisions equivalent to those applicable to the Secured Notes, as set forth in the Indenture.

Partial Redemption. A Majority of the Subordinated Notes may direct a refinancing of one or more Classes (in whole but not in part) of Secured Notes but not all Classes of Secured Notes (a "**Partial Redemption**"). A Partial Redemption is subject to the following conditions:

(i) the Global Rating Agency Condition has been satisfied with respect to any remaining Secured Notes that are not the subject of such Partial Redemption;

(ii) the proceeds from such Refinancing (together with Partial Redemption Interest Proceeds available in accordance with the Priority of Partial Redemption Proceeds to pay the accrued interest portion of the applicable Redemption Price) will be at least sufficient to pay the Redemption Price of the Class or Classes of Secured Notes subject to such Partial Redemption;

(iii) the principal amount of each Class of the Replacement Notes issued by the Issuer under such Refinancing is equal to the Aggregate Outstanding Amount of the corresponding Class subject to such Partial Redemption;

(iv) the stated maturity of the aggregate of the amounts owed by the Issuer under such Refinancing is no earlier than the Stated Maturity of the Class or Classes of Secured Notes subject to such Partial Redemption;

(v) the proceeds of such Refinancing will be used (to the extent necessary) to redeem the Class or Classes of Secured Notes subject to such Partial Redemption;

(vi) the agreements relating to such Refinancing contain limited-recourse and non-petition provisions equivalent to those applicable to Class or Classes of Secured Notes subject to such Partial Redemption, as set forth in the Indenture;

(vii) the obligations of the Issuer under such Refinancing are not senior in priority pursuant to the Priority of Payments than the Notes subject to such Partial Redemption,

(viii) the holders of the obligations of the Issuer under such Refinancing do not have greater rights under the Indenture than the holders of the Class or Classes of the Notes subject to such Partial Redemption;

(ix) the Replacement Notes have the same or lower spread over LIBOR as the Notes subject to such Partial Redemption; and

(x) any issuance of Replacement Notes is accomplished in a manner that allows the independent accountants of the Issuer to accurately provide the tax information that the Indenture requires to be provided to the Holders of Notes (including the Replacement Notes).

Expenses related to a Refinancing will be Administrative Expenses.

Notwithstanding anything herein to the contrary, the refinancing proceeds related to a Partial Redemption will not constitute Interest Proceeds or Principal Proceeds but will be applied directly on the related Partial Redemption Date pursuant to the Priority of Partial Redemption Proceeds to redeem the Class or Classes of Secured Notes subject to such Partial Redemption; *provided*, that to the extent such proceeds are not applied to redeem such Class or Classes of Secured Notes such proceeds will be treated as Principal Proceeds.

Tax Redemption. Following the occurrence and continuation of a Tax Event, the Co-Issuers (or in the case of the Issuer Only Securities, the Issuer) will redeem the Securities, in whole but not in part, on any subsequent Business Day if so directed in writing by a Majority of the Subordinated Notes. Any such redemption will be a Redemption by Liquidation and will be in accordance with the procedures described under "—Redemption Procedures" and the Priority of Payments. The funds available for a redemption of the Securities made in connection with a Tax Event will include all Principal Proceeds, Interest Proceeds, Disposition Proceeds and all other available funds in the Collection Account and the Payment Account. Each Class of the Securities will be redeemed at the applicable Redemption Price in accordance with the Priority of Payments.

General—Redemption of Subordinated Notes. The Subordinated Notes may be redeemed, in whole but not in part, on any Business Day on or after the redemption or repayment of all of the Secured Notes, at the written direction of a Majority of the Subordinated Notes (which direction may be given in connection with a direction to redeem the Secured Notes).

Redemption Procedures. Direction for an Optional Redemption, Partial Redemption or Tax Redemption must be delivered by a Majority of the Subordinated Notes to the Issuer, the Trustee and the Investment Manager not later than 30 days prior to the Business Day on which such redemption will occur (or such shorter period to which the Trustee, the Issuer and the Investment Manager may agree).

Notice of an Optional Redemption, Partial Redemption or a Tax Redemption will be given by the Trustee not later than ten Business Days prior to the applicable Redemption Date to each applicable Holder of Securities and each Rating Agency. In addition, for so long as any Securities are listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require, notice of such Optional Redemption, Partial Redemption or Tax Redemption to the holders of such Securities will also be given to the Irish Stock Exchange. Certificated Securities called for

redemption must be surrendered at the office designated by the Trustee in order to receive the Redemption Price. Failure to give notice of redemption, or any defect therein, to any holder of any Note selected for redemption will not impair or affect the validity of the redemption of any other Securities.

The Co-Issuers will have the option to withdraw any notice of Redemption by Liquidation (including a Tax Redemption) up to and including the sixth Business Day prior to the scheduled Redemption Date by written notice to the Trustee and the Investment Manager. The Co-Issuers will withdraw such notice only if (i) the Investment Manager has notified the Co-Issuers that it is unable to deliver the sale agreement or agreements or certifications as described below in form satisfactory to the Trustee, or (ii) the Issuer receives written direction from a Majority of the Subordinated Notes to withdraw such notice of redemption. If the Issuer so withdraws any notice of redemption or is otherwise unable to complete redemption of the Secured Notes, the proceeds received from the sale of any Collateral Obligations and other Assets sold in contemplation of such redemption may during the Reinvestment Period, at the Investment Manager's discretion, be reinvested in accordance with the Investment Criteria described herein. In the case of an Optional Redemption by Refinancing or a Partial Redemption, the Co-Issuers will have the option to withdraw any notice of redemption up to and including the third Business Day prior to the scheduled Redemption Date by written notice to the Trustee and the Investment Manager. The Co-Issuers will withdraw such notice only if (i) the Investment Manager has notified the Co-Issuers that it is unable to obtain the applicable Refinancing on behalf of the Issuer or (ii) the Issuer receives written direction from a Majority of the Subordinated Notes to withdraw such notice of redemption.

For the avoidance of doubt, the failure to effect an Optional Redemption, Tax Redemption, Partial Redemption or Re-Pricing Redemption will not constitute an Event of Default.

In addition to the options to withdraw described above, the Issuer may withdraw any notice of an Optional Redemption delivered, following good faith efforts by the Issuer and the Investment Manager to facilitate such redemption, on any day up to and including the day that is one Business Day prior to the proposed Redemption Date by written notice to the Trustee. Any Holder of Secured Notes, the Investment Manager or any of the Investment Manager's Affiliates or accounts managed by it shall have the right, subject to the same terms and conditions afforded to other bidders, to bid on Assets to be sold as part of a Redemption by Liquidation (including a Tax Redemption) or a Clean-Up Call Redemption.

No Secured Notes may be redeemed in a Redemption by Liquidation unless

(i) at least seven Business Days before the scheduled Redemption Date the Investment Manager will have furnished to the Trustee evidence, in form satisfactory to the Trustee, that the Investment Manager on behalf of the Issuer has entered into a binding agreement or agreements with a financial or other institution or institutions whose short-term unsecured debt obligations (other than such obligations whose rating is based on the credit of a person other than such institution) are rated or guaranteed by a Person whose short-term unsecured debt obligations are rated at least "A-1" by S&P and at least "P-1" by Moody's to purchase (which purchase may be through a participation), not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Collateral Obligations and/or any Hedge Agreements at a purchase price at least equal, together with all other funds expected to be available on the scheduled Redemption Date including any payments to be received in respect of any Hedge Agreements to the Redemption Amount or

(ii) prior to selling any Collateral Obligations and/or Eligible Investments, the Investment Manager has certified to the Trustee that, in its judgment (which may be based on the Issuer having entered into an agreement to sell such Assets to another special purpose entity that has priced but has not yet closed its securities offering), the aggregate sum of (A) all other funds expected to be available on the scheduled Redemption Date, including proceeds from Hedge Agreements, (B) any Refinancing Proceeds, and (C) for each Collateral Obligation, the product of its Principal Balance and its market value (expressed as a percentage of its Principal Balance) and its Applicable Advance Rate, at least equal the Redemption Amount. Any certification delivered by the Investment Manager as described above will include (1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Obligations, or Eligible Investments and, if applicable, payments under any Hedge Agreements, and (2) all calculations required as described above.

The Issuer will deposit, or cause to be deposited, the funds required for an Optional Redemption in the Payment Account on or prior to the Redemption Date.

Clean-Up Call Redemption

Each Class of Secured Notes Outstanding will be redeemed by the Co-Issuers, in whole but not in part, at the applicable Redemption Prices, on the Payment Date immediately following the date on which a Monthly Report is distributed reporting a Collateral Principal Amount that is less than 20.0% of the Aggregate Ramp-Up Par Amount (the "**Report Date**"), subject to the conditions described below, unless either the Investment Manager or a Majority of the Subordinated Notes has provided notice to the Issuer, the Trustee and, in the case of the Holders of Subordinated Notes, the Investment Manager of its objection to such Clean-Up Call Redemption within 15 Business Days following the Report Date.

Any Clean-Up Call Redemption is subject to (i) the purchase of the Assets (other than Eligible Investments) by the Investment Manager or any other Person from the Issuer, on or prior to the fifth Business Day immediately preceding the related Redemption Date, for a purchase price in cash (the "**Clean-Up Call Redemption Price**") at least equal to the greater of (1) the Redemption Amount less all other funds available for such redemption and (2) the Market Value of such Assets being purchased, and (ii) the receipt by the Trustee from the Investment Manager, prior to such purchase, of certification from the Investment Manager that the sum expected to be received will satisfy clause (i). Upon receipt by the Trustee of the certification referred to in the preceding sentence, the Trustee (pursuant to written direction from the Issuer) and the Issuer will take all actions necessary to sell, assign and transfer the Assets to the Investment Manager or such other Person upon payment in immediately available funds of the Clean-Up Call Redemption Price. The Trustee will deposit such payment into the Collection Account in accordance with the instructions of the Investment Manager.

On the day that is 12 Business Days prior to the proposed Redemption Date, unless notice of objection has been received from the Investment Manager or a Majority of the Subordinated Notes, the Issuer will provide written notice of the proposed Redemption Date to the Trustee, the Collateral Administrator, the Investment Manager and the Rating Agencies (and the Trustee in turn shall, in the name and at the expense of the Issuer, notify the Holders at least 10 Business Days prior to the Redemption Date).

Any notice of Clean-Up Call Redemption may be withdrawn by the Issuer on any day up to and including the Business Day prior to the proposed Redemption Date by written notice to the Trustee and the Investment Manager only if amounts equal to the Clean-Up Call Redemption Price have not been received in full in immediately available funds. The Trustee will give notice of any such withdrawal of a Clean-Up Call Redemption, at the expense of the Issuer, to each Holder of Notes and each Rating Agency.

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

Mandatory Redemption

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

Special Redemption

The Secured Notes will be subject to redemption on any Payment Date during the Reinvestment Period if the Investment Manager at its sole discretion notifies the Trustee that it has been unable, for a period of at least 20 consecutive Business Days, to identify Collateral Obligations that are deemed appropriate by the Investment Manager in its sole discretion and which would meet the Investment Criteria in sufficient amounts to permit the investment or reinvestment of Collateral Obligations (a "**Special Redemption**"). On the first Payment Date following such notice (a "**Special Redemption Date**"), the amount designated by the Investment Manager (such amount, the "**Special Redemption Amount**"), will be applied under the Priority of Principal Proceeds. Notice of Special Redemption will be given by the Trustee not less than three Business Days prior to the applicable Special

Redemption Date to each Holder of Secured Notes affected thereby, to each Holder of the Subordinated Notes and to the Rating Agencies. In addition, for so long as any Securities are listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require, notice of Special Redemption will be provided to the Irish Stock Exchange.

Rating Confirmation Redemption

The Secured Notes will be subject to redemption in part by the Co-Issuers in connection with the Effective Date if the Investment Manager notifies the Trustee that a redemption is required in order to obtain Effective Date Ratings Confirmation. On the first Payment Date and any Payment thereafter until Effective Date Ratings Confirmation is obtained, the amount in the Collection Account (such amount, the "**Rating Confirmation Redemption Amount**") representing Interest Proceeds and Principal Proceeds which must be applied to redeem the Secured Notes in order to obtain Effective Date Ratings Confirmation under the Priority of Payments.

Re-Pricing of the Notes

On any Business Day after the Non-Call Period, at the direction of a Majority of the Subordinated Notes, the Issuer will reduce the spread over LIBOR applicable to any Class of Secured Notes other than the Class A-1 Notes (such reduction with respect to any such Class of Secured Notes, a "**Re-Pricing**" and any such Class of Secured Notes that is subject to a Re-Pricing, a "**Re-Priced Class**"); *provided* that the Issuer will not effect any Re-Pricing unless each condition specified in the Indenture is satisfied with respect thereto.

No terms of any Secured Notes other than the Interest Rate applicable thereto may be modified or supplemented in connection with a Re-Pricing. In connection with any Re-Pricing, the Issuer may engage a broker-dealer (the "**Re-Pricing Intermediary**") to assist the Issuer in effecting the Re-Pricing.

At least 45 Business Days prior to the Business Day fixed by a Majority of the Subordinated Notes for any proposed Re-Pricing (the "**Re-Pricing Date**"), the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, will deliver a notice in writing (with a copy to the Investment Manager, the Trustee and each Rating Agency) to each Holder of the proposed Re-Priced Class, which notice will (i) specify the proposed Re-Pricing Date and the revised spread over LIBOR to be applied with respect to such Class (LIBOR plus such revised spread, the "**Re-Pricing Rate**"), (ii) request each Holder of the Re-Priced Class consent to the terms of the proposed Re-Pricing and (iii) specify that the Notes of any Holder of the Re-Priced Class that does not consent to the Re-Pricing on or before the date that is 15 Business Days prior to the proposed Re-Pricing Date (each a "**Non-Consenting Holder**") (x) may be required by the Issuer to be sold and transferred to one or more transferees specified by or on behalf of the Issuer or (y) be redeemed in a Re-Pricing Redemption with the proceeds of an issuance of Re-Pricing Replacement Notes and Partial Redemption Interest Proceeds, in each case at the applicable Redemption Price.

In the event any holder of the Re-Priced Class does not deliver written consent to the proposed Re-Pricing on or before the date that is 20 Business Days prior to the proposed Re-Pricing Date, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, will deliver written notice thereof to the consenting Holders of the Re-Priced Class, specifying the Aggregate Outstanding Amount of the Notes of the Re-Priced Class held by all such Non-Consenting Holders, and will request that each consenting Holder provide written notice to the Issuer, the Trustee, the Investment Manager and the Re-Pricing Intermediary specifying the Aggregate Outstanding Amount (if any) of such Notes that it would be willing to purchase at the applicable Redemption Price or, if the Issuer elects to issue Re-Pricing Replacement Notes in lieu of the forced sale of Non-Consenting Holders' Notes, the Aggregate Outstanding Amount (if any) of Re-Pricing Replacement Notes that it would be willing to purchase (each such notice, an "**Exercise Notice**") within five Business Days of receipt of such notice. In the event that the Issuer receives Exercise Notices with respect to more than the Aggregate Outstanding Amount of the Notes of the Re-Priced Class held by Non-Consenting Holders, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, will cause the sale and transfer of such Notes or will sell Re-Pricing Replacement Notes, without further notice to the Non-Consenting Holders thereof, on the Re-Pricing Date to the Holders delivering Exercise Notices with respect thereto (*pro rata* based on the Aggregate Outstanding Amount of the Notes such Holders indicated an interest in purchasing pursuant to their Exercise Notices) and, if applicable, conduct a Re-Pricing Redemption of Non-Consenting Holders' Notes. In the event that the Issuer receives Exercise Notices with respect to less than the Aggregate Outstanding Amount of the Notes of the Re-Priced Class held by Non-Consenting Holders, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, will cause the sale and transfer of such Notes, or will sell Re-

Pricing Replacement Notes, without further notice to the Non-Consenting Holders thereof, on the Re-Pricing Date to the Holders delivering Exercise Notices with respect thereto and, if applicable, conduct a Re-Pricing Redemption of Non-Consenting Holders' Notes. Any Non-Consenting Holders' Notes not purchased or redeemed pursuant to the preceding sentence will be sold to, or redeemed with the proceeds from the sale of Re-Pricing Replacement Notes to, one or more purchasers designated by the Re-Pricing Intermediary on behalf of the Issuer. All sales of Non-Consenting Holders' Notes or Re-Pricing Replacement Notes will be made at the Redemption Price with respect to such Notes, and will be effected only if the related Re-Pricing is effected in accordance with the provisions of the Indenture. The Holder of each Note, by its acceptance of an interest in the Notes, agrees to sell and transfer its Notes or be redeemed in accordance with this paragraph and agrees to cooperate with the Issuer, the Re-Pricing Intermediary and the Trustee to effect such sales and transfers or redemption. The Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, will deliver written notice to the Trustee and the Investment Manager not later than 12 Business Days prior to the proposed Re-Pricing Date confirming that the Issuer has received written commitments to purchase sufficient Non-Consenting Holders' Notes and Re-Pricing Replacement Notes to pay the Redemption Price to all Non-Consenting Holders.

The Issuer will not effect any proposed Re-Pricing unless:

(i) the Co-Issuers and the Trustee have entered into a supplemental indenture dated as of the Re-Pricing Date, solely to (a) modify the spread over LIBOR applicable to the Re-Priced Class and (b) in the case of an issuance of Re-Pricing Replacement Notes, issue such Re-Pricing Replacement Notes;

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

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

(iv) all expenses of the Issuer and the Trustee (including the fees of the Re-Pricing Intermediary and fees of counsel) incurred in connection with the Re-Pricing do not exceed the amount of Interest Proceeds available after taking into account all amounts required to be paid under the Priority of Interest Proceeds on the subsequent Payment Date prior to the distribution of any remaining Interest Proceeds to the Holders of the Subordinated Notes, unless such expenses have been paid or will be adequately provided for by an entity other than the Issuer.

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

Notice of a Re-Pricing will be given by the Trustee not less than 10 Business Days prior to the proposed Re-Pricing Date to each Holder of Notes of the Re-Priced Class (with a copy to the Investment Manager) specifying the applicable Re-Pricing Date, Re-Pricing Rate and Redemption Price. Notice of Re-Pricing will be given by the Trustee at the expense of the Issuer. Failure to give a notice of Re-Pricing, or any defect therein, to any holder of any Re-Priced Class will not impair or affect the validity of the Re-Pricing or give rise to any claim based upon such failure or defect.

Any notice of a Re-Pricing may be withdrawn by a Majority of the Subordinated Notes on or prior to the fourth Business Day prior to the scheduled Re-Pricing Date by written notice to the Issuer, the Trustee and the Investment Manager for any reason. Upon receipt of such notice of withdrawal, the Trustee will send such notice to the holders of the Notes and each Rating Agency.

Compulsory Sales

The Issuer has the right to compel any Non-Permitted Holder to sell its interest in the Securities or may sell such interest in the Securities on behalf of such Non-Permitted Holder. See "Transfer Restrictions—Non-Permitted Holder." Non-Permitted Holders include any (i) Holder or beneficial owner that fails for any reason to provide the Issuer and the Trustee information or documentation, or to update or correct such information or documentation, as may be necessary or helpful (in the sole determination of the Issuer or the Trustee or their agents, as applicable) to achieve FATCA Compliance, (ii) any Holder or beneficial owner whose information or documentation submitted pursuant to the preceding clause is not accurate or complete or (iii) any other Holder or beneficial owner if the Issuer reasonably determines that such Holder or beneficial owner's direct or indirect acquisition, holding or transfer of an

interest in such Security would cause the Issuer to be unable to achieve FATCA Compliance. The Issuer will have the right to (i) compel such holder to sell its interest in the Security, (ii) sell such interest on the holder's behalf, and/or (iii) assign to such Security a separate CUSIP number or numbers. None of the Issuer, the Investment Manager or the Initial Purchaser will be required to purchase any such Securities required to be so sold.

Repurchase

The Indenture will not permit the Issuer or the Co-Issuer to repurchase any Securities from any Holder.

Cancellation

All Securities that are redeemed or paid in full and surrendered for cancellation as described herein will forthwith be canceled and may not be reissued or resold. No Security may be surrendered (including any surrender in connection with any abandonment) for any purpose other than for payment in full as described herein, or for registration of transfer, exchange or redemption, or for replacement in connection with any Security deemed lost or stolen.

Entitlement to Payments

Payments on the Securities will be made to the person in whose name the Security is registered on the applicable Record Date. Payments on Certificated Securities will be made in U.S. Dollars by wire transfer in immediately available funds to the Holder; *provided* that if appropriate instructions for any such wire transfer are not received by the Record Date, then such payment will be made by check drawn on a U.S. bank mailed to such Holder of a Security at its address specified in the Register. Final payments in respect of principal on Certificated Securities will be made only against surrender of the Securities at the office of any Paying Agent appointed under the Indenture. If Certificated Securities are so delivered in connection with an anticipated Optional Redemption, Partial Redemption or Tax Redemption which does not occur, such Securities will be returned by the Paying Agent to the Person surrendering the same.

Payments on any Global Securities will be made to DTC or its nominee, as the Holder. None of the Co-Issuers, the Investment Manager, the Trustee or any Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in Global Securities or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests. The Co-Issuers expect that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a Global Security representing a Class of Securities held by it or its nominee, will immediately credit participants' accounts (through which, in the case of Regulation S Global Securities, Euroclear and Clearstream hold their respective interests) with payments in amounts proportionate to their respective beneficial interests in the stated original principal amount of a Global Security for a Class of Securities, as shown on the records of DTC or its nominee. The Co-Issuers also expect that payments by participants to owners of beneficial interests in a Global Security held through the participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for the customers. The payments will be the responsibility of the participants.

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

Priority of Payments

On each Payment Date (other than a Redemption Date, a Post-Acceleration Payment Date and the Stated Maturity), Interest Proceeds will be applied under the Priority of Interest Proceeds and Principal Proceeds will be applied under the Priority of Principal Proceeds. On a Partial Redemption Date or a Re-Pricing Redemption Date, Refinancing Proceeds, the proceeds of Re-Pricing Replacement Notes and Partial Redemption Interest Proceeds will be applied under the Priority of Partial Redemption Proceeds.

On each Post-Acceleration Payment Date, Redemption Date (other than a Partial Redemption Date or a Re-Pricing Redemption Date) or on the Stated Maturity, Interest Proceeds and Principal Proceeds will be applied under the Special Priority of Proceeds.

For so long as any Class of Securities is listed on the Irish Stock Exchange, the Trustee at the direction of the Issuer will render or cause to be rendered a report to the Irish Stock Exchange prior to each Payment Date which will contain the Aggregate Outstanding Amount of the Securities of each such Class at the beginning of the Interest Accrual Period and such amount as a percentage of the original principal amount of the Secured Notes of such Class, the amount of principal payments to be made on the Secured Notes of such Class on such Payment Date, the amount of any Deferred Interest on any such Class of Secured Notes, and the Aggregate Outstanding Amount of the Secured Notes of such Class after giving effect to the principal payments, if any, on such Payment Date and such amount as a percentage of the original principal amount of the Secured Notes of such Class.

The Indenture

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

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

(a) a default in the payment, when due and payable, of (i) any interest on any Class A Note or, if there are no Class A Notes Outstanding, the Controlling Class and the continuation of any such default for five Business Days, or (ii) any principal, interest, or Deferred Interest on, or any Redemption Price in respect of, any Secured Note, in any case, at its Stated Maturity or any Redemption Date; *provided* that, in the case of a default in payment resulting solely from an administrative error or omission by the Trustee, any Paying Agent or the Registrar, such default continues for a period of seven or more Business Days after the earlier of the date that the Trustee receives written notice of or an officer of the Trustee has actual knowledge of such administrative error or omission; *provided*, *further*, that, in the case of any default on any Redemption Date, only to the extent that such default continues for a period of five or more Business Days; *provided, further*, that, for the avoidance of doubt, the failure to effect an Optional Redemption, Tax Redemption, Partial Redemption or Re-Pricing Redemption will not constitute an Event of Default;

(b) either of the Co-Issuers or the pool of collateral becomes an investment company required to be registered under the Investment Company Act;

(c) except as otherwise provided in this definition of "Event of Default," a default in the performance, or breach, of any other covenant or other agreement of the Issuer or the Co-Issuer in the Indenture in any material respect (it being understood, without limiting the generality of the foregoing, that any failure to meet any Concentration Limitation, Collateral Quality Test, Coverage Test or Interest Diversion Test is not an Event of Default), or the failure of any representation or warranty of the Issuer or the Co-Issuer made in the Indenture or in any certificate or other writing delivered pursuant thereto or in connection therewith to be correct in all material respects when the same has been made, and the continuation of such default, breach or failure for a period of 30 days after notice to the Issuer or the Co-Issuer, as applicable, and the Investment Manager by registered or certified mail or overnight courier, by the Trustee, the Issuer, the Co-Issuer or the Investment Manager or to the Co-Issuers, the Investment Manager and the Trustee by a Majority of the Controlling Class, specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Indenture;

(d) on any Measurement Date, failure of the quotient of (i) the sum of (A) the Aggregate Principal Balance of all Pledged Obligations (excluding Defaulted Obligations), plus (B) with respect to each Defaulted Obligation included in the Pledged Obligations, the Market Value thereof, divided by (ii) the Aggregate Outstanding Amount of the Class A-1 Notes, to equal or exceed 102.5%;

(e) the occurrence of a Bankruptcy Event; or

(f) the failure on any Payment Date to disburse amounts available in the Payment Account in excess of $1,000 in accordance with the Priority of Payments in respect of the Secured Notes and continuation of such failure for a period of five Business Days or, in the case of a failure to disburse due to an administrative error or

omission by the Trustee, Collateral Administrator or any Paying Agent, such failure continues for five Business Days after the earlier of the date that the Trustee receives written notice of or the date that an officer of the Trustee has actual knowledge of such administrative error or omission.

If an Event of Default occurs and is continuing (other than a Bankruptcy Event), the Trustee may, and will, upon the written direction of a Majority of the Controlling Class by notice to the applicable Co-Issuers and each of the Rating Agencies, declare the principal of and accrued interest on the Secured Notes to be immediately due and payable and the Reinvestment Period will terminate. If a Bankruptcy Event occurs, such an acceleration will occur automatically. The "**Controlling Class**" will be the Class A-1 Notes so long as any Class A-1 Notes are Outstanding; then the Class A-2 Notes so long as any Class A-2 Notes are Outstanding; then the Class B Notes, so long as any Class B Notes are Outstanding; then the Class C Notes so long as any Class C Notes are Outstanding; then the Class D Notes, so long as any Class D Notes are Outstanding; then the Class E Notes, so long as any Class E Notes are Outstanding and then the Subordinated Notes if no Secured Notes are Outstanding.

If an Event of Default has occurred and is continuing, the Trustee will (except as otherwise expressly permitted or required under the Indenture) retain the Assets intact, collect and cause the collection of the proceeds thereof and make and apply all payments and deposits and maintain all accounts in accordance with the Priority of Payments and the related provisions of the Indenture unless: (i) the Trustee determines that the anticipated proceeds of a sale or liquidation of all or any portion of the Assets (after deducting the reasonable expenses of such sale or liquidation) would be sufficient to discharge in full the amounts then due (or, in the case of interest, accrued) and unpaid on the Secured Notes for principal and interest (including Deferred Interest) and all amounts payable prior to payment of principal on such Secured Notes (including amounts due and owing as Administrative Expenses (without regard to the Administrative Expense Cap) and amounts payable to any Hedge Counterparty upon liquidation of all or any portion of the Assets) and a Majority of the Controlling Class agrees with such determination; or (ii) the sale and liquidation of all or any portion of the Assets is directed by either (A) so long as the Class A-1 Notes are Outstanding, in the case of any Event of Default described in clauses (a) or (d) of the definition thereof, a Supermajority of the Class A-1 Notes or (B) in all other cases, a Supermajority of each Class of Secured Notes, voting separately.

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

Subject to the provisions of the Indenture relating to the duties of the Trustee, the Trustee will be under no obligation to exercise the rights or powers vested in it under the Indenture in respect of an Event of Default, at the request or direction of the holders of any Securities unless such holders have provided to the Trustee security or indemnity reasonably satisfactory to the Trustee. A Majority of the Controlling Class may, in certain cases, waive any default with respect to such Securities, except a default (a) in the payment of the principal of any Secured Note (which may be waived with the consent of each holder of such Note), (b) in respect of a covenant or provision of the Indenture that cannot be modified or amended under the Indenture without the waiver or consent of the holder of each such Outstanding Note (which may be waived with the consent of each such holder), or (c) in respect of a breach by the Issuer of certain representations made by the Issuer in the Indenture relating to the security interest of the Trustee in the Assets (which may be waived by a Majority of the Controlling Class if the Global Rating Agency Condition is satisfied).

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

Controlling Class; it being understood and intended that no one or more holders of Securities shall have any right in any manner whatsoever by virtue of, or by availing of, any provision of the Indenture, to affect, disturb or prejudice the rights of any other holders of Notes of the same Class or to obtain or to seek to obtain priority or preference over any other holders of the Notes of the same Class or to enforce any right under the Indenture, except in the manner herein provided and for the equal and ratable benefit of all the holders of Notes of the same Class subject to and in accordance with the Priority of Payments and the related provisions of the Indenture.

The Issuer or the Co-Issuer, as applicable, shall, so long as any Securities remain Outstanding and for a year and a day thereafter, subject to the availability of funds under the Priority of Payments, timely file an answer and any other appropriate pleading objecting to (i) the institution of any proceeding to have the Issuer or the Co-Issuer, as the case may be, adjudicated as bankrupt or insolvent, or (ii) the filing of any petition seeking relief, reorganization, arrangement, adjustment, liquidation or winding up or composition of or in respect of the Issuer or the Co-Issuer, as the case may be, under any bankruptcy law or any other applicable law. The fees, costs, charges and expenses incurred by the Issuer or Co-Issuer (including reasonable attorneys' fees and expenses) in connection with taking any such action will be Administrative Expenses.

Notices. Notices to the holders of the Securities will be given by first class mail, postage prepaid, to Holders of Notes at each Holder's address appearing in the Register or, in the case of Global Securities, in accordance with the procedures at DTC. In addition, for so long as any Securities are listed on the Irish Stock Exchange and the guidelines of the Irish Stock Exchange so require, notices to the holders of such Securities will also be sent to the Irish Stock Exchange. In lieu of the foregoing, any documents (including, without limitation, reports, notices or supplemental indenture) required to be provided by the Trustee to the holders of the Securities may be provided by providing notice of, and access to, the Trustee's website containing such document.

Modification of Indenture.

Indenture Amendments with the Consent of Holders. With the consent of a Majority of each Class of Securities materially and adversely affected thereby (except as otherwise described below), the Trustee and the Co-Issuers may enter into a supplemental indenture to add any provisions to, or change in any manner or eliminate any of the provisions of, the Indenture or modify in any manner the rights of the holders of the Securities of such Class. However, the Issuer will not enter into any such supplemental indenture without the consent of any Hedge Counterparty that would be materially and adversely affected by such supplemental indenture (in its reasonable judgment) and notifies the Issuer and the Trustee thereof.

Notwithstanding the foregoing, except as described in the proviso to clause (i) below, without the consent of each Holder of Securities of each Outstanding Class materially and adversely affected, no such supplemental indenture described above may:

(i) change the Stated Maturity of the principal of or the due date of any installment of interest on any Secured Note, reduce the principal amount thereof or, other than in connection with a Re-Pricing, the rate of interest thereon or the Redemption Price with respect to any Security, or change the earliest date on which Securities of any Class may be redeemed, change the provisions of the Indenture relating to the application of proceeds of any Assets to the payment of principal of or interest on Secured Notes, application of proceeds of any Assets to the payment of distributions on the Subordinated Notes or change any place where, or the coin or currency in which, Subordinated Notes or Secured Notes or the principal thereof or interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the applicable Redemption Date); *provided*, that with respect to lowering the rate of interest payable on a Class, the consent of Holders of the other Classes shall not be required.

(ii) change the percentage of the Aggregate Outstanding Amount of Holders of Securities of each Class whose consent is required under the Indenture, including for the authorization of any such supplemental indenture, exercise of remedies under the Indenture or for any waiver of compliance with certain provisions of the Indenture or certain defaults thereunder or their consequences;

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

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

(v) modify any of the provisions of the Indenture with respect to supplemental indentures;

(vi) modify the definitions of the terms Outstanding, Class, Controlling Class, Majority, or Supermajority;

(vii) modify the Priority of Payments;

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

(ix) amend any of the provisions of the Indenture relating to the institution of proceedings for a Bankruptcy Event in respect of either of the Co-Issuers;

(x) modify the restrictions on and procedures for resales and other transfers of Notes (except as provided in clause (vi) of the first paragraph under "Modifications Without the Consent of Holders"); or

(xi) modify any of the provisions of the Indenture in such a manner as to impose any liability on a Holder to any third party (other than any liabilities set forth in the Indenture on the Closing Date).

Notwithstanding the foregoing, a supplemental indenture described above may modify (i)(x) any of the Collateral Quality Tests or any defined term utilized in the determination of any Collateral Quality Test or (y) the definition of the term "Concentration Limitations" only with the prior written consent of a Majority of the Controlling Class and (ii) criteria regarding reinvestment after the Reinvestment Period only with the consent of a Majority of each Class of Notes.

Not later than 20 Business Days prior to the execution of any proposed supplemental indenture, the Trustee, at the expense of the Co-Issuers, will provide to the Holders of the Securities, the Investment Manager, any Hedge Counterparty and each Rating Agency a copy of such proposed supplemental indenture. Any such notice of a proposed supplemental indenture will (i) request any required consent from the Holders of each Class from which consent is required to be given and (ii) inform Holders of any Class from which consent is not being requested that they may notify the Trustee if they believe such Class will be materially and adversely affected by such proposed supplemental indenture. Any consent given to a proposed supplemental indenture by the Holder of any Securities will be irrevocable and binding on all future holders or beneficial owners of that Security, irrespective of the execution date of the supplemental indenture.

If the Trustee and the Issuer are notified within 20 days after notice by the Issuer to the Holders of a proposed supplemental indenture by a Majority of any Class that such Holders believe the interests of the Holders in such Class will be materially and adversely affected by the proposed supplemental indenture, the consent of a Majority (or, if higher, the percentage required for such amendment) of such Class will be required for execution of the supplemental indenture. The failure to satisfy the S&P Rating Condition or the Moody's Rating Condition, as applicable, will not prevent the execution or effectiveness of any supplemental indenture.

Indenture Amendments Without the Consent of Holders. The Co-Issuers, when authorized by resolutions, may also enter into supplemental indentures in form satisfactory to the Trustee without obtaining the consent of holders of the Securities or any Hedge Counterparty (except as expressly noted below), at any time and from time to time, subject to certain requirements described in the Indenture:

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

(ii) to add to the covenants of the Co-Issuers or the Trustee for the benefit of the Secured Parties or to surrender any right or power conferred upon the Co-Issuers by the Indenture;

(iii) to convey, transfer, assign, mortgage or pledge any property to or with the Trustee for the benefit of the Secured Parties;

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

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

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

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

(viii) with the consent of a Majority of the Subordinated Notes, at any time within the Reinvestment Period, to make such changes as are necessary to facilitate the Co-Issuers (A) to issue additional securities of any one or more existing Classes, *provided* that any such additional issuance of securities will be issued in accordance with the Indenture or (B) to issue replacement notes in connection with a Refinancing in accordance with the Indenture;

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

(x) to amend, modify, enter into or accommodate the execution of any Hedge Agreement;

(xi) to take any action advisable, necessary or helpful to prevent the Issuer, any Tax Subsidiary and the holders of any Class of Securities from becoming subject to (or otherwise minimize) withholding or other taxes, fees or assessments, including by achieving FATCA Compliance, or to reduce the risk that the Issuer may be treated as engaged in a trade or business within the United States or otherwise subject to U.S. federal, state or local income tax on a net income basis;

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

(xiii) with the consent of a Majority of the Subordinated Notes, to effect a Refinancing in accordance with the Indenture;

(xiv) with the consent of a Majority of the Class A-1 Notes, to evidence any waiver or elimination by any Rating Agency of any requirement or condition of such Rating Agency set forth herein;

(xv) with the consent of a Majority of the Class A-1 Notes, to conform to ratings criteria and other guidelines (including any alternative methodology published by any of the Rating Agencies) relating to collateral debt obligations in general published by either of the Rating Agencies;

(xvi) to amend, modify or otherwise accommodate changes to the Indenture relating to the administrative procedures for reaffirmation of ratings on the Notes;

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

(xviii) to accommodate the settlement of the Securities in book-entry form through the facilities of DTC or otherwise;

(xix) to authorize the appointment of any listing agent, transfer agent, paying agent or additional registrar for any Class of Securities required or advisable in connection with the listing of any Class of Securities on the Irish Stock Exchange or any other stock exchange, and otherwise to amend the Indenture to incorporate any changes required or requested by any governmental authority, stock exchange authority, listing agent, transfer agent, paying agent or additional registrar for any Class of Securities in connection therewith; or

(xx) to amend or modify the Indenture as required for compliance with any rule or regulation promulgated by any regulatory agency of the U.S. federal government after the Closing Date that is applicable to the Co-Issuers or the Securities as based on advice from nationally recognized counsel;

provided that with respect to any proposed supplemental indenture pursuant to clause (ix) or (xvi) above only, if a Majority of the Controlling Class has provided written notice to the Trustee within 15 Business Days after delivery of notice of such proposed supplemental indenture that the Controlling Class objects to such proposed supplemental indenture, the Trustee and the Co-Issuers will not enter into such supplemental indenture. For the avoidance of doubt, in the event less than a Majority of the Controlling Class provides written notice objecting to such proposed supplemental indenture, the Trustee and the Co-Issuers may enter into such supplemental indenture.

Not later than 20 Business Days prior to the execution of any proposed supplemental indenture described in this section "Modifications Without the Consent of Holders," the Trustee, at the expense of the Co-Issuers, will provide to the Investment Manager, the Holders, and the Rating Agencies a copy of such supplemental indenture. At the expense of the Co-Issuers, the Trustee will provide to the Holders and each Rating Agency a copy of the executed supplemental indenture after its execution.

If the Trustee and the Issuer are notified within 20 days after notice by the Issuer to the Holders of a proposed supplemental indenture by a Majority of the Class A-1 Notes or the Class A-2 Notes that such Holders believe the interests of the Holders in such Class will be materially and adversely affected by the proposed supplemental indenture, the consent of a Majority of such Class will be required for execution of the supplemental indenture.

For the avoidance of doubt, the Co-Issuers and the Trustee may, without regard for the provisions described in this section "Modification of the Indenture," enter into a supplemental indenture in connection with a Re-Pricing solely to modify the spread over LIBOR applicable to the Re-Priced Class. See "—Re-Pricing of the Notes."

Indenture Amendment General Provisions. The Trustee will be entitled to receive, and will be fully protected in relying upon, an opinion of counsel stating that the execution of a supplemental indenture is authorized or permitted by the Indenture and that all conditions precedent thereto have been satisfied. The Trustee may, but will not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under the Indenture or otherwise.

The Investment Manager will not be bound to follow any amendment or supplement to the Indenture unless it has received written notice of such amendment or supplement and a copy of the amendment or supplement from the Issuer or the Trustee prior to the execution thereof in accordance with the notice requirements of the Indenture. The Issuer agrees that it will not permit to become effective any amendment or supplement to the Indenture which would (i) increase the duties or liabilities of, reduce or eliminate any right or privilege of (including as a result of an effect on the amount or priority of any fees or other amounts payable to the Investment Manager), or adversely change the economic consequences to, the Investment Manager, (ii) directly or indirectly modify the restrictions on the purchases or sales of Collateral Obligations under the Indenture or the Investment Criteria, (iii) expand or restrict the Investment Manager's discretion or (iv) adversely affect the Investment Manager, unless the Investment Manager has consented in advance thereto in writing, such consent to not be unreasonably withheld or delayed; *provided*, that

the Investment Manager may withhold its consent in its sole discretion if such amendment or supplement affects the amount, timing or priority of payment of the Investment Manager's fees or increases or adds to the obligations of the Investment Manager and the Issuer will not enter into any such amendment or supplement unless the Investment Manager has given its prior written consent.

Additional Issuance. The Indenture will provide that, at any time during the Reinvestment Period, the Co-Issuers may issue and sell additional Securities of each Class (on a *pro rata* basis with respect to each Class of Notes or on a *pro rata* basis for all Classes that are subordinate to the Class A-1 Notes, except, in each case, that a larger proportion of Subordinated Notes may be issued and any Class may be issued as a component of a combination security) and use the proceeds to purchase additional Collateral Obligations or as otherwise permitted under the Indenture. Additional issuances are subject to the following conditions:

(a) the Investment Manager consents to such issuance and such issuance is approved by a Majority of the Subordinated Notes;

(b) such issuance may not exceed 100% of the respective original principal amount (or number of the Subordinated Notes or the applicable Class or Classes of Secured Notes;

(c) unless only additional Subordinated Notes are being issued, the Global Rating Agency Condition has been satisfied;

(d) the proceeds of any additional Securities (net of fees and expenses incurred in connection with such issuance) will be treated as Principal Proceeds, used to purchase additional Collateral Obligations or as otherwise permitted under the Indenture,

(e) any additional Class of Notes is not senior to the Class A-1 Notes and to the extent such issuance would be of additional Class A-1 Notes or any additional Class of Notes *pari passu* with the Class A-1 Notes, the prior written consent of a Supermajority of the Class A-1 Notes has been obtained,

(f) the Overcollateralization Ratio with respect to each Class of Notes is not reduced after giving effect to such issuance,

(g) an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters will be delivered to the Trustee, in form and substance satisfactory to the Trustee, to the effect that (1) such additional issuance will not (A) result in the Issuer becoming subject to U.S. federal income taxation with respect to its net income, (B) result in the Issuer being treated as being engaged in a trade or business within the United States for U.S. federal income tax purposes, or (C) have a material adverse effect on the tax treatment of the Issuer or the tax consequences to the holders of any Class of Notes Outstanding at the time of issuance, as described herein under "Certain U.S. Federal Income Tax Considerations," (2) such additional issuance will not result in the holders or beneficial owners of the Notes previously issued to be deemed to have sold or exchanged such Notes under Section 1001 of the Code and (3) any additional Secured Notes would have the same U.S. federal income tax characterization as any Outstanding Secured Notes that are *pari passu* with such additional Securities,

(h) such issuance is accomplished in a manner that allows the independent accountants of the Issuer to accurately provide the tax information relating to original issue discount required to be provided to the holders of Secured Notes (including the additional Securities), and

(i) an officer's certificate of the Issuer is delivered to the Trustee stating that the foregoing conditions (a) through (h) have been satisfied.

The terms and conditions of the additional Securities of each Class will be identical to those of the initial Notes of that Class (except that the interest due on the additional Securities that are Secured Notes shall accrue from the issue date of such Notes and the interest rate of such additional Securities may be lower (but not higher) than those of the initial Notes of that Class). Interest on the additional Securities that are Secured Notes will be payable commencing on the first Payment Date following the issue date of such additional Securities (if issued prior to the applicable Record Date). The additional Securities will rank *pari passu* in all respects with the initial Securities of that Class.

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

The use of proceeds of the issue and sale of additional Securities as Principal Proceeds may have the effect of causing a Coverage Test that was otherwise failing to be cured or to modify the effect of events that would otherwise give rise to an Event of Default and permit the Controlling Class to exercise remedies under the Indenture.

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

Petitions for bankruptcy. The Indenture will provide that the holders of the Securities may not seek to commence a bankruptcy proceeding against or cause the Issuer, Co-Issuer or any Tax Subsidiary to petition for bankruptcy until the payment in full of the Notes and not before one year (or if longer, the applicable preference period then in effect) plus one day has elapsed since such payment.

Satisfaction and discharge of the Indenture. The Indenture will be discharged with respect to the Assets securing the Secured Notes upon (a) (i) delivery to the Trustee for cancellation of all of the Securities, or, with certain exceptions (including the obligation to pay principal and interest), upon deposit with the Trustee of funds sufficient for the payment or redemption thereof and (ii) the payment by the Co-Issuers of all other amounts due under the Indenture, the Collateral Administration Agreement and the Investment Management Agreement, or (b)(i) all Pledged Obligations of the Issuer that are subject to the lien of the Indenture have been realized, (ii) all Hedge Agreements have been terminated and (iii) all funds on deposit in the Accounts have been distributed in accordance with the terms of the Indenture.

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

The Indenture contains provisions for the indemnification of the Trustee by the Issuer, payable solely out of the Assets, for any loss, liability or expense incurred without negligence, willful misconduct or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust. The Trustee may resign at any time by providing not less than 60 days' notice to the Co-Issuers, the Investment Manager, the Holders of the Securities and each Rating Agency. The Trustee may be removed at any time by a Majority of each Class of Secured Notes voting separately or, at any time when an Event of Default has occurred and is continuing, by a Majority of the Controlling Class as set forth in the Indenture. No resignation or removal of the Trustee will become effective until the acceptance of the appointment of the successor Trustee.

Form, Denomination and Registration of the Securities

The Securities will be sold only to (i) non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act or (ii) to, for the account or benefit of, Persons that are (A) Qualified Institutional Buyers and Qualified Purchasers, (B) in the case of Secured Notes, IAIs and Qualified Purchasers and (C) in the case of the Subordinated Notes, Accredited Investors and also (1) Qualified Purchasers or (2) Knowledgeable Employees. Except as described below, each Security sold to a person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Security, is both a Qualified Institutional Buyer and a Qualified Purchaser in reliance on Rule 144A will be issued in the form of one or more permanent global securities in definitive, fully registered form without interest coupons ("**Rule 144A Global Securities**"). Except as described below, Securities sold to non-U.S. persons in offshore transactions in reliance on Regulation S will be issued in the form of one or more permanent global securities in definitive, fully registered form without interest coupons (the "**Regulation S Global Securities**"). The Rule 144A Global Securities and the Regulation S Global Securities are referred to herein collectively as the "**Global Securities**."

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

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

Each initial investor and subsequent transferee of an interest in Co-Issued Securities held in the form of a Global Security will be deemed to represent, among other matters, as to its status under the Securities Act and the Investment Company Act and ERISA. The Issuer has the right, under the Indenture, to compel any Non-Permitted Holder to sell its interest in such Security, or may sell such interest on behalf of such owner.

All Secured Notes sold in the United States to IAIs and all Subordinated Notes sold to Accredited Investors will be evidenced by securities in definitive, fully registered form without interest coupons ("**Certificated Securities**"). In addition all Issuer Only Securities that are sold to Benefit Plan Investors or, except with respect to purchases by Controlling Persons on the Closing Date, Controlling Persons will evidenced by Certificated Securities.

Each initial investor in Issuer Only Securities will be required to provide a representation letter and each transferee of Securities evidenced by Certificated Securities will be required to provide a Transfer Certificate, in which it will be required to certify, among other matters, as to its status under the Securities Act, the Investment Company Act and ERISA.

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

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

A beneficial interest in a Regulation S Global Security may be transferred to a person who takes delivery in the form of an interest in the Rule 144A Global Security of the same Class only upon receipt by the Trustee of a Transfer Certificate from the transferor to the effect that such transfer is being made to a person whom the transferor reasonably believes is a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. Beneficial interests in a Rule 144A Global Security may be transferred to a person who takes delivery in the form of an interest in the Regulation S Global Security of the same Class only upon receipt by the Trustee of a written certification from the transferor in the form required by the Indenture to the effect that such transfer is being made in accordance with Regulation S under the Securities Act and a written certification from the transferee in the form required by the Indenture to the effect, among other things, that such transferee is a non-U.S. person purchasing such Security in an offshore transaction pursuant to Regulation S. Any beneficial interest in one of the Global Securities that is transferred to a person who takes delivery in the form of an interest in another Global Security will, upon transfer, cease to be an interest in such Global Security, and become an interest in such other Global Security, and accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Securities for as long as it remains such an interest.

A beneficial interest in an Issuer Only Security may not be sold or transferred to purchasers that have represented that they are Benefit Plan Investors or Controlling Persons to the extent that such sale may result in Benefit Plan Investors owning 25% or more of the Aggregate Outstanding Amount of any Class of Issuer Only Securities determined in accordance with the Plan Asset Regulation and the Indenture assuming, for this purpose, that all the representations made (or, in the case of Global Securities, deemed to be made) by holders of such Securities are true.

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

The registered owner of the relevant Global Security (which will be DTC or its nominee) will be the only person entitled to receive payments in respect of the Securities represented thereby, and the Co-Issuers or the Issuer, as applicable, will be discharged by payment to, or to the order of, the registered owner of such Global Security in respect of each amount so paid. No person other than the registered owner of the relevant Global Security will have any claim against the Co-Issuers or the Issuer, as applicable, in respect of any payment due on that Global Security. Account holders or participants in Euroclear and Clearstream will have no rights under the Indenture with respect to Global Securities held on their behalf by the Trustee as custodian for DTC, and DTC may be treated by the Co-Issuers, the Trustee and any agent of the Co-Issuers or the Trustee as the holder of Global Securities for all purposes whatsoever.

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

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

The Securities will be issued in the minimum denominations and integral multiples described under "Summary of Terms."

No Gross-Up

If the Issuer is required to deduct or withhold tax from, or with respect to, payments to any Holder of the Securities for any tax, then the Trustee or other Paying Agent, as applicable, will deduct, or withhold, the amount required to be deducted or withheld and remit to the relevant authority such amount. Without limiting the generality of the foregoing, the Issuer may withhold any amount that it determines is required to be withheld from any amounts otherwise distributable to any holder of a Security. The Issuer will not be obligated to pay any additional amounts to the Holders or beneficial owners of the Securities as a result of any withholding or deduction for, or on account of, any tax imposed on payments in respect of the Securities.

RATINGS OF THE SECURED NOTES

It is a condition of the issuance of the Securities that the Secured Notes of each Class receive from S&P the minimum rating indicated under "Summary of Terms—Principal Terms of the Securities" and that the Class A-1 Notes receive from Moody's the minimum rating indicated under "Summary of Terms—Principal Terms of the Securities." A security rating is not a recommendation to buy, sell or hold securities and is subject to withdrawal at any time. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the assigning Rating Agency if in its judgment circumstances in the future so warrant.

The ratings of the Secured Notes address the likelihood of full and ultimate payment to holders of the Secured Notes of all distributions of stated interest (or, in the case of the S&P ratings of the Class A Notes, timely payment of stated interest) and the ultimate payment in full of the principal amount of each such Class not later than its respective Stated Maturity date. The ratings assigned to the Secured Notes of each Class by each Rating Agency are based upon its assessment of the probability that the Collateral Obligations will provide sufficient funds to pay the Secured Notes of such Class (based upon the Interest Rate and principal balance or face amount, as applicable, of such Class), based largely upon such Rating Agency's statistical analysis of historical default rates on debt securities with various ratings, the terms of the Indenture, the asset and interest coverage required for the Secured Notes (which is achieved through the subordination of the Subordinated Notes and certain Classes of Secured Notes as described herein), the Collateral Quality Test and the Concentration Limitations, each component of which must be satisfied, maintained or improved in order to reinvest in additional Collateral Obligations.

A rating assigned to a Class of Notes by Moody's is based upon its assessment of expected losses on the Assets and the resulting probability that such Assets will generate sufficient proceeds to make scheduled interest and principal payments on the Notes by the Stated Maturity thereof, based largely upon Moody's statistical analysis of historical default rates at various levels of credit quality for corporate debt obligations similar to the Assets, the principal and interest coverage required for the Notes (which is achieved through the subordination of the Subordinated Notes) and the diversification requirements that such Assets are required to satisfy.

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

SECURITY FOR THE SECURED NOTES

The "**Assets**" or "**Collateral**" will consist of, and the Issuer will grant to the Trustee a perfected security interest for the benefit of the Secured Parties in all of its right, title and interest in, to and under the following property, in each case, whether now owned or existing, or hereafter acquired or arising, and wherever located:

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

(b) each of (subject, in the case of any Hedge Counterparty Collateral Account, to the terms of the applicable Hedge Agreement) (i) the Payment Account, (ii) the Collection Account, (iii) the Ramp-Up Account, (iv) the Expense Reserve Account, (v) the Interest Reserve Account, (vi) the Custodial Account, (vii) the Unfunded Exposure Account, and (viii) each Hedge Counterparty Collateral Account (if any);

(c) the equity interest in any Tax Subsidiary and all payments and rights thereunder;

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

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

(f) all accounts, chattel paper, deposit accounts, financial assets, general intangibles, payment intangibles, instruments, investment property, letter-of-credit rights and supporting obligations (as such terms are defined in the Uniform Commercial Code as in effect in the State of New York);

(g) other property of any type or nature in which the Issuer has an interest; and

(h) all proceeds (as defined in the Uniform Commercial Code as in effect in the State of New York) and products with respect to the foregoing;

provided that such grants will not include the Excepted Property.

Collateral Obligations

It is anticipated that the Issuer will have purchased (or committed to purchase) Collateral Obligations with an aggregate principal balance of approximately 60% of the Aggregate Ramp-Up Par Amount on the Closing Date. Such purchases, or commitments to purchase, will be made at the then prevailing market price on the date of such purchases or commitments. It is expected (but there can be no assurance) that the Concentration Limitations, the Collateral Quality Test and all of the Coverage Tests will be satisfied not later than the Effective Date.

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

The Investment Manager will be subject to Operating Guidelines that are intended to prevent the Issuer from being engaged in the conduct of a trade or business within the United States or otherwise subject to U.S. federal income taxation with respect to net income.

The Concentration Limitations

By the Effective Date, and in connection with any reinvestment in additional Collateral Obligations thereafter, the Collateral Obligations in the aggregate are expected to satisfy the Concentration Limitations. Measurement of the degree of compliance with the Concentration Limitations will be required on each Measurement Date.

The Collateral Quality Test

By the Effective Date, and in connection with any reinvestment in additional Collateral Obligations thereafter, the Collateral Obligations in the aggregate are expected to satisfy the Collateral Quality Test or, unless otherwise explicitly provided for in the Indenture, if not in compliance at the time of reinvestment, the relevant requirements must be maintained or improved. Measurement of the degree of compliance with the Collateral Quality Test will be required on every Measurement Date.

Minimum Fixed Coupon Test. The "**Minimum Fixed Coupon Test**" will be satisfied on any date of determination if the Weighted Average Fixed Coupon *plus* the Excess Weighted Average Spread equals or exceeds the Minimum Fixed Coupon. The "**Minimum Fixed Coupon**" is 6.5%.

Minimum Floating Spread Test. The "**Minimum Floating Spread Test**" will be satisfied on any date of determination if the Weighted Average Floating Spread *plus* the Excess Weighted Average Fixed Coupon equals or exceeds the higher of (a) the Minimum Floating Spread or (b) 2%.

Maximum Moody's Rating Factor Test. The "**Maximum Moody's Rating Factor Test**" will be satisfied on any date of determination if the Moody's Adjusted Weighted Average Rating Factor of the Collateral Obligations is less than or equal to the lesser of (i) the sum of (a) the Maximum Moody's Weighted Average Rating Factor in the Asset Quality Matrix Combination *plus* (b) the Moody's Weighted Average Recovery Adjustment and (ii) 3200.

Moody's Diversity Test. The "**Moody's Diversity Test**" will be satisfied on any date of determination if the Diversity Score (rounded to the nearest whole number) equals or exceeds the Minimum Diversity Score in the Asset Quality Matrix Combination.

S&P CDO Monitor Test. The "**S&P CDO Monitor Test**" will be satisfied on any date of determination following receipt by the Issuer and the Collateral Administrator of the applicable S&P CDO Monitor input files if, after giving effect to the purchase of an additional Collateral Obligation, each Class Default Differential of the Proposed Portfolio is positive. The S&P CDO Monitor Test will be considered to be improved if each Class Default Differential of the Proposed Portfolio is greater than the corresponding Class Default Differential of the Current Portfolio.

Compliance with the S&P CDO Monitor Test will be measured by the Investment Manager on each Measurement Date.

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

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

S&P Minimum Weighted Average Recovery Rate Test. The "**S&P Minimum Weighted Average Recovery Rate Test**" will be satisfied on any date of determination if the S&P Weighted Average Recovery Rate for each Class of Secured Notes Outstanding equals or exceeds the weighted average recovery rate of such Class in the Recovery Rate Set selected by the Investment Manager pursuant to the definition of "S&P CDO Monitor."

Weighted Average Life Test. The "**Weighted Average Life Test**" will be satisfied on any date of determination if the Weighted Average Life of all Collateral Obligations as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such date of determination to December 12, 2021. For the avoidance of doubt, the definition of "Weighted Average Life Test" may not be modified without the prior written consent of the Majority of the Controlling Class.

Collateral Assumptions

The Indenture specifies certain assumptions that will be applied to the determination of the Concentration Limitations, the Collateral Quality Test, the Coverage Tests and the Interest Diversion Test and in connection with calculations that are required to be made pursuant to the Indenture with respect to payments on the Assets and other amounts that may be received for deposit in the Collection Account.

The Coverage Tests and the Interest Diversion Test

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

Measurement of the degree of compliance with the Overcollateralization Ratio Tests will be required as of the Effective Date and each Measurement Date thereafter.

Measurement of the degree of compliance with the Interest Coverage Tests will be required as of any date of determination at, or subsequent to, the Determination Date immediately preceding the second Payment Date.

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

Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria

Subject to the other requirements set forth in the Indenture and *provided*, that no Event of Default has occurred and is continuing (except for a sale pursuant to clauses (a), (c), (d) and (i) below which is permitted unless liquidation of the Assets has begun or the Trustee has commenced exercising exclusive control over the Assets at the direction of the Controlling Class pursuant to the Indenture), the Investment Manager on behalf of the Issuer may in writing direct the Trustee to sell and the Trustee (on behalf of the Issuer) will sell in the manner directed by the Investment Manager any Collateral Obligation or Equity Security if, as certified by the Issuer, such sale meets the requirements of any of clauses (a) through (g) below.

(a) The Investment Manager may direct the Trustee to sell any Credit Risk Obligation at any time during or after the Reinvestment Period without restriction.

(b) The Investment Manager may direct the Trustee to sell any Credit Improved Obligation at any time during or after the Reinvestment Period without restriction.

(c) The Investment Manager may direct the Trustee to sell any Defaulted Obligation at any time during or after the Reinvestment Period without restriction.

(d) The Investment Manager may direct the Trustee to sell any Equity Security, including any Equity Security held by a Tax Subsidiary, at any time during or after the Reinvestment Period without restriction; *provided*, that the Investment Manager will use commercially reasonable efforts to dispose of any Equity Security, regardless of sale price, within three years of receipt of such Equity Security by the Issuer. In addition, pursuant to the Investment Management Agreement, the Issuer (and the Investment Manager on behalf of the Issuer) is prohibited from acquiring (through conversion or otherwise) certain Equity Securities that would cause the Issuer to be subject to U.S. federal income tax. As a result of such prohibition, the Investment Manager (on behalf of the Issuer) may be required to dispose of certain Defaulted Obligations prior to the conversion of such Defaulted Obligations into Equity Securities.

(e) After the Issuer has notified the Trustee of a Redemption by Liquidation or a Clean-Up Call Redemption and all requirements set forth in the Indenture are met, the Investment Manager will direct the Trustee to sell (which sale may be through participation or other arrangement) all or a portion of the Collateral Obligations.

(f) The Investment Manager may direct the Trustee to sell any Collateral Obligation (a "**Discretionary Sale**") at any time other than during a Restricted Trading Period if after giving effect to such Discretionary Sale the Aggregate Principal Balance of all Collateral Obligations sold in Discretionary Sales during the preceding period of twelve calendar months (or, for the first twelve calendar months after the Closing Date, during the period commencing on the Closing Date) is not greater than 20% of the Collateral Principal Amount as of the beginning of such twelve calendar month period (or as of the Closing Date, as the case may be).

(g) The Investment Manager will use commercially reasonable efforts to sell each Equity Security, Collateral Obligation and any other security held by the Issuer that constitutes Margin Stock not later than 45 days after the later of (x) the date of the Issuer's acquisition thereof and (y) the date such Equity Security, Collateral Obligation or other security held by the Issuer became Margin Stock.

(h) If the Aggregate Principal Balance of the Collateral Obligations is less than $10 million, the Investment Manager may direct the Trustee to sell the Collateral Obligations without restriction.

(i) After the Reinvestment Period (without regard to whether an Event of Default has occurred), at the direction of the Investment Manager, the Trustee will conduct an auction of Unsaleable Assets in accordance with the procedures below.

The Trustee will provide notice to the Holders and each Rating Agency of an auction of Unsaleable Assets, setting forth in reasonable detail a description of each Unsaleable Asset and the following auction procedures:

(a) Any Holder may submit a written bid to purchase 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).

(b) Each bid must include an offer to purchase for a specified amount of cash on a proposed settlement date no later than 20 Business Days after the date of the auction notice.

(c) If no Holder submits such a bid, unless delivery in kind is not legally or commercially practicable and subject to any transfer restrictions (including minimum denominations), the Trustee will provide notice thereof to each Holder and offer to deliver (at no cost) a *pro rata* portion of each unsold Unsaleable Asset to the Holders of the Class with the highest priority that provide delivery instructions to the Trustee on or before the date specified in such notice. To the extent that minimum denominations do not permit a *pro rata* distribution, the Trustee will distribute the Unsaleable Assets on a *pro rata* basis to the extent possible and the Trustee will select by lottery the Holder to whom the remaining amount will be delivered. The Trustee will use commercially reasonable efforts to effect delivery of such interests.

(d) If no such Holder provides delivery instructions to the Trustee, the Trustee will promptly notify the Investment Manager and offer to deliver (at no cost) the Unsaleable Asset to the Investment Manager. If the Investment Manager declines such offer, the Investment Manager (on behalf of the Issuer) will direct action to dispose of the Unsaleable Asset, which may be by donation to a charity, abandonment or other means, and the Trustee will take such action as so directed.

Notwithstanding the other requirements set forth in the Indenture and described above, but subject to the Operating Guidelines, the Issuer will have the right to effect the sale of any Asset or purchase of any Collateral Obligation (x) that has been separately consented to by Holders of Notes evidencing at least 75% of the Aggregate Outstanding Amount of each Class of Notes and (y) of which each Rating Agency and the Trustee has been notified.

Notwithstanding the other requirements set forth in the Indenture and described above, the Investment Manager will no later than the Determination Date for the Stated Maturity, on behalf of the Issuer, arrange for and direct the Trustee to sell for settlement in immediately available funds no later than two Business Days before the Stated Maturity any Collateral Obligations scheduled to mature after the Stated Maturity of the Notes and cause the liquidation of all assets held at each Tax Subsidiary and distribution of any proceeds thereof to the Issuer.

The Issuer shall be prohibited from purchasing a Collateral Obligation during the Reinvestment Period if such purchase would settle after the end of the Reinvestment Period (any such Collateral Obligation, a "**Post Reinvestment Period Settlement Obligation**") unless such purchase is made with Principal Proceeds received with

respect to Credit Risk Obligations or Unscheduled Principal Payments; *provided*, *however*, that, notwithstanding the foregoing, the Issuer may, prior to the end of the Reinvestment Period, commit to purchase such Post Reinvestment Period Settlement Obligations and, after the end of the Reinvestment Period, settle the purchase of such Post Reinvestment Period Settlement Obligations, if (a) in the reasonable determination of the Investment Manager, the purchase of each Post Reinvestment Period Settlement Obligation is expected to settle no later than 30 Business Days after the date that the Issuer commits to purchase it, and (b) the sum of (i) the amount of funds in the Principal Collection Account as of the date that the Issuer commits to the purchase of each Post Reinvestment Period Settlement Obligation plus (ii) the expected aggregate sale proceeds from all Collateral Obligations with respect to which the Issuer has previously entered into written trade tickets or other written binding commitments to sell, which sales are also not expected to settle prior to the end of the Reinvestment Period, is equal to or greater than the principal amount of all Post Reinvestment Period Settlement Obligations intended to be so purchased (the "**Reinvestment Period Settlement Condition**"). If the Issuer has entered into a written trade ticket or other written binding commitment to purchase a Post Reinvestment Period Settlement Obligation and the Reinvestment Period Settlement Condition is satisfied, such Post Reinvestment Period Settlement Obligation shall be treated as having been purchased by the Issuer prior to the end of the Reinvestment Period for purposes of the Investment Criteria, and Principal Proceeds received after the end of the Reinvestment Period may be applied to the payment of the purchase price of such Post Reinvestment Period Settlement Obligation.

On any date during the Reinvestment Period, pursuant to and subject to the other requirements of the Indenture, the Investment Manager may, but will not be required to, direct the Trustee to invest Principal Proceeds and accrued interest received with respect to any Collateral Obligations to the extent used to pay for accrued interest on additional Collateral Obligations.

Investment Criteria. Principal Proceeds may be used to purchase Collateral Obligations subject to the requirement that each of the following conditions is satisfied as of the date the Investment Manager commits on behalf of the Issuer to make such purchase after giving effect to such purchase and all other sales or purchases previously or simultaneously committed to but have not settled; *provided*, that the conditions set forth in clauses (b), (c) and (d) below need only be satisfied with respect to purchases of Collateral Obligations occurring after the Effective Date (the "**Investment Criteria**"):

(a) such obligation is a Collateral Obligation;

(b) (A) each Coverage Test will be satisfied or, if not satisfied, such Coverage Test will be maintained or improved and (B) if each Coverage Test is not satisfied, the Principal Proceeds received in respect of any Defaulted Obligation or the proceeds of any sale of a Defaulted Obligation will not be reinvested in additional Collateral Obligations;

(c) (A) in the case of additional Collateral Obligations purchased with the proceeds from the sale of a Credit Risk Obligation or a Defaulted Obligation, after giving effect to such purchase either (1) the Aggregate Principal Balance of all additional Collateral Obligations purchased with the proceeds from such sale will at least equal the Sale Proceeds from such sale, (2) the Aggregate Principal Balance of the Collateral Obligations will be maintained or increased (by comparison to the Aggregate Principal Balance of the Collateral Obligations immediately prior to such sale), or (3) the Aggregate Principal Balance of the Collateral Obligations (excluding Collateral Obligations being sold but including, without duplication the Collateral Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligations) will be greater than the Reinvestment Target Par Balance and (B) in the case of any other purchase of additional Collateral Obligations, after giving effect to such purchase either (1) the Aggregate Principal Balance of the Collateral Obligations will be maintained or increased (by comparison to the Aggregate Principal Balance of the Collateral Obligations immediately prior to any related sale), or (2) the Aggregate Principal Balance of the Collateral Obligations (excluding Collateral Obligations being sold but including, without duplication the Collateral Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligations) will be greater than the Reinvestment Target Par Balance; and

(d) either (A) each requirement or test, as the case may be, of the Concentration Limitations and the Collateral Quality Test (except, in the case of an additional Collateral Obligation purchased with the proceeds from the sale of a Credit Risk Obligation or a Defaulted Obligation, the S&P CDO Monitor Test) will be satisfied or (B) if any such requirement or test was not satisfied immediately prior to such reinvestment, the level of compliance

with such requirement or test will be maintained or improved after giving effect to the reinvestment, *provided* that if an additional Collateral Obligation is purchased with the proceeds from the sale of a Credit Risk Obligation or a Defaulted Obligation, the S&P CDO Monitor Test will be excluded for purposes of any determination under this clause (d).

Following the sale of any Credit Improved Obligation or any Discretionary Sale of a Collateral Obligation, the Investment Manager will use its reasonable efforts to purchase additional Collateral Obligations within 30 Business Days after such sale.

For purposes of calculating compliance with the Investment Criteria, each proposed investment will be calculated on a pro forma basis after giving effect to all written trade tickets or other binding commitments to purchase or sell Collateral Obligations; *provided* that such requirements need not be satisfied with respect to one single reinvestment if they are satisfied on an aggregate basis for a series of reinvestments occurring within a seven Business Days period (provided that such time period may not include a Determination Date) so long as (i) the Investment Manager identifies to the Trustee the sales and purchases (the "**Identified Reinvestments**") subject to this proviso; (ii) only one series of Identified Reinvestments is identified on any day and only one such seven Business Day period may be running at any one time; (iii) the aggregate principal balance of such identified purchases does not exceed 5% of the Aggregate Principal Balance of the Collateral Obligations, (iv) the Investment Manager reasonably believes that the Investment Criteria will be satisfied on an aggregate basis for such Identified Reinvestments and (v) if the Investment Criteria are not satisfied with respect to any such Identified Reinvestment, the S&P Rating Condition will be satisfied for each subsequent reliance on this proviso until a subsequent use of this proviso (for which the S&P Rating Condition was satisfied) is successfully completed.

Investment after the Reinvestment Period. After the Reinvestment Period, only Principal Proceeds received with respect to Credit Risk Obligations and Unscheduled Principal Payments may be reinvested in accordance with the requirements of the Indenture. After the Reinvestment Period, so long as no Event of Default has occurred and is continuing, the Investment Manager may, but will not be required to, invest Principal Proceeds that were received with respect to Unscheduled Principal Payments and Credit Risk Obligations within the longer of (i) 30 days of the Issuer's receipt thereof and (ii) the last day of the related Collection Period. No later than 15 Business Days after the end of the Reinvestment Period, the Investment Manager will send to the Trustee a schedule of sales and purchases of Collateral Obligations for which the settlement date had yet occurred as of the end of the Reinvestment Period and will certify to the Trustee that sufficient Principal Proceeds will be available to effect the settlement of the purchases of such Collateral Obligations. The Investment Manager may not direct the purchase of Collateral Obligations after the Reinvestment Period unless after giving effect to any such purchase,

(A) the Minimum Fixed Coupon Test, the Weighted Average Life Test, the Minimum Floating Spread Test, the Moody's Diversity Test, the Moody's Minimum Weighted Average Recovery Rate Test and the S&P Minimum Weighted Average Recovery Rate Test will be satisfied or, if not satisfied, will be maintained or improved as compared to such failing tests level prior to the sale of the related Credit Risk Obligation or the receipt of the Unscheduled Principal Payment,

(B) the Coverage Tests will be satisfied,

(C) the Maximum Moody's Rating Factor Test and clause (xii) of the Concentration Limitations will be satisfied,

(D) the Restricted Trading Period is not in effect,

(E) the additional Collateral Obligation purchased will have (1) the same or higher S&P Rating, (2) the same or earlier maturity and (3) the same or higher Moody's Rating, as such Credit Risk Obligation or prepaid Collateral Obligation,

(F) the aggregate principal balance of all additional Collateral Obligations purchased with the proceeds from the sale of such Credit Risk Obligations will at least equal the related Sale Proceeds, and

(G) solely with respect to the Unscheduled Principal Payments, the Aggregate Principal Balance of the Collateral Obligations will be maintained or increased (by comparison to the Aggregate Principal Balance of the Collateral Obligations immediately prior to such payment).

The criteria regarding reinvestment after the Reinvestment Period may not be amended without the written consent of a Majority of each Class of Notes. At any time after the Reinvestment Period, if a Restricted Trading Period is in effect, the Investment Manager may not designate Principal Proceeds for reinvestment until such time as the Restricted Trading Period is longer in effect.

Certain Restrictions on Amendments to Collateral Obligations. During and after the Reinvestment Period, the Investment Manager may vote in favor of a waiver, modification, amendment or variance of the stated maturity date of any Collateral Obligation only if, after giving effect to such amendment, (i) the stated maturity of the Collateral Obligation is no later than the Stated Maturity of the Securities, (ii) the Weighted Average Life Test is satisfied or, if not satisfied, is maintained or improved (unless (a) a portion of the principal balance of the original Collateral Obligation is repaid in connection with such amendment and (b) the stated maturity date of such Collateral Obligation is not extended by more than two years), and (iii) the Class A Overcollateralization Ratio Test is satisfied.

Tax Subsidiary

Prior to the time that the Issuer would acquire or receive any asset in connection with a workout or restructuring of a Collateral Obligation that could cause the Issuer to be treated as engaged in a trade or business in the United States or subject to U.S. federal tax on a net income basis, the Issuer either will sell the Collateral Obligation or will contribute it to a wholly-owned special purpose vehicle that is treated as a corporation for U.S. federal income tax purposes (a "**Tax Subsidiary**").

Tax Subsidiaries will not have any employees (other than its directors or managers in the case of a limited liability company) and will not have any subsidiaries (other than any subsidiaries that are subject to the covenants applicable to Tax Subsidiaries). The Issuer will cause the purposes and permitted activities of each Tax Subsidiary to be restricted solely to the acquisition, receipt, holding, management and disposition of the Collateral Obligations that are contributed to the Tax Subsidiary and any assets, income and proceeds received in respect thereof (collectively, "**Tax Subsidiary Assets**"), and will require the Tax Subsidiary to distribute 100% of the proceeds of any sale of such assets, net of any tax or other liabilities, to the Issuer at its Stated Maturity or at such earlier time at the sole discretion of the Investment Manager. At the request of the Investment Manager, the Issuer will cause any Tax Subsidiary to enter into a separate management agreement with the Investment Manager. Notice of any such separate management agreement and a copy of such agreement shall be provided to each of the Rating Agencies.

The Collection and Payment Accounts

All distributions on the Collateral Obligations and any proceeds received from the disposition of any Collateral Obligations will be remitted to one of two segregated non-interest bearing trust accounts, collectively referred to as the "**Collection Account**," each in the name of the Trustee for the benefit of the Secured Parties. One such account will be designated the "**Interest Collection Account**" and one such account will be designated the "**Principal Collection Account**" All Interest Proceeds received by the Trustee after the Closing Date will be deposited in the Interest Collection Account. All other amounts remitted to the Collection Account will be deposited in the Principal Collection Account, except that on any Business Day after the Effective Date and on or before the first Determination Date, so long as the Aggregate Ramp-Up Par Condition has been satisfied and a Rating Confirmation Redemption is not required, the Trustee will transfer from the Principal Collection Account into the Interest Collection Account as Interest Proceeds an amount designated by the Investment Manager subject to the Effective Date Interest Deposit Restriction. The "**Effective Date Interest Deposit Restriction**" means that the sum of the deposits from the Ramp-Up Account and the Principal Collection Account into the Interest Collection Account as Interest Proceeds after the Effective Date and on or before the first Determination Date may not exceed 1.0% of the Aggregate Ramp-Up Par Amount.

Amounts received in the Collection Account during a Collection Period will be invested at the direction of the Investment Manager in Eligible Investments with stated maturities no later than the Business Day prior to the Payment Date next succeeding the acquisition of such Eligible Investments. All proceeds from the Eligible

Investments will be retained in the Collection Account unless used to purchase additional Collateral Obligations in accordance with the Investment Criteria, or used as otherwise permitted under the Indenture.

On the Business Day preceding each Payment Date, the Trustee will deposit into a segregated non-interest bearing trust account in the name of the Trustee for the benefit of the Secured Parties (the "**Payment Account**") and subject to the lien of the Indenture for the benefit of the Secured Parties all funds in the Collection Account (other than amounts that the Issuer is entitled to reinvest in accordance with the Investment Criteria described herein, which may be retained in the Collection Account for subsequent reinvestment) required for payments to holders of the Secured Notes and distributions on the Subordinated Notes and payments of fees and expenses in accordance with the Priority of Payments.

The Ramp-Up Account

The net proceeds of the issuance of the Securities remaining after payment of fees and expenses (and, without duplication, making deposits into the Expense Reserve Account and the Interest Reserve Account) will be deposited on the Closing Date into a segregated non-interest bearing trust account in the name of the Trustee for the benefit of the Secured Parties (the "**Ramp-Up Account**"). On behalf of the Issuer, the Investment Manager will direct the Trustee to, from time to time during the Ramp-Up Period, purchase additional Collateral Obligations and invest in Eligible Investments any amounts not used to purchase such additional Collateral Obligations. Upon the occurrence of an Event of Default or the failure to obtain Effective Date Ratings Confirmation, the Trustee will deposit any remaining amounts in the Ramp-Up Account into the Principal Collection Account as Principal Proceeds (excluding any proceeds that shall be used to settle binding commitments entered into prior to the occurrence of an Event of Default or the Determination Date relating to the first Payment Date, as applicable). On any Business Day after the Effective Date and before the first Determination Date, so long as the Aggregate Ramp Up Par Condition has been satisfied and a Rating Confirmation Redemption is not required, the Trustee will transfer from amounts remaining in the Ramp-Up Account (excluding any proceeds that will be used to settle binding commitments entered into prior to the Effective Date) into the Interest Collection Account as Interest Proceeds an amount designated by the Investment Manager subject to the Effective Date Interest Deposit Restriction. On the first Determination Date, the Trustee will transfer any amounts remaining in the Ramp-Up Account into the Principal Collection Account as Principal Proceeds. Any income earned on amounts deposited in the Ramp-Up Account will be deposited in the Interest Collection Account as Interest Proceeds.

The Custodial Account

The Trustee will, on or prior to the Closing Date, establish a segregated non-interest bearing trust account in the name of the Trustee for the benefit of the Secured Parties designated as the "**Custodial Account.**" The only permitted withdrawals from the Custodial Account will be in accordance with the provisions of the Indenture. The Co-Issuers will not have any legal, equitable or beneficial interest in the Custodial Account other than in accordance with the Indenture and the Priority of Payments.

The Hedge Counterparty Collateral Accounts

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

The Expense Reserve Account

The Trustee will, prior to the Closing Date, establish a segregated non-interest bearing trust account in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "**Expense Reserve Account**." The

Trustee will apply funds from the Expense Reserve Account, in the amounts and as directed in writing by the Investment Manager, to pay (x) amounts due in respect of actions taken on or before the Closing Date and (y) subject to the Administrative Expense Cap, Administrative Expenses in the order of priority contained in the definition thereof. Any income earned on amounts on deposit in the Expense Reserve Account will be deposited in the Interest Collection Account as Interest Proceeds as it is paid. On or before the first Determination Date, all funds in the Expense Reserve Account (after deducting any expenses paid on such Determination Date) will be deposited in the Collection Account as Interest Proceeds and/or Principal Proceeds (in the respective amounts directed by the Investment Manager in its sole discretion).

The Interest Reserve Account

The Trustee will, prior to the Closing Date, establish a segregated non-interest bearing trust account in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "**Interest Reserve Account**" and will be subject to the lien of the Indenture for the benefit of the Secured Parties. On any date prior to the Determination Date relating to the first Payment Date, the Investment Manager, by Issuer Order, may direct that all or any portion of funds in the Interest Reserve Account be transferred to the Principal Collection Account, as long as, after giving effect to such deposits, the Investment Manager determines that the Issuer will have sufficient funds in the Collection Account to pay Administrative Expenses pursuant to clause (A), the Senior Investment Management Fee pursuant to clause (B) and interest on each Class of Secured Notes (without deferral) and any amounts senior in right of payment to such any amounts under the Priority of Interest Proceeds on the first Payment Date. All funds remaining in the Interest Reserve Account on the first Determination Date shall be transferred to the Interest Collection Account. Any income earned on amounts deposited in the Interest Reserve Account will be deposited in the Interest Collection Account as Interest Proceeds as it is paid.

The LC Reserve Account

If an LOC Agent Bank does not withhold on payments of fee income in respect of any Collateral Obligation that is a Letter of Credit and the Issuer has not received any Tax Advice to the effect that such withholding should or will not be required, the Investment Manager will advise the Issuer and the Issuer will transfer Interest Proceeds from the Collection Account in an amount equal to 30% (or such other percentage equal to the withholding rate then in effect) of all of the fees received in respect of such Letters of Credit into a single, segregated non-interest bearing trust account in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "**LC Reserve Account**." Amounts deposited into the LC Reserve Account will be invested by the Trustee in Eligible Investments as directed by the Investment Manager.

The Issuer will withdraw funds from the LC Reserve Account to pay (or to provide for the payments of) the related withholding taxes when due. The Issuer also may withdraw funds from the LC Reserve Account and apply them as Interest Proceeds (a) if the Issuer receives Tax Advice to the effect that the Issuer should or will not be subject to U.S. withholding tax with respect to the letter of credit fees from which such funds were reserved or (b) to the extent such amounts will not be due after such date, (i) at Stated Maturity or (ii) on a Redemption Date in connection with an Optional Redemption (other than pursuant to a Refinancing), a Tax Redemption or a Clean-Up Call Redemption. The Issuer will provide to S&P a copy of any opinion obtained pursuant to clause (a) of the preceding sentence.

Unfunded Exposure Account

Upon the purchase of any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, funds in an amount equal to the undrawn portion of such obligation shall be withdrawn first from the Ramp-Up Account and, if necessary, from the Principal Collection Account and deposited in a segregated non-interest bearing trust account in the name of the Trustee as entitlement holder for the benefit of the Secured Parties which will be designated as the "**Unfunded Exposure Account**." Upon the purchase of any such obligations, funds deposited in the Unfunded Exposure Account in respect of any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation will be treated as part of the purchase price therefor. Amounts in the Unfunded Exposure Account will be invested in overnight funds that are Eligible Investments and earnings from all such investments will be deposited in the Interest Collection Account as Interest Proceeds as it is paid.

The Issuer shall, at all times maintain sufficient funds on deposit in the Unfunded Exposure Account such that the sum of the amount of funds on deposit in the Unfunded Exposure Account shall be equal to or greater than the sum

of the unfunded funding obligations under all such Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations then included in the Assets. Funds shall be deposited in the Unfunded Exposure Account upon the purchase of any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation and upon the receipt by the Issuer of any Principal Proceeds with respect to a Revolving Collateral Obligation as directed by the Investment Manager on behalf of the Issuer. In the event of any shortfall in the Unfunded Exposure Account, the Investment Manager (on behalf of the Issuer) may direct the Trustee to, and the Trustee thereafter shall, transfer funds in an amount equal to such shortfall from the Principal Collection Account to the Unfunded Exposure Account.

Any funds in the Unfunded Exposure Account (other than earnings from Eligible Investments therein) will be available solely to cover any drawdowns on the Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations; *provided* that any excess of (A) the amounts on deposit in the Unfunded Exposure Account over (B) the sum of the unfunded funding obligations under all Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations that are included in the Assets may be transferred by the Trustee (at the written direction of the Investment Manager on behalf of the Issuer) from time to time as Principal Proceeds to the Principal Collection Account.

Hedge Agreements

The Issuer may enter into Hedge Agreements from time to time on and after the Closing Date solely for the purpose of managing interest rate and other risks in connection with the Issuer's issuance of, and making payments on, the Securities. Each Hedge Counterparty will be required to have, at the time that any Hedge Agreement to which it is a party is entered into, the Required Hedge Counterparty Ratings unless the applicable Global Rating Agency Condition is satisfied or credit support is provided as set forth in the Hedge Agreement. Any Hedge Agreement will be required to contain appropriate limited recourse and non-petition provisions equivalent to those contained in the Indenture with respect to the Securities. Payments on Hedge Agreements will be subject to the Priority of Payments. The Issuer does not expect to enter into any Hedge Agreements on the Closing Date.

The Issuer (or the Investment Manager on behalf of the Issuer) will not enter into any Hedge Agreement unless the Issuer has obtained the consent of a Majority of the Controlling Class, the Global Rating Agency Condition has been satisfied and either (a) entering into the Hedge Agreement would not cause the Issuer to be considered a "commodity pool" under the CEA, (b) if the Issuer would be considered a commodity pool, the Investment Manager would be the CPO, the Investment Manager would be eligible for an exemption from registration as a CPO and all requirements of that exemption would be satisfied or (c) if the Issuer would be considered a commodity pool, the Investment Manager would be the CPO and the Investment Manager, at all material times, would be a registered CPO as required under the CEA. The reasonable fees, costs, charges and expenses incurred by the Issuer and the Investment Manager (including reasonable attorneys', accountants' and other professional fees and expenses) in connection with these requirements will be paid as Administrative Expenses. See "Risk Factors—Relating to Regulatory and Other Legal Considerations."

USE OF PROCEEDS

General

The net proceeds from the issuance of the Securities, after payment of applicable fees and expenses in connection with the structuring and placement of the Securities (including by making a deposit to the Expense Reserve Account of funds to be used to pay expenses following the Closing Date) and any discounts, including original issue discounts and after making a deposit to the Interest Reserve Account and a deposit to the Expense Reserve Account, are expected to be approximately $503,500,000. Such net proceeds will be used on the Closing Date to repay the financing provided by the Pre-Closing Parties for the acquisition of Collateral Obligations by the Issuer and deposited into the Ramp-Up Account on the Closing Date for the purchase of additional Collateral Obligations during the Ramp-Up Period and for deposit into the Collection Account as described herein on the Effective Date. Approximately $100,000 will be deposited into the Expense Reserve Account on the Closing Date for use as described herein and approximately $1,000,000 will be deposited into the Interest Reserve Account on the Closing Date for use as described herein.

Ramp-Up Period

The Issuer will use its commercially reasonable efforts to have purchased or to have entered into binding agreements to purchase, by the Effective Date, Collateral Obligations in an amount sufficient to satisfy the Aggregate Ramp-Up Par Condition.

If, by the Determination Date relating to the first Payment Date, Effective Date Ratings Confirmation has not been obtained, then the Investment Manager, on behalf of the Issuer, will instruct the Trustee in writing to transfer amounts from the Interest Collection Account to the Principal Collection Account (and with such funds the Issuer will purchase additional Collateral Obligations) in an amount sufficient to obtain Effective Date Ratings Confirmation (*provided*, that the amount of such transfer would not result in default in the payment of interest with respect to the Class A-1 Notes or the Class A-2 Notes). Alternatively, the Investment Manager on behalf of the Issuer may take such other action, including but not limited to, a Rating Confirmation Redemption and/or transferring amounts from the Interest Collection Account to the Principal Collection Account as Principal Proceeds (for use in a Rating Confirmation Redemption), sufficient to obtain Effective Date Ratings Confirmation.

During the period between the Effective Date and the first Determination Date, so long as the Aggregate Ramp Up Par Condition has been satisfied and a Rating Confirmation Redemption is not required, the Trustee will transfer (i) from amounts remaining in the Ramp-Up Account (excluding any proceeds that will be used to settle binding commitments entered into prior to the Effective Date) into the Interest Collection Account as Interest Proceeds an amount designated by the Investment Manager and (ii) from the Principal Collection Account into the Interest Collection Account as Interest Proceeds an amount designated by the Investment Manager, in each case subject to the Effective Date Interest Deposit Restriction. On the first Determination Date, the Trustee will transfer any amounts remaining in the Ramp-Up Account into the Principal Collection Account as Principal Proceeds. See "Security for the Secured Notes—The Ramp-Up Account" and "Security for the Secured Notes—The Collection and Payment Accounts."

It is expected, but there can be no assurance, that (i) the Overcollateralization Ratio Test applicable to each Class of Secured Notes, the Concentration Limitations and the Collateral Quality Test described herein will be satisfied not later than the Effective Date and (ii) the Interest Coverage Test applicable to each Class of Secured Notes described herein will be satisfied as of any date of determination on or after the Determination Date immediately preceding the second Payment Date.

THE INVESTMENT MANAGER

The portions of the information appearing in this section relating to the Investment Manager have been prepared by the Investment Manager and have not been independently verified by the Initial Purchaser, the Issuer or the Co-Issuer, and none of the foregoing persons (other than the Investment Manager) assumes any responsibility for the accuracy, completeness or applicability of such information relating to the Investment Manager.

General

The Investment Manager has advised the Issuer with respect to the accumulation of obligations prior to the Closing Date. Commencing on the Closing Date, the Investment Manager will perform advisory functions with respect to the Assets and this collateralized loan obligation transaction pursuant to the Investment Management Agreement. In accordance with the Concentration Limitations, the Investment Criteria and other requirements set forth in the Indenture, and in accordance with the provisions of the Investment Management Agreement, the Investment Manager will select the portfolio of investments and manage the disposition and the acquisition of investments for the Issuer. Pursuant to the terms of the Investment Management Agreement and the Indenture, the Investment Manager will monitor the Collateral Obligations and provide the Issuer with advice (and act on the Issuer's behalf) with respect to exercising the Issuer's rights of ownership with respect to any Collateral Obligation (such as amendments, waivers, extensions, enforcement and collection) and any work out or distress situation. The Investment Manager also will instruct the Trustee from time to time with respect to the investment of retained funds in Eligible Investments. The investment management activities of the Investment Manager on behalf of the Issuer will be subject to certain restrictions contained in the Indenture and the Investment Management Agreement.

On the Closing Date, the Investment Manager and/or one or more of its Affiliates is expected to purchase Subordinated Notes equal to approximately 7% of the Subordinated Notes and may purchase other Classes of Securities. Any Securities purchased by the Investment Manager on the Closing Date will be priced below par. The Initial Purchaser will waive the payment of its fee for such sales to the Investment Manager and its Affiliates on the Closing Date. On the Closing Date, the Investment Manager will be reimbursed by the Issuer for certain of its expenses incurred in connection with the organization of the Issuer (including legal fees and expenses).

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

ING Alternative Asset Management LLC

The Investment Manager, ING Alternative Asset Management LLC, is a Delaware limited liability company that is registered as an investment adviser with the SEC. Its principal place of business is 230 Park Avenue, New York, New York, and it has other offices in Windsor, Connecticut, Atlanta, Georgia, and Scottsdale, Arizona.

The Investment Manager is an indirect, wholly owned subsidiary of ING U.S., Inc., the primary U.S. holding company for ING Group N.V., one of the world's largest financial services companies. ING U.S., Inc. is a leading provider of financial products and services in the U.S., including retirement, investment and insurance, employing approximately 7,000 individuals as of September 30, 2013.

The Investment Manager is part of ING U.S. Investment Management, the investment management arm of ING U.S., Inc. that employed over 850 individuals, including more than 200 investment professionals, as of September 30, 2013. ING U.S. Investment Management provides investment advisory services to a wide range of customers, including mutual funds, insurance companies, pension plans and individuals. ING U.S. Investment Management offers numerous investment strategies, including equity, fixed income and alternative investments strategies. As of September 30, 2013, ING U.S. Investment Management had over $201 billion in total assets under management across all portfolios and strategies.

The Senior Loan Group (the "ING Senior Loan Group") within the Investment Manager will manage the Issuer's investment portfolio pursuant to the Investment Management Agreement between the Issuer and the Investment Manager. The ING Senior Loan Group is located in Scottsdale, Arizona, and consists of a team of 25 investment professionals and 24 support staff. The ING Senior Loan Group personnel include personnel employed by the

Investment Manager's affiliates, ING Investment Management Co. LLC and ING Investment Management (UK) Limited. The ING Senior Loan Group currently manages over $17 billion in assets that are substantially similar to the Collateral Obligations and Eligible Investments that it will manage for the Issuer across 30 portfolios, including 16 CLOs (including the Issuer). For the purposes of this Offering Memorandum, all descriptions of the investment process, personnel and duties of the Investment Manager refer to the ING Senior Loan Group within the Investment Manager.

ING Group N.V., the ultimate parent company of the Investment Manager, has announced that it intends to divest its U.S. operations, which constitutes ING Group's U.S.-based retirement, life insurance and investment management operations and includes the Investment Manager. See "Risk Factors—Relating to the Investment Manager—ING Group restructuring."

Investment Process

The Investment Manager employs a disciplined process to identify, analyze, purchase and monitor investments. This process begins with macroeconomic research. The Investment Manager continually monitors world events, interest rate trends, domestic and global economic cycles and other economic variables. This research helps the Investment Manager identify industries for further review and analysis.

Once industries have been identified for further review and analysis, the Investment Manager analyzes those industries in terms of whether they are cyclical or non-cyclical, production or distribution, durable or non-durable, integrated or non-integrated, industrial or consumer, domestic or international, and analyzes their capital flows, developing trends, pricing power and supply/demand dynamics.

Fundamental credit analysis is the foundation of the Investment Manager's portfolio construction. The Investment Manager analyzes potential investments with respect to both the individual company and the deal structure. Fundamental credit analysis of a company is an in-depth, independent analysis focused on free cash flow generation, liquidity and adequacy of collateral coverage. In addition, the Investment Manager evaluates a company's management, its competitive position, its market share within its industry, and the strengths and weaknesses of its business segments.

The Investment Manager's review of the structure of a proposed investment focuses on the provisions of the credit documents, particularly the strength of the protective covenants and the voting rights of lenders. The Investment Manager also analyzes the sponsors of the transaction to determine whether they are proven, committed, and have the financial resources required to support the company if necessary.

Proposed investments that are recommended after the foregoing review and analysis are presented to the Investment Manager's Investment Committee. The Investment Committee is comprised of the ING Senior Loan Group's two group heads and a senior credit officer. The Investment Committee approves all new credit exposure, sets maximum per issuer credit limits and makes portfolio allocations. It also oversees secondary trading and compliance, validates credit scores, sets trading policy and provides approval of regular quarterly monitoring. All investment decisions of the Investment Committee must receive majority approval.

The final aspect of the Investment Manager's investment process is rigorous on-going monitoring. The Investment Manager's investment professionals continuously monitor general economic and company specific information, including daily review of indicative market valuations. The Investment Committee oversees internal credit ratings on all assets under management. In addition, all assets are subject to a formal credit review by the Investment Committee at least quarterly.

Personnel

Set forth below is information regarding certain key personnel of ING, although such persons may not necessarily continue to hold such positions during the entire term of the Investment Management Agreement.

Investment Committee and Credit Risk Management

Dan Norman – Managing Director and Group Head

Mr. Norman is a Managing Director and Group Head of the ING Senior Loan Group. He co-manages the ING Senior Loan Group with Jeff Bakalar, and he is co-chairman of the ING Senior Loan Group's Investment Committee. Mr. Norman has over twenty years of investment experience. He began managing senior loan portfolios in 1995 when ING's predecessor acquired the management rights to ING Prime Rate Trust. Mr. Norman became the co-head of ING's senior loan business in January of 2000 and with Mr. Bakalar created and implemented the ING Senior Loan Strategy and the ING Senior Loan Group in January of 2001. Mr. Norman is currently a member of the Board of Directors of the Loan Syndications and Trading Association and of the International Association of Credit Portfolio Managers. Mr. Norman has a wide variety of business and investment experience, having begun his career at Arthur Andersen & Co. in 1981. He joined ING's predecessor in 1992. Mr. Norman received his B.A. degree in 1980 from the University of Nebraska and completed the University of Nebraska M.B.A. program in 1981.

Jeff Bakalar – Managing Director and Group Head

Mr. Bakalar is a Managing Director and Group Head of the ING Senior Loan Group. He co-manages the ING Senior Loan Group with Dan Norman, and he is co-chairman of the ING Senior Loan Group's Investment Committee. Mr. Bakalar has over twenty years of investment and banking experience. Mr. Bakalar joined ING's predecessor in 1998 and became part of the investment team for what is now ING Prime Rate Trust. Mr. Bakalar became the co-head of ING's senior loan business in January of 2000 and with Mr. Norman created and implemented the ING Senior Loan Strategy and the ING Senior Loan Group in January of 2001. Mr. Bakalar began his career as an associate with Continental Bank in 1987, serving in various credit and corporate finance roles, including establishing and managing derivatives trading lines with international bank counterparties, and structuring and monitoring various classes of asset-backed transactions. In 1994, Mr. Bakalar joined the Communications Division within The First National Bank of Chicago, ultimately serving as a senior underwriter responsible for structuring and managing leveraged transactions for issuers in the broadcasting and media sectors. Mr. Bakalar received his B.S. degree in finance with honors from the University of Illinois Chicago in 1986, and his M.B.A. in finance with highest distinction from DePaul University in 1992.

Ralph E. Bucher – Senior Vice President and Senior Credit Officer

Mr. Bucher is a Senior Vice President and Senior Credit Officer in the ING Senior Loan Group, and joined the group in November 2001. Mr. Bucher serves as a member of the Group's Investment Committee. Mr. Bucher also assists in the approval of senior loan credit limits, problem loan management and loan valuations. Mr. Bucher has spent most of his financial career in credit risk management and distressed asset management. Prior to joining ING, Mr. Bucher was the North American Head of Special Assets for Standard Chartered Bank. Mr. Bucher has also held other senior credit risk management positions with Standard Chartered and Societé Generale, as well as credit structuring and analysis positions with National Australia Bank and Commerzbank. Mr. Bucher earned a Masters of International Management degree at the Thunderbird School of Global Management in 1985 and a B.A. degree from the University of Arizona in 1983.

Team Leaders and Portfolio Management

Mohamed Basma – Senior Vice President, Portfolio Manager, Team Leader

Mr. Basma is a Senior Vice President, Portfolio Manager and Team Leader in the ING Senior Loan Group and leads the group's alternative credit efforts. Mr. Basma and his team cover the media, cable, entertainment, leisure, restaurant and retail sectors. He and his team also manage special situations, structured finance and alternative investments. Mr. Basma serves as the lead portfolio manager for the majority of CLOs advised by the Senior Loan

Group. Prior to joining ING in January 2000, Mr. Basma was a Senior Auditor/Consultant in the audit and business advisory group with Arthur Andersen, LLP where his primary responsibilities included executing corporate financial audits and performing financial consulting engagements.

Mr. Basma received an M.B.A. from Arizona State University in 1999 and a Bachelor of Business Administration from the American University of Beirut, Lebanon, in 1995. He has held the Chartered Financial Analyst® designation since 2001. Mr. Basma is also fluent in Arabic.

Mark F. Haak – Senior Vice President, Portfolio Manager, Team Leader

Mr. Haak is a Senior Vice President, Portfolio Manager and Team Leader in the ING Senior Loan Group. He and his team cover the automotive building products, consumer products, manufacturing and transportation sectors. Mr. Haak also serves as the lead portfolio manager for ING Prime Rate Trust and ING Senior Loan Collective Trust. Mr. Haak joined ING's predecessor in 1999. Prior to that, Mr. Haak was an Assistant Vice President in the Corporate Banking Group of Norwest Bank in Phoenix, Arizona, from 1997 to 1998. He was a lead financial analyst and Portfolio Manager with Bank One in Phoenix, Arizona, from 1996 to 1997 and a Credit Manager with Norwest Financial in Milwaukee, Wisconsin, Chicago, Illinois, and Phoenix, Arizona, from 1994 to 1996. Mr. Haak is a 1994 graduate of Marquette University with a B.S. degree in business administration with majors in finance and human resource management. He received his M.B.A. in 1999 from the University of Notre Dame where he graduated cum laude. Mr. Haak has held the Chartered Financial Analyst designation since 2001.

Charles LeMieux, CFA – Senior Vice President, Portfolio Manager, Team Leader

Mr. LeMieux is a Senior Vice President, Portfolio Manager and Team Leader in the ING Senior Loan Group, and joined ING's predecessor in 1998. Mr. LeMieux and his team cover the aerospace, defense, automotive, chemicals, packaging, metals and mining, and energy and utilities sectors. Mr. LeMieux also serves as the lead portfolio manager for ING Senior Income Fund, ING Floating Rate Fund, ING Investment Management CLO I and ING Investment Management CLO II. Mr. LeMieux has a wide variety of business and investment experience across several major industries. He began his career with Ernst & Whinney in 1987. He continued in corporate finance with progressively more responsible positions, working as a Controller for a small chemical company, a Senior Metals Trader for a global mining company and then as an Assistant Treasurer for a local power and water utility where he managed a staff of 15 professionals and was in charge of investing working capital funds of over $1 billion. Mr. LeMieux is a 1985 graduate of the University of Arizona, and received his M.B.A. from the University of Arizona in 1987. Mr. LeMieux has held the Chartered Financial Analyst designation since 1997 and has been very active in the local Phoenix Society of Financial Analysts, acting as its President in 2002/2003.

Michel Prince, CFA – Senior Vice President, Portfolio Manager, Team Leader

Mr. Prince is a Senior Vice President, Portfolio Manager and Team Leader in the ING Senior Loan Group. He joined ING's predecessor in May 1998. Mr. Prince and his team cover the healthcare, cable TV, broadcasting and media, publishing and ecological sectors. Michel also serves as the lead portfolio manager for the ING (L) Flex -Senior Loans SICAV. Prior to joining ING, Mr. Prince was a Vice President of Rabobank International, Chicago branch (from 1996 to 1998) and The Fuji Bank, Chicago Branch (from 1992 to 1996). During his tenure at Rabobank, Mr. Prince was involved in the marketing, structuring and syndication of various types of corporate transactions, including asset-based lending, cash-flow lending and off-balance sheet financing. Mr. Prince graduated from the Université de Toulouse Paul-Sabatier with a business degree in 1980. He received his M.B.A. from the University of Chicago in 1990. He has held the Chartered Financial Analyst designation since 1996.

Olivier Struben – Portfolio Manager, Team Leader

Mr. Struben is a Portfolio Manager and Team Leader in the ING Senior Loan Group. Mr. Struben is employed by ING Investment Management (UK) Limited, and is located in London, U.K. Mr. Struben joined ING Investment Management Europe in July 1999 and started as an Analyst for the Credit Team, with a primary focus on the financial and paper sectors. In 2001, he moved to the high yield team as an Analyst, working in the high yield bond and loan market. In 2004, he moved to the Investment Grade team as a Senior Investment Manager. This team managed over Euro 16 billion in investment grade assets. Along with Mr. Bucher, Mr. Struben was responsible for establishing the Senior Loan Team Europe and started as a Senior Investment Manager for the team in March 2006.

He took over as Team Head in 2007. Prior to joining ING Investment Management Europe, Mr. Struben worked for the Kas Bank N.V. from 1997 until 1999, the custody and settlement bank for the Dutch Stock Exchange, in the Treasury and Control department. Mr. Struben received his Masters degree in economics in 1997 from the University of Amsterdam.

Robert Wilson – Senior Vice President, Portfolio Manager, Team Leader

Mr. Wilson is a Senior Vice President, Portfolio Manager and Team Leader in the ING Senior Loan Group. Mr. Wilson joined ING's predecessor in June 1998 and became a Senior Vice President within the ING Senior Loan Group in March of 2003. Mr. Wilson and his team cover the gaming and lodging, food and beverage, entertainment and leisure, paper and forest products, technology, telecommunications and real estate sectors for the Group. Robert also serves as the lead portfolio manager for ING Investment Management CLO III, ING Investment Management CLO V and a separately managed account for a U.S. pension plan. Mr. Wilson began his financial services career in 1987 as an Associate National Bank Examiner at the Office of the Comptroller of the Currency, the federal bureau that regulates national banks. From 1990-1994, Mr. Wilson served as a Vice President of Strategic Planning for Bank of California, an $8 billion regional bank in San Francisco, California. From 1994-1997, Mr. Wilson was a Vice President with Union Bank of California's Corporate Banking Group, charged with underwriting and syndicating senior debt transactions for media and telecommunications companies. From 1997 to 1998, Mr. Wilson served in a similar debt origination capacity with the Bank of Hawaii in Phoenix, Arizona. Mr. Wilson received his B.S. degree in finance in 1986 from Golden Gate University.

THE INVESTMENT MANAGEMENT AGREEMENT

General

The Investment Manager will perform certain investment management functions, including directing the purchase and sale of Assets and performing certain administrative functions on behalf of the Issuer in accordance with the applicable provisions of the Indenture. The Investment Manager agrees, and will be authorized, to (i) select the Collateral Obligations to be acquired by the Issuer, (ii) monitor the portfolio of Collateral Obligations on an ongoing basis and advise the Issuer as to which Collateral Obligations to sell and which Collateral Obligations to acquire, (iii) establish, transfer assets to, and manage, sell or dispose of the assets of, any Tax Subsidiary, (iv) instruct the Trustee with respect to any disposition or tender of a Collateral Obligation, Equity Securities or Eligible Investments by the Issuer, and (v) assist the Issuer in the preparation of reports, orders and other documents to the extent required pursuant to the Indenture.

Limitation of Liability

The Investment Manager will act in good faith and exercise reasonable care in rendering its services under the Investment Management Agreement, using a degree of skill and attention no less than that which the Investment Manager exercises with respect to comparable assets that it manages for itself and for others in accordance with its existing practices and procedures relating to assets of the nature and character of the Collateral Obligations and in a manner consistent with the degree of skill and attention exercised by reasonable and prudent institutional managers of assets of the nature and character of the Collateral Obligations, except as expressly provided otherwise in accordance with the Investment Management Agreement and the Indenture. Neither the Investment Manager nor its Affiliates, nor their respective stockholders, directors, officers or employees, will be liable to the Issuer, the Trustee, the Collateral Administrator, the holders of the Securities or any other Person for any loss or other liability incurred by such Person that arise out of or in connection with the performance by the Investment Manager of its duties under the Investment Management Agreement or the Indenture, except (i) by reason of acts or omissions constituting bad faith, willful misconduct or gross negligence in the performance, or reckless disregard, of its obligations thereunder or with respect to the acquisition of Assets by the Issuer as advised by the Investment Manager prior to the Closing Date, or (ii) with respect to the Investment Manager Information that contains any untrue statement of material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Subject to the above mentioned standard of conduct, the Investment Manager, its Affiliates and their respective stockholders, directors, officers or employees will be entitled to indemnification by the Issuer for any losses or liabilities, including reasonable legal or other expenses, caused by, or arising out of or in connection with, the issuance of the Securities, the preclosing acquisition of Collateral Obligations or other actions on behalf of the Issuer prior to the Closing Date, the transactions contemplated by this Offering Memorandum and the Indenture or the performance of the Investment Manager's obligations under the Investment Management Agreement, which will be payable in accordance with the Priority of Payments. The Holders will not be third party beneficiaries of the Investment Management Agreement.

Under the Investment Management Agreement, the Investment Manager is obligated not to intentionally or with gross negligence or reckless disregard take any action that, among other things, would subject the Issuer to U.S. federal, state or local income taxation on a net income basis. With respect to certain of its investment activities on behalf of the Issuer, and subject to certain conditions set forth in the Investment Management Agreement, the Investment Manager will not be deemed to be in violation of this obligation to the extent that it has complied with the Operating Guidelines.

Assignment

The Investment Manager may assign its rights or responsibilities or delegate its material obligations (including its asset selection, credit review, trade execution and/or related investment management duties) under the Investment Management Agreement subject to the following requirements, and subject to certain conditions in the Investment Management Agreement:

- with the consent in writing of a Majority of the Subordinated Notes (excluding any Manager Securities); *provided* that neither a Majority of the Controlling Class nor a Supermajority of the

Secured Notes (voting together as a single class) (in each case excluding any Manager Securities) have objected in writing within 15 days after notice of such proposed assignment or delegation; or

- without obtaining consent of any securityholder, to the surviving entity of a merger, consolidation or restructuring, an entity to which all or substantially all of the assets of ING have been transferred, or an Affiliate, so long as the entity or Affiliate:
    - has the ability to professionally and competently perform duties similar to those imposed upon the Investment Manager under the Investment Management Agreement,
    - is legally qualified and has the capacity to act as Investment Manager under the Investment Management Agreement,
    - immediately after the assignment, employs either (a) the principal personnel performing the duties required under the Investment Management Agreement or (b) unless a Majority of the Controlling Class or a Majority of the Subordinated Notes has objected within 15 days after notice thereof, other individuals having experience comparable to those who would have performed such duties had the assignment not occurred.

"**Manager Securities**" means any Securities owned by the Investment Manager or any of its Affiliates or over which the Investment Manager or any of its Affiliates has discretionary voting authority; *provided* that Manager Securities shall not include Securities held by an entity for which the Investment Manager or an Affiliate acts as investment adviser, if the voting of such Securities with respect to the matter in question is in fact directed by a board of directors or similar governing body with a majority of members that are independent from the Investment Manager and its Affiliates (as certified to the Trustee by the Investment Manager).

Notice of the assignments will be given to each Rating Agency.

In addition, the Investment Manager may delegate to an agent selected with reasonable care any or all of its non-material administrative duties (which may not include its asset selection, credit review, trade execution and/or related investment advisory duties) without the consent of the Issuer or any Holder. No such delegation by the Investment Manager of any of its duties under the Investment Management Agreement shall relieve the Investment Manager of any liability thereunder. Notwithstanding the above, consent of the Issuer will be obtained for an assignment or delegation to the extent required under the Investment Advisers Act.

Removal, Resignation and Replacement of the Investment Manager

The Investment Manager may be removed for cause by the Issuer, acting at the direction of a Majority of either the Subordinated Notes or the Controlling Class (in each case, excluding Manager Securities) upon 10 days' prior written notice to the Investment Manager and upon written notice to the Holders of the occurrence of an event that constitutes "cause." If any such event occurs, the Investment Manager shall give prompt written notice thereof to the Issuer and the Trustee (for forwarding to the Holders of all Outstanding Securities) upon the Investment Manager becoming aware of the occurrence of such event.

For purposes of the Investment Management Agreement, "cause" will mean:

(a) the Investment Manager breaches in any respect any covenant or agreement of the Investment Management Agreement or the Indenture (it being understood that the failure of any Coverage Test or any Collateral Quality Test is not such a breach) that has a material adverse effect on any Class of Securities or the Issuer, and fails within 45 days of receiving notice of the occurrence of such breach to either demonstrate that no such breach occurred or cure such breach (or, if such breach is not capable of cure within 45 days but the Investment Manager reasonably believes it is capable of being cured in a longer period, within the period in which a reasonably prudent person could cure such breach but in any case within 90 days of receiving notice of such breach);

(b) the Investment Manager willfully violates or willfully breaches any provision of the Investment Management Agreement or the Indenture applicable to it;

(c) any representation, warranty, certification or statement made or delivered by the Investment Manager in or pursuant to the Investment Management Agreement or the Indenture fails to be correct in any respect

when made and such failure has a material adverse effect on the interests of any Class of Securities under the Indenture or the Investment Management Agreement and the Investment Manager fails to take such actions required for the facts (after giving effect to such actions) to conform in all material respects to such representation, warranty or certification (within 45 days of receiving notice of the occurrence of such breach);

(d) certain events of bankruptcy, administration, insolvency, conservatorship, or receivership in respect of the Investment Manager;

(e) the occurrence of an Event of Default that arises directly from a breach of the Investment Manager's duties under the Investment Management Agreement, which breach or default is not cured within any applicable cure period set forth in the Indenture; or

(f) the occurrence of an act by the Investment Manager that constitutes fraud or criminal activity in the performance of its obligations under the Investment Management Agreement or the indictment of the Investment Manager or any of its officers who are primarily responsible for the management of the Collateral for a criminal offense related to its business of providing asset management services of the Investment Manager.

The Issuer, at the direction of a Majority of (x) the Subordinated Notes or (y) the Controlling Class (in each case, excluding any Manager Securities), will remove the Investment Manager within 90 days of the date of notice that a Key Person Event has occurred. "**Key Person Event**" means the failure, for 120 consecutive days, to have at least one Key Person actively employed by the Investment Manager in the management of the Collateral. "**Key Person**" means each of the following persons: (i) Daniel A. Norman, (ii) Jeffrey A. Bakalar and (iii) any Approved Replacement. "**Approved Replacement**" means any individual selected by the Investment Manager and proposed by the Investment Manager by written notice to the Holders of the Subordinated Notes; *provided* that a Majority of the Subordinated Notes (excluding any Manager Securities) has not objected to such individual within 45 days of delivery of such written notice. The Investment Manager must give prompt written notice to the Issuer and the Trustee (who will forward such notice to the Holders of Subordinated Notes and to each Rating Agency) if a Key Person Event occurs.

The Investment Manager may resign upon 90 days prior written notice (or such shorter period written notice as is acceptable to the Issuer) to the Issuer and the Trustee (for forwarding to each Holder of Outstanding Securities, the Initial Purchaser and the Rating Agencies).

Notwithstanding anything to the contrary set forth above, no resignation or removal of the Investment Manager shall become effective unless a successor manager is selected by the Issuer at the direction of a Majority of the Subordinated Notes delivered within 30 days after the date of the notice of the Investment Manager of removal or notice of resignation by the Investment Manager pursuant to the Investment Management Agreement and the S&P Rating Condition is satisfied with respect thereto; *provided* that neither a Majority of the Controlling Class nor a Supermajority of the Secured Notes (voting together as a single class) object within 15 days after notice of such proposed appointment. If a successor manager is not approved within 90 days of notice of resignation or removal, the Issuer will appoint any successor manager selected by a Majority of the Controlling Class and approved by a Majority of the Subordinated Notes. If a successor manager is not approved within 120 days of notice of resignation or removal, the resigning or removed Investment Manager may petition any court of competent jurisdiction for the appointment of a successor manager, which appointment will not require the consent of, nor be subject to the approval or disapproval of, the Issuer or any Holder of Securities. Notwithstanding the foregoing, Manager Securities shall be excluded for purposes of determining whether a requisite number of Holders has consented or objected with respect to a successor manager in connection with a removal of the Investment Manager as a result of an event that constitutes "cause" under the Investment Management Agreement.

The Investment Management Agreement will terminate upon the earlier of (a) the liquidation of all of the Assets and the final distribution of related proceeds to the Holders of Securities (as certified to the Issuer by the Investment Manager) and (b) the effective date of a management agreement by and between the Issuer and a successor manager appointed in accordance with the terms of the Investment Management Agreement.

Compensation

As compensation for the performance of its obligations under the Investment Management Agreement, the Investment Manager will receive the Senior Investment Management Fee and the Subordinated Investment Management Fee, each payable in arrears on each Payment Date and subject to the Priority of Payments. If amounts distributable on any Payment Date in accordance with the Priority of Payments are insufficient to pay the Investment Management Fee, then the shortfall will be deferred. Any such amounts will be payable on subsequent Payment Dates on which funds are available therefor in accordance with the Priority of Payments. The Investment Manager will also be entitled to receive an Investment Manager Incentive Fee Amount, subject to receipt by Holders of the Subordinated Notes of certain returns, as described in the next paragraph.

On each Payment Date, commencing on the Payment Date on which the Target Return has been achieved, the Investment Manager is entitled to receive the Incentive Fee Amount as set forth in the Priority of Payments. "**Target Return**" means, with respect to any Payment Date, the amount that, together with all amounts paid to the Holders of the Subordinated Notes pursuant to the Priority of Payments prior to such Payment Date, would cause the Holders of the Subordinated Notes to first achieve an Internal Rate of Return of 12% on the Aggregate Outstanding Amount of Subordinated Notes issued on the Closing Date.

On any Payment Date, the Investment Manager may, waive or defer all or a portion of the Senior Investment Management Fee, Subordinated Investment Management Fee and/or the Investment Manager Incentive Fee Amount. Any Senior Investment Management Fee deferred by the Investment Manager or that was not paid because funds were not available in accordance with the Priority of Payments on a Payment Date, is referred to as the "**Deferred Senior Fee**." Any Subordinated Investment Management Fee deferred by the Investment Manager or that was not paid because funds were not available in accordance with the Priority of Payments on a Payment Date is referred to as the "**Deferred Subordinated Fee**." Collectively such amounts are referred to as the "**Deferred Management Fees**." Any Deferred Management Fees will be payable on subsequent Payment Dates to the extent elected by the Investment Manager and in accordance with the Priority of Payments. Deferred Management Fees will not accrue interest.

Amendments

The Investment Management Agreement may be amended:

(a) without the consent of any Holder of Securities to correct any inconsistencies, typographical or other errors, defects or ambiguities or to conform the agreement to this Offering Memorandum or the Indenture; or

(b) with the consent of a Majority of each of the Class A-1 Notes, the Secured Notes (voting as a single class) and the Subordinated Notes, for any other purpose;

provided, in each case, that notice has been given to the Trustee and each Rating Agency.

The Investment Management Agreement generally permits the Investment Manager and any of its Affiliates to acquire or sell securities for its own account or for the accounts of its clients, and the Investment Manager may engage in similar or other transactions with other Persons or manage portfolios of assets similar in nature to the type of assets included in the Assets. In the event that, in light of market conditions and investment objectives, the Investment Manager determines that it would be advisable to sell Collateral Obligations to sources that may include its own account and any of its Affiliates or another client of the Investment Manager or for the Issuer to purchase Collateral Obligations from such sources, the Investment Manager will adhere to the restrictions and procedures as more fully set forth in the Investment Management Agreement. The Investment Manager and its Affiliates are also authorized, subject to the terms of the Investment Management Agreement, to execute agency cross transactions for the Issuer's account.

Right of Holders to Information

The Investment Management Agreement provides that, to the extent the Investment Manager or the Issuer is not prohibited under contract or applicable law from doing so, the Investment Manager will provide to a Holder such

information relating to the Collateral Obligations as such Holder may reasonably request subject to the execution by such Holder of a confidentiality agreement satisfactory to the Investment Manager.

THE CO-ISSUERS

General

ING IM CLO 2013-3, Ltd. is an exempted company incorporated with limited liability under the Companies Law (as amended) of the Cayman Islands for the sole purpose of acquiring the Collateral Obligations, issuing the Securities and engaging in certain related transactions. The Issuer was incorporated on September 9, 2013 in the Cayman Islands with registered number 280878 and is expected to have an indefinite existence. The Issuer's registered office is at P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands, telephone number +1 (345) 945-7099 and the business address of each of the directors of the Issuer is at the offices of MaplesFS Limited. The directors of the Issuer are Betsy Mortel and Steven Manning. The directors of the Issuer serve as directors of and provide services to other special purpose entities that issue collateralized obligations and perform other duties for the Administrator. The Issuer is a special purpose vehicle that has no prior operating history other than the accumulation of Assets for this CLO transaction. The Issuer does not publish any financial statements.

Subject to the contracting restrictions imposed upon the Issuer by the Indenture, the directors of the Issuer have the power to borrow on behalf of the Issuer. A director of the Issuer is not required to own any shares in the Issuer in order to qualify as a director.

A director of the Issuer (or his alternate director in his absence) is at liberty to vote in respect of any contract or transaction in which he is interested; *provided* that the nature of the interest of any director or alternate director in any such contract or transaction is disclosed by him or the alternate director appointed by him at or prior to its consideration and any vote on it.

The directors (and their alternates) are not currently entitled to any remuneration. Any director may act by himself or his firm in a professional capacity for the Issuer and he or his firm is entitled to remuneration for professional services as if he were not a director. A director is at liberty to vote in respect of any matter relating to his remuneration; *provided*, that the nature of his interest is disclosed prior to the matter being considered and voted upon by the board of directors.

As of the Closing Date, the authorized share capital of the Issuer will consist of 50,000 ordinary shares, U.S.$1.00 par value per share. As of the Closing Date, 250 of the ordinary shares (the "**Issuer Ordinary Shares**") will be issued and held by MaplesFS Limited (in such capacity, the "**Share Trustee**"), under the terms of a declaration of trust ultimately for charitable purposes. The Issuer will not have any material assets other than the Collateral Obligations and certain other eligible assets. The Collateral Obligations and such other eligible assets will be pledged to the Trustee as security for the Issuer's obligations under the Notes and the Indenture.

The Issuer has, and will have, no assets other than the sum of US$250 representing the issued and paid-up ordinary share capital, such fees (as agreed) payable to it in connection with the issue of the Securities and the acquisition of assets in connection with the Securities, the bank account into which such paid-up share capital and fees are deposited, any interest earned thereon and the assets on which the Notes are secured. Save in respect of fees generated in connection with the issue of the Securities any related profits and proceeds of any deposits and investments made from such fees or from amounts representing the Issuer's issued and paid-up share capital, the Issuer does not expect to accumulate any surpluses.

The Securities are the obligations of the Issuer (and, in the case of the Co-Issued Securities, the Co-Issuer) alone and not the Share Trustee. Furthermore, they are not the obligations of, or guaranteed in any way by the "Share Trustee or any other party.

ING IM CLO 2013-3, LLC was formed on December 2, 2013 under the laws of the State of Delaware with registered number 5440781 and is expected to have an indefinite existence. The Co-Issuer's principal office is at c/o CICS, LLC, 225 West Washington Street, Suite 2200, Chicago, IL 60606 (telephone 312-775-1007). The Co-Issuer's registered office in the State of Delaware is 615 South DuPont Highway, Dover, Delaware 19901. The Co-Issuer will be established for the purpose of the issuance of the Securities. The Co-Issuer has no substantial assets and will not pledge any assets to secure the Notes.

The sole manager of the Co-Issuer is Melissa Stark, who provides administrative services for Delaware entities. Ms. Stark may be contacted at the principal office of the Co-Issuer. The sole member of the Co-Issuer is the Issuer. The Co-Issuer is a special purpose vehicle that has no prior operating history. The Co-Issuer will only be capitalized to the extent of its membership interests of U.S.$10. Unless otherwise required pursuant to the Indenture, the Co-Issuer will not publish any financial statements.

The Securities are not obligations of the Trustee, the Investment Manager, the Initial Purchaser, the Collateral Administrator or any of their respective affiliates, the Administrator, the Share Trustee or any directors or officers of the Co-Issuers.

The Co-Issuers will each initially appoint National Corporate Research, Ltd., 10 East 40th Street, 10th Floor, New York, New York 10016, as the process agent where notices to, and demands upon, the Issuer in respect of the Securities and the Indenture may be served.

Capitalization of the Issuer

The Issuer's initial proposed capitalization and indebtedness as of the Closing Date after giving effect to the issuance of the Securities and the Issuer Ordinary Shares (before deducting expenses of the offering and discounts, including any original issue discounts) is set forth below:

	Amount (U.S.$) [(1)]
Class A-1 Notes	$320,000,000
Class A-2 Notes	$45,600,000
Class B Notes	$47,200,000
Class C Notes	$25,600,000
Class D Notes	$22,800,000
Class E Notes	$14,000,000
Subordinated Notes	$43,000,000
Total Debt	$518,200,000
Issuer Ordinary Shares	$250
Total Equity	$250
Total Capitalization	$518,200,250

(1) Unaudited.

The Co-Issuer has no liabilities other than the Co-Issued Securities.

Business of the Co-Issuers

The Issuer's Memorandum of Association describes the objects of the Issuer, which are unrestricted and therefore include the business to be carried out by the Issuer in connection with the Securities and the Indenture. The Co-Issuer's organizational documents describe the objects of the Co-Issuer, which include the business to be carried out by the Co-Issuer in connection with the Co-Issued Securities. The Co-Issuers have not issued securities, other than the Issuer Ordinary Shares and the membership interests of the Co-Issuer prior to the date of Offering Memorandum and have not listed any securities on any exchange. The Co-Issuers will not undertake any business other than the issuance of the Co-Issued Securities and, in the case of the Issuer, the issuance of the Issuer Only Securities and the management of the Assets and other related transactions. The Co-Issuer will not have any subsidiaries. In general, subject to the credit quality and diversity of the Collateral Obligations and general market conditions and the need (in the judgment of the Investment Manager) to satisfy the Coverage Tests, the Concentration Limitations and the Collateral Quality Test or to obtain funds for the redemption or payment of the Securities, the Issuer will own the Assets and will receive payments of interest and principal on the Collateral Obligations and Eligible Investments as the principal source of its income. The ability to purchase additional Collateral Obligations and sell Collateral Obligations prior to maturity is subject to significant restrictions under the Indenture. See "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria."

MaplesFS Limited will also act as the administrator of the Issuer (the "**Administrator**"). The office of the Administrator will serve as the general business office of the Issuer. Through the office, and pursuant to the terms

of an Administration Agreement to be entered into between the Issuer and the Administrator (the "**Administration Agreement**"), the Administrator will perform in the Cayman Islands or such other jurisdiction as may be agreed by the parties from time to time various management functions on behalf of the Issuer and the provision of certain clerical, administrative and other services until termination of the Administration Agreement. The Issuer and the Administrator have also entered into a registered office agreement dated September 10, 2013 (the "**Registered Office Agreement**") for the provision of registered office facilities to the Issuer. In consideration of the foregoing, the Administrator will receive various fees payable by the Issuer at rates agreed upon from time to time, plus expenses. The terms of the Administration Agreement and the Registered Office Agreement provide that either the Issuer or the Administrator may terminate such agreements upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreements. In addition, the Administration Agreement and the Registered Office Agreement provide that either party shall be entitled to terminate such agreements by giving at least three months' notice in writing to the other party with a copy to any applicable rating agency.

The Administrator will be subject to the overview of the Issuer's Board of Directors.

The Administrator's principal office is PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

Circular 230 Notice

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES CONTAINED OR REFERRED TO IN THIS OFFERING MEMORANDUM OR ANY DOCUMENT REFERRED TO HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY PROSPECTIVE INVESTORS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE CODE; (B) SUCH DISCUSSION IS WRITTEN FOR USE IN CONNECTION WITH THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) PROSPECTIVE INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

In General

The following summary describes certain U.S. federal income tax consequences of the purchase, ownership and disposition of the Securities. It does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase the Securities. In particular, special tax considerations that may apply to certain types of taxpayers, including securities dealers, entities taxed as partnerships or partners therein, banks and insurance companies, and subsequent purchasers of Securities, are not addressed. In addition, this summary does not describe any tax consequences arising under the laws of any taxing jurisdiction other than the United States federal government. In general, the summary assumes that a holder acquires a Security at original issuance (and, in the case of the Secured Notes, at its issue price) and holds such Security as a capital asset and not as part of a hedge, straddle, or conversion transaction.

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

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

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

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

If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) holds Securities, the U.S. federal income tax treatment of a partner generally will depend upon the status of the partner and upon the activities of the partnership. Partners of partnerships holding Securities should consult their own tax advisors.

As used in this section, the term "**non-U.S. holder**" means a beneficial owner of a Security that is not a U.S. holder or an entity treated as a partnership for U.S. federal income tax purposes.

Tax Treatment 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 expects to conduct its affairs so that it will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes (including as a result of

lending activities). As a consequence, the Issuer expects that its net income will not become subject to U.S. federal income tax. There can be no assurance, however, that the Issuer's net income will not become subject to U.S. federal income tax. In this regard, on the Closing Date the Issuer will receive an opinion from Cleary Gottlieb Steen & Hamilton LLP to the effect that, under current law and assuming compliance with the Memorandum and Articles of Association, the Indenture, the Investment Management Agreement, the Operating Guidelines attached to the Investment Management Agreement (the "**Operating Guidelines**") and other related documents, the Issuer's contemplated activities will not cause it to be engaged in a trade or business within the United States for U.S. federal income tax purposes. Investors should be aware, however, that the opinion simply represents counsel's best judgment, and is not binding on the IRS or the courts. In this regard, there are no authorities that deal with situations substantially identical to the Issuer's, and the Issuer could be treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes as a result of unanticipated activities, changes in law, contrary conclusions by the IRS or other causes. In addition, investors should be aware that the opinion referred to above will expressly rely on the Investment Manager's compliance with the Operating Guidelines, which are intended to prevent the Issuer from engaging in activities that could give rise to a trade or business within the United States for U.S. federal income tax purposes. Although the Investment Manager has generally undertaken to comply with the Operating Guidelines, the Investment Manager is permitted to depart from the Operating Guidelines if it obtains Tax Advice to the effect that the departure, when considered in light of the other activities of the Issuer, will not cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. Any such departures would not be covered by the opinion of Cleary Gottlieb Steen & Hamilton LLP referred to above. The opinion of Cleary Gottlieb Steen & Hamilton LLP also will not address situations in which a party may take actions or acquire assets only upon receiving Tax Advice or an opinion of nationally recognized tax counsel. If the Issuer were determined to be engaged in a trade or business within the United States for U.S. federal income tax purposes, its income (computed possibly without any allowance for deductions) would be subject to U.S. federal income tax at the usual corporate rate, and possibly to a branch profits tax of 30% as well. The imposition of such taxes would materially affect the Issuer's financial ability to make payments on the Securities.

Withholding and Gross Income Taxes. Although the Issuer does not intend to be subject to U.S. federal income tax with respect to its net income, income derived by the Issuer may be subject to withholding or gross income taxes imposed by the United States or other countries, and the imposition of such taxes could materially affect its financial ability to make payments on the Securities. In this regard and subject to certain exceptions, the Issuer may generally acquire a particular Collateral Obligation only if, at the time of commitment to purchase, either the interest payments thereon are not subject to withholding tax or the issuer of the Collateral Obligation is required to make "gross-up" payments. The Issuer may, however, be subject to withholding or gross income taxes in respect of (i) commitment fees, letter of credit fees, securities lending fees, facility fees, and other similar fees, dividend or substitute dividend payments and (ii) interest and disposition proceeds in respect of U.S. Collateral Obligations issued or materially modified on or after July 1, 2014 (as discussed in more detail below), and such withholding or gross income taxes may not be grossed up. In addition, certain payments on Letters of Credits are expected to be subject to withholding taxes and, as a condition of their eligibility for acquisition, are required to be subject to withholding by the relevant agent bank, unless the Issuer has received Tax Advice to the effect that such withholding should or will not be required or the Issuer deposits into the LC Reserve Account an amount equal to 30% (or such other percentage equal to the withholding rate then in effect) of all of the fees received in respect of the Letters of Credit.

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

Taxation in respect of a Tax Subsidiary. To reduce the risk that the Issuer will be engaged in a trade or business within the United States for U.S. federal income tax purposes, in certain circumstances set forth in the Indenture, certain Equity Securities, Defaulted Obligations and securities or obligations received in an offer may be owned by one or more Tax Subsidiaries wholly-owned by the Issuer that will be treated as either U.S. or foreign corporations for U.S. federal income tax purposes. Any foreign Tax Subsidiary may be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes and may be subject to U.S. federal income tax (and possibly a 30% branch profits tax) on a net income basis at normal corporate tax rates, and may file U.S. tax returns and reports (or protective U.S. tax returns and reports), and/or the Tax Subsidiary may be subject to a 30% U.S.

withholding tax on some or all of its income. In addition, U.S. holders will not be permitted to use losses recognized by the Tax Subsidiary to offset gains recognized by the Issuer and may be subject to the adverse passive foreign investment company or controlled foreign corporation rules with respect to the Tax Subsidiary described below under "—Tax Treatment of U.S. Holders of Subordinated Notes." In the case of a U.S. Tax Subsidiary, the Tax Subsidiary would be subject to U.S. federal income tax on a net income basis at normal corporate tax rates, and would be required to file U.S. tax returns and reports. In addition, distributions from the Tax Subsidiary to the Issuer may be subject to a 30% U.S. withholding tax. Prospective investors should consult their tax advisors regarding their consequences if the Issuer organizes a Tax Subsidiary.

Issuance of Securities. For U.S. federal income tax purposes, the Issuer, and not the Co-Issuer, will be treated as the issuer of the Co-Issued Securities.

Tax Treatment of U.S. Holders of Secured Notes

Status of, and Interest on, the Class A Notes. The Class A Notes will be treated as debt for U.S. federal income tax purposes. U.S. holders of Class A Notes will treat stated interest on the Class A Notes as ordinary income when paid or accrued, in accordance with their tax method of accounting.

Status of, and Interest and Discount on, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. The Class B Notes and the Class C Notes will be treated as debt for U.S. federal income tax purposes. The Class D Notes should be treated as debt for U.S. federal income tax purposes. The Issuer intends to treat the Class E Notes as debt for U.S. federal income tax purposes. In general, the characterization of an instrument for such purposes as debt or equity by its issuer as of the time of issuance is binding on a holder, unless the holder takes an inconsistent position and discloses such position in its tax return. This characterization, however, is not binding on the IRS. In particular, there can be no assurances that the IRS would not contend, and that a court would not ultimately hold, that the Class E Notes constitute equity of the Issuer. Investors should consult their tax advisors regarding the tax rules that would apply if a Class of Notes were recharacterized as equity by the IRS. In general, if a Class of Notes were treated as equity, the discussion under the heading "—Tax Treatment of U.S. Holders of Subordinated Notes" below and elsewhere of the tax consequences of holding Subordinated Notes would be relevant to holders of that Class as well. The discussion in the remainder of this section assumes that the Class E Notes will be treated as debt. Because payments of stated interest on the Deferred Interest Notes are contingent on available funds and subject to deferral, the Deferred Interest Notes will be treated for U.S. federal income tax purposes as having original issue discount ("**OID**"). The total amount of such discount with respect to a Deferred Interest Note will equal the sum of all payments to be received under such Deferred Interest Note less its issue price (the first price at which a substantial amount of Deferred Interest Notes of the same Class was sold to investors). A U.S. holder of Deferred Interest Notes will be required to include OID in income as it accrues. The amount of OID accruing in any Interest Accrual Period will generally equal the stated interest accruing in that period (whether or not currently due) plus any additional amount representing the accrual under a constant yield method of any additional OID represented by the excess of the principal amount of the Deferred Interest Notes over their issue price. Accruals of any such additional OID will be based on the projected weighted average life of the Deferred Interest Notes rather than their stated maturity. In the case of Deferred Interest Notes, accruals of OID should be calculated by assuming that interest will be paid over the life of the Deferred Interest Note based on the value of LIBOR used in setting interest for the first portion of the first Interest Accrual Period, and then adjusting the income for the second portion of the first Interest Accrual Period and each subsequent Interest Accrual Period for any difference between the actual value of LIBOR used in setting interest for those periods and the assumed rate.

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

Re-Pricing. A U.S. holder that continues to own a Note following a Re-Pricing of such Note may be deemed, under Section 1001 of the Code, to have exchanged a debt instrument with the characteristics of such Note prior to the Re-Pricing for a newly issued debt instrument with the characteristics of such Note after the Re-Pricing. Therefore, as a result of having so participated in the Re-Pricing, such a U.S. holder, among other consequences, may be required to recognize taxable gain during the taxable year in which the Re-Pricing occurs as a result of the deemed exchange, and may recognize short-term capital gain or loss if it sells, exchanges, retires or otherwise disposes of such Note within one year after the Re-Pricing, even if such gain or loss otherwise would have been long-term capital gain or loss. A deemed exchange of the Note for a newly issued debt instrument may alternatively be treated as a tax-free recapitalization if the Note and newly issued debt instrument are both considered to be "securities" under Section 354 of the Code. If a Re-Pricing of a Note is treated as a recapitalization, a U.S. holder will generally not recognize gain or loss upon the deemed exchange and the holder's tax basis in the deemed new debt instrument will be the same as the holder's tax basis in the Notes. However, the timing and amount of income on the Notes may be affected by the deemed exchange. U.S. holders should consult their tax advisors regarding the U.S. federal income tax consequences to them of participating in a Re-Pricing.

Information Regarding OID. Further information regarding OID may be obtained by contacting the Issuer at its registered office as described under "The Co-Issuers."

Tax Treatment of U.S. Holders of Subordinated Notes

The Subordinated Notes will be characterized as debt of the Issuer for purposes of Cayman Islands law. However, a strong likelihood exists that the Subordinated Notes will be treated as equity of the Issuer for U.S. federal income tax purposes. The Issuer will treat the Subordinated Notes as equity for U.S. federal income tax purposes. Except where otherwise indicated, this summary also assumes such treatment. No assurance can be given, however, that the IRS will respect the treatment of Subordinated Notes in light of the Subordinated Notes' status as debt for purposes of Cayman Islands law. In general, the characterization of an instrument for such purposes as debt or equity by its issuer as of the time of issuance is binding on a holder (but not the IRS) unless the holder takes an inconsistent position and discloses such position in its tax return.

In general, the timing and character of income under the Subordinated Notes may differ substantially depending on whether the Subordinated Notes are treated for U.S. federal income tax purposes as debt instruments or as equity of the Issuer. Investors should consider the tax consequences of an investment in the Subordinated Notes under either possible characterization.

Investment in a Passive Foreign Investment Company. The Issuer will meet the income and asset tests so as to qualify as a "passive foreign investment company" ("**PFIC**"). In general, to avoid certain adverse tax rules described below that apply to deferred income from a PFIC, a U.S. holder of Subordinated Notes may want to make an election to treat the Issuer as a "qualified electing fund" ("**QEF**") with respect to such holder. Generally, a QEF election should be made on or before the due date for filing a U.S. holder's federal income tax return for the first taxable year in which it held Subordinated Notes. If a timely QEF election is made, an electing U.S. holder of Subordinated Notes will be required to include in its ordinary income such holder's pro rata share of the Issuer's ordinary earnings and to include in its long term capital gain income such holder's pro rata share of the Issuer's net capital gain, whether or not distributed, assuming that the Issuer is not a "controlled foreign corporation" as discussed below. Under Section 1293 of the Code, a U.S. holder's pro rata share of the Issuer's ordinary income and net capital gain is the amount which would have been distributed with respect to such holder's Subordinated Notes if, on each day during the taxable year of the Issuer, the Issuer had distributed to each holder of Subordinated Notes a pro rata share of that day's ratable share of the Issuer's ordinary earnings and net capital gain for such year. In certain cases in which a QEF does not distribute all of its earnings in a taxable year, its U.S. holders may also be permitted to elect to defer payment of some or all of the taxes on the QEF's undistributed income but will then be subject to an interest charge on the deferred amount. Prospective purchasers of the Subordinated Notes should be aware that the Collateral Obligations may be purchased by the Issuer with substantial original issue discount. As a result, the Issuer may have significant ordinary earnings from such instruments, but the receipt of cash attributable to such earnings may be deferred, perhaps for a substantial period of time. In addition, under certain circumstances, Interest Proceeds may be used to pay principal of the Secured Notes or to purchase additional Collateral Obligations. Furthermore, if the Issuer discharges its debt at a price less than its adjusted issue price (which may include a deemed discharge arising from a significant modification to the terms of the debt), it could recognize cancellation of debt income equal to that difference, although such income may be deferred if the Issuer is insolvent at the time of

the discharge. Thus, absent an election to defer the payment of taxes, U.S. holders that make a QEF election may owe tax on a significant amount of "phantom" income.

In addition, if the Issuer invests in obligations that are not in registered form for U.S. federal income tax purposes, it is possible that a U.S. holder making a QEF election (i) may not be permitted to deduct any losses attributable to such obligations when calculating its share of the Issuer's earnings and (ii) may be required to treat income attributable to such obligations as ordinary income even though the income would otherwise constitute capital gain. It is possible that some portion of the investments of the Issuer will constitute obligations that are not in registered form.

The Issuer will provide to each holder of Subordinated Notes requesting such information (i) all information that a U.S. holder of such Securities making a QEF election is required to obtain for U.S. federal income tax purposes (e.g., the U.S. holder's pro rata share of ordinary income and net capital gain), and (ii) a "PFIC Annual Information Statement" as described in Treasury Regulation section 1.1295–1 (or in any successor IRS release or Treasury regulation), including all representations and statements required by such statement, and will take any other steps it reasonably can to facilitate such election. The Issuer will also provide, upon request, such information to a U.S. holder of Class D Notes or Class E Notes that has made a protective QEF election, as described below.

If a U.S. holder of Subordinated Notes does not make a timely QEF election for the year in which it acquired its Subordinated Notes and the PFIC rules are otherwise applicable, such holder will be subject to a special tax at ordinary income tax rates on so-called "excess distributions," including both certain distributions from the Issuer and gain on the sale of Subordinated Notes. The amount of income tax on excess distributions will be increased by an interest charge to compensate for tax deferral calculated as if excess distributions were earned ratably over the period the taxpayer held its Subordinated Notes. In many cases, the tax on excess distributions will be more onerous than the taxes that would apply if a timely QEF election were made. Classification as a PFIC may also have other adverse tax consequences, including in the case of individuals, the denial of a "step up" in the basis of the Subordinated Notes at death.

Where a QEF election is not timely made by a U.S. holder of Subordinated Notes for the year in which it acquired its Subordinated Notes, but is made for a later year, the excess distribution rules can be avoided by making an election to recognize gain from a deemed sale of the Subordinated Notes at the time when the QEF election becomes effective. U.S. holders should consult with their tax counsel regarding the U.S. federal income tax consequences of investing in a PFIC and the desirability of making the QEF election.

As described under "—Status of, and Interest and Discount on, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes," the Issuer intends to treat the Class D Notes and the Class E Notes as debt for U.S. federal income tax purposes, and the Indenture requires holders to treat the Class D Notes and the Class E Notes as debt for U.S. federal income tax purposes. Nevertheless, the IRS could assert that the Class D Notes and/or the Class E Notes are equity in the Issuer for U.S. federal income tax purposes. A U.S. holder of Class D Notes or Class E Notes may make a protective QEF election or file protective returns, although doing so may increase the risk of the treatment of Class D Notes or Class E Notes, as applicable, as equity for U.S. federal income tax purposes. U.S. holders of Class D Notes or Class E Notes should consult with their tax counsel regarding the desirability of making the QEF election.

U.S. HOLDERS OF SUBORDINATED NOTES SHOULD CONSIDER CAREFULLY WHETHER TO MAKE A QEF ELECTION WITH RESPECT TO THE SUBORDINATED NOTES AND THE CONSEQUENCES OF NOT MAKING SUCH AN ELECTION.

PFIC Reporting Requirements. As discussed in more detail below, generally, a U.S. holder of Subordinated Notes will be required to file an annual report containing such information, with respect to its interest in a PFIC as the IRS may require.

Investment in a Controlled Foreign Corporation. Depending on the degree of ownership of the Subordinated Notes by U.S. Shareholders, the Issuer may be considered a controlled foreign corporation ("CFC"). In general, a foreign corporation will be a CFC if more than 50% of the shares of the corporation, measured by combined voting power or value, are held, directly or indirectly, by U.S. Shareholders. A "U.S. Shareholder" for this purpose is any U.S. person who owns or is treated as owning, under specified attribution rules, 10% or more of the combined voting

power of all classes of shares of a corporation. It is possible that the IRS would assert that the Subordinated Notes are voting securities and that U.S. holders owning 10% or more of the Subordinated Notes are U.S. Shareholders. If this argument were successful and more than 50% of the Subordinated Notes were held by such U.S. Shareholders, the Issuer would be treated as a CFC.

If the Issuer were a CFC, subject to certain exceptions, a U.S. Shareholder of the Issuer at the end of a taxable year of the Issuer would be required to recognize ordinary income in an amount equal to that person's pro rata share of the "subpart F income" of the Issuer for the year, whether or not such income is distributed currently to the U.S. Shareholder. Among other items, and subject to certain exceptions, "subpart F income" includes interest, gains from the sale of securities and income from certain notional principal contracts (e.g., swaps and caps). It is likely that, if the Issuer were a CFC, substantially all of its income would be subpart F income. If more than 70% of the Issuer's income is subpart F income, then 100% of its income will be so treated. The Issuer's income may include non-cash items, as described under "—Investment in a Passive Foreign Investment Company."

If the Issuer were a CFC, a U.S. Shareholder of the Issuer would be taxable on the subpart F income of the Issuer under the CFC regime and not under the PFIC rules previously described. As a result, to the extent subpart F income of the Issuer includes net capital gains, such gains would be treated as ordinary income of the U.S. Shareholder, notwithstanding the fact that generally the character of such gains otherwise would be preserved under the PFIC rules if a QEF election were made. Also, the PFIC rule permitting the deferral of tax on undistributed earnings would not apply.

A holder of Subordinated Notes that is a U.S. Shareholder of the Issuer subject to the CFC rules for only a portion of the time in which it holds Subordinated Notes should consult its own tax advisors regarding the interaction of the PFIC and CFC rules.

Indirect Interests in PFICs and CFCs. If the Issuer holds a security of a non-U.S. corporation that is treated as equity for U.S. federal income tax purposes, U.S. holders of Subordinated Notes could be treated as holding an indirect investment in a PFIC or a CFC and could be subject to certain adverse tax consequences. Prospective purchasers should consult their tax advisors regarding the issues relating to such investments.

Distributions on Subordinated Notes. The treatment of actual cash distributions on the Subordinated Notes, in very general terms, will vary depending on whether a U.S. holder has made a timely QEF election as described above. See "—Investment in a Passive Foreign Investment Company." If a timely QEF election has been made, dividends (which are distributions up to the amount of current and accumulated earnings and profits of the Issuer) allocable to amounts previously taxed pursuant to the QEF election will not be taxable to U.S. holders. Similarly, if the Issuer is a CFC of which the U.S. holder is a U.S. Shareholder, dividends will be allocated first to amounts previously taxed pursuant to the CFC rules and to this extent will not be taxable to U.S. holders. Dividends in excess of such previously taxed amounts will be taxable to U.S. holders as ordinary income upon receipt. Distributions in excess of any current and accumulated earnings and profits will be treated first as a nontaxable return of capital, to the extent of the holder's tax basis in the Subordinated Notes, and then as capital gain. The distributions on the Subordinated Notes do not qualify for the benefit of the reduced U.S. tax rate applicable to certain dividends received by individuals.

In the event that a U.S. holder of Subordinated Notes does not make a timely QEF election, then except to the extent that distributions may be attributable to amounts previously taxed pursuant to the CFC rules, some or all of any dividends distributed with respect to the Subordinated Notes may be considered excess distributions, taxable as previously described. See "—Investment in a Passive Foreign Investment Company."

Sale, Redemption or other Disposition of Subordinated Notes. In general, a U.S. holder of Subordinated Notes will recognize gain or loss (which will be capital gain or loss, except as discussed below) upon the sale or exchange of Subordinated Notes equal to the difference between the amount realized and such holder's adjusted tax basis in the Subordinated Notes. A U.S. holder's tax basis in Subordinated Notes will generally equal the amount it paid for the Subordinated Notes, increased by amounts taxable to such holder by virtue of a QEF election, or under the CFC rules, and decreased by actual distributions from the Issuer that are deemed to consist of such previously taxed amounts or represent a return of capital.

If a U.S. holder does not make a timely QEF election as described above and the PFIC rules are otherwise applicable, any gain realized on the sale or exchange of Subordinated Notes will be treated as an excess distribution and effectively taxed as ordinary income with an interest charge under the special tax rules described above. See "—Investment in a Passive Foreign Investment Company." The pledge of stock of a PFIC may in some circumstances be treated as a disposition of such stock.

If the Issuer were treated as a CFC and a U.S. holder were treated as a U.S. Shareholder therein, then any gain realized by such holder upon the disposition of Subordinated Notes, other than gain constituting an excess distribution under the PFIC rules, would be treated as ordinary income to the extent of the U.S. holder's share of the current and accumulated earnings and profits of the Issuer. In this respect, earnings and profits would not include any amounts previously taxed pursuant to a QEF election or pursuant to the CFC rules.

Medicare Contribution Tax on Net Investments Income. Section 1411 of the Code imposes a 3.8% tax (in addition to other federal income taxes) on the net investment income ("**NII**") of U.S. holders who are individuals, estates or trusts to the extent NII exceeds an income threshold. NII may include interest, dividends, gains and other income from the Notes, with exceptions for such income earned through certain businesses other than trading in financial instruments.

Special rules apply in the case of a U.S. holder of Subordinated Notes or any other class of Securities that is treated as equity of the Issuer for federal income tax purposes and is not held in a business of trading financial instruments. As described above under "—Tax Treatment of U.S. Holders of Subordinated Notes—Investment in a Controlled Foreign Corporation" and "—Tax Treatment of U.S. Holders of Subordinated Notes—Investment in a Passive Foreign Investment Company," such a U.S. holder may be taxable for regular federal income tax purposes on its share of the earnings of the Issuer as those earnings accrue to the Issuer and not when they are distributed (and in that case, such U.S. holder's basis in such Securities is increased by the amount of earnings that have been taxed to such U.S. holder but not distributed). Proposed regulations under Section 1411 would allow such a U.S. holder to elect to follow a similar approach in measuring NII. Otherwise, according to the proposed regulations, post-2012 earnings that are included in income for regular income tax purposes by such a U.S. holder prior to distribution under the CFC or PFIC rules would be included in NII only when distributed (i.e., when those earnings are treated for regular income tax purposes as previously taxed amounts, as described above under "—Tax Treatment of U.S. Holders of Subordinated Notes—Distributions on Subordinated Notes"), and the U.S. holder's basis would not be increased to reflect previously taxed undistributed earnings. Such an election by a U.S. holder generally must be made for the first year (beginning in 2014) in which the U.S. holder owns PFIC or CFC stock and would be subject to the tax on NII. The election once made would apply to all investments in CFCs and PFICs held directly or indirectly by the U.S. holder in the taxable year of the election or acquired in subsequent taxable years and may be revoked only with the consent of the IRS.

U.S. holders, and in particular U.S. holders of Subordinated Notes or any other class of Securities that is treated as equity of the Issuer for U.S. federal income tax purposes, are urged to consult their tax advisors regarding the effect, if any, of Section 1411 and regulations thereunder on their investment in the Securities in their particular circumstances.

Potential Treatment of Subordinated Notes as Debt

If, contrary to the above discussion, the Subordinated Notes were treated as debt for U.S. federal income tax purposes, they would be subject to certain regulations governing contingent payment debt instruments. In that event, the timing and character of income, gain or loss recognized with respect to an investment in the Subordinated Notes would be materially different from that summarized above. In general, holders would be required to accrue income on the Subordinated Notes based on the Issuer's normal cost of funds, subject to later adjustment to reflect differences between the accrued and actual income amounts, and all income from the Subordinated Notes (including gains on sale) would be ordinary interest income. Potential U.S. holders of the Subordinated Notes should, in consultation with their tax advisors, carefully consider the potential U.S. income tax characterization of the Subordinated Notes and the potential consequences thereof.

Tax Treatment of Tax-Exempt U.S. Holders of the Securities

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

A tax-exempt entity may not make a QEF election if the tax-exempt entity would not otherwise be subject to tax on income from the Subordinated Notes.

Tax Treatment of Non-U.S. Holders of the Securities

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

Information Reporting and Backup Withholding

Information reporting to the IRS generally will be required with respect to payments on the Securities and proceeds of the sale of the Securities to holders other than corporations or other exempt recipients. A "backup" withholding tax will apply to those payments if such holder fails to provide certain identifying information (such as such holder's taxpayer identification number) to the Trustee or other paying agent. Non-U.S. holders generally will be required to comply with applicable certification procedures to establish that they are not U.S. holders in order to avoid the application of such information reporting requirements and backup withholding.

Backup withholding is not an additional tax. The amount of any backup withholding collected from a payment will be allowed as a credit against the recipient's U.S. federal income tax liability and may entitle the recipient to a refund, so long as the required information is properly furnished to the IRS. U.S. holders should consult their own tax advisors about any additional reporting requirements that may arise as a result of their purchasing, holding or disposing of Notes.

Reporting Requirements

Treasury regulations require reporting for certain transfers of property (including cash) to a foreign corporation by U.S. persons. In general, U.S. holders who acquire Subordinated Notes will be required to file a Form 926 with the IRS and to supply certain information to the IRS. If a U.S. holder fails to comply with the reporting requirements, the U.S. holder may be subject to a penalty equal to 10% of the gross amount paid for the Subordinated Notes, subject to a maximum penalty of $100,000 (except in cases involving intentional disregard). Purchasers of Subordinated Notes are urged to consult their own tax advisors regarding these reporting requirements.

In addition, the Code and related Treasury regulations will require any U.S. holder that directly or indirectly owns a significant portion of the voting power or value of the Issuer's equity (generally 10%, but in some cases more than 50%) to comply with certain additional reporting requirements. While it is unclear how the voting power of the Subordinated Notes would be measured for this purpose, a U.S. holder that owns less than 10% (or 50% or less, as applicable) of the voting power or value of the Issuer (including the Subordinated Notes) should not be required to file this return. In general, a U.S. holder that is deemed to own the applicable percentage of the voting power or

value of the Issuer's equity will be required to file a Form 5471 with the IRS and to supply certain information to the IRS, including with respect to the activities and assets of the Issuer and other holders of the Subordinated Notes. If a U.S. holder fails to comply with the reporting requirements, the U.S. holder may be subject to a penalty, depending on the circumstances, equal to $10,000 for each failure to comply, subject to a maximum of $60,000. Purchasers of Subordinated Notes are urged to consult their own tax advisors regarding these reporting requirements.

Generally, a U.S. holder of Subordinated Notes will be required to file an annual report containing such information, with respect to its interest in a PFIC, as the IRS may require. The IRS has announced that it will issue guidance with respect to the information it will require and acceptable methods of reporting such information. U.S. holders should consult their own tax advisors regarding the PFIC reporting requirements.

U.S. holders, and non-U.S. holders with certain minimum contacts with the United States, of Subordinated Notes may be required to report certain information on United States Treasury Form TD F 90-22.1 (the "**FBAR**") for any calendar year in which they hold such securities. 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 Subordinated Notes should consult their own tax advisors regarding these reporting requirements.

Individual U.S. holders that own "specified foreign financial assets" with an aggregate value in excess of U.S.$50,000 are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer that are not held in accounts maintained by financial institutions. Regulations have been proposed that would extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. holders who fail to report the required information could be subject to substantial penalties. Potential investors are encouraged to consult with their own tax advisors regarding the possible application of this new legislation to an investment in the Securities.

Any person that is required to file a U.S. federal income tax return or U.S. federal information return and participates in a "reportable transaction" in a taxable year is required to disclose certain information on IRS Form 8886 (or its successor form) attached to such person's U.S. tax return for such taxable year (and also file a copy of such form with the IRS's Office of Tax Shelter Analysis) and to retain certain documents related to the transaction. Various penalties and adverse consequences can result from a failure to file. A person that is a U.S. Shareholder may be considered to participate in any reportable transactions entered into by the Issuer. Although none are anticipated, the Issuer could participate in reportable transactions.

Because of the status of the Issuer as a PFIC (and without regard to whether it is a CFC), a transaction in which a person claims a loss deduction in respect of the Subordinated Notes may be considered a reportable transaction if the amount of such loss exceeds certain thresholds (generally $2,000,000 in one year or $4,000,000 in any combination of years for individuals, and $10,000,000 in one year or $20,000,000 in any combination of years for corporations), regardless of whether such Subordinated Notes were purchased with cash or were otherwise held with a "qualifying basis" (as such term is defined in IRS Revenue Procedure 2004-66). There is an exception for certain mark-to-market losses.

The definition of reportable transaction is technical, and prospective investors in the Securities should consult their own tax advisors concerning any possible disclosure obligations under the reportable transaction rules with respect to their ownership or disposition of the Securities in light of their particular circumstances.

U.S. Foreign Account Tax Compliance Rules

FATCA potentially imposes a withholding tax of 30% on certain payments made to the Issuer after June 30, 2014, including potentially all interest paid on (and after December 31, 2016, proceeds from the sale or other disposition of) U.S. Collateral Obligations issued or materially modified on or after July 1, 2014, unless the Issuer complies with Cayman legislation that implements the intergovernmental agreement between the Cayman Islands and the United States signed on November 29, 2013 (the "**Cayman IGA**") with respect to the implementation of FATCA. The Cayman IGA requires, among other things, that the Issuer collect and provide to the Cayman Islands Government substantial information regarding direct and indirect holders of the Securities and withhold (or instruct

paying agents to withhold) 30% of certain payments to certain holders of Securities (as described below), unless the Issuer qualifies as a Non-Reporting Cayman Islands Financial Institution (as defined in the Cayman IGA). The Issuer intends to comply with its obligations under the Cayman IGA. However, in some cases, the ability to avoid such withholding tax will depend on factors outside of the Issuer's control. For example, the Issuer may not be considered to comply with FATCA if more than 50% of the Subordinated Notes (and any other classes of Securities treated as equity for U.S. federal income tax purposes) are owned by a person that is, or is affiliated with, a foreign financial institution that is not compliant with FATCA. Under the Cayman IGA, the Issuer will be required to comply with Cayman Islands legislation that will be implemented to give effect to the Cayman IGA, the exact terms of which are still uncertain. Unless it qualifies as a Non-Reporting Cayman Islands Financial Institution, the Issuer will report information to the Cayman Islands Tax Information Authority, which will exchange such information with the IRS under the terms of the Cayman IGA. Under the terms of the Cayman IGA, withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer, unless the IRS has specifically listed the Issuer as a non-participating financial institution, the Issuer has otherwise assumed responsibility for withholding under U.S. tax law, or the Issuer cannot comply with FATCA as a result of factors outside of its control, as described above.

In addition, future guidance under FATCA may subject payments on Subordinated Notes (or other classes of Securities that are treated as equity for U.S. federal income tax purposes) and Secured Notes that are materially modified more than six months after the issuance of such future guidelines, to a withholding tax of 30% if each foreign financial institution that holds any such Security, or through which any such Security is held, has not entered into an information reporting agreement with the IRS or complied with the terms of a relevant intergovernmental agreement. Each owner of an interest in Securities will be required to provide the Issuer and the Trustee or their agents with information necessary to comply with the Cayman IGA as discussed above. Owners that do not supply required information, or whose ownership of Securities may otherwise prevent the Issuer from complying with FATCA (for example by causing the Issuer to be affiliated with a non-compliant foreign financial institution), may be subjected to punitive measures, including forced transfer of their Securities. There can be no assurance, however, that these measures will be effective, and that the Issuer and owners of the Securities will not be subject to the noted withholding taxes. The imposition of such taxes could materially affect the Issuer's ability to make payments on the Securities or could reduce such payments. The imposition of withholding taxes and incurrence by the Issuer of FATCA Compliance Costs in excess of certain thresholds (whether actually imposed or incurred, or reasonably anticipated) is a Tax Event that allows the Issuer to retire Securities.

CAYMAN ISLANDS INCOME TAX CONSIDERATIONS

The following is a discussion of certain Cayman Islands tax consequences of an investment in the Securities. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands laws:

(i) payments of interest, principal and other amounts on the Secured Notes and amounts in respect of the Subordinated Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal and other amounts on the Secured Notes or a distribution to any holder of the Subordinated Notes, nor will gains derived from the disposal of the Securities be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax;

(ii) no stamp duty is payable in respect of the issue of the Securities although duty may be payable in certain circumstances if the Securities are executed in or brought into the Cayman Islands; and

(iii) certificates evidencing the Securities, in registered form, to which title is not transferable by delivery, should not attract Cayman Islands stamp duty. However, an instrument transferring title to a Security, if brought to or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty.

The Issuer has been incorporated with limited liability under the laws of the Cayman Islands as an exempted company and, as such, expects to obtain an undertaking from the Governor in Cabinet of the Cayman Islands in the following form:

The Tax Concessions Law
(2011 Revision)
Undertaking As To Tax Concessions

In accordance with the provision of Section 6 of The Tax Concession Law (2011 Revision), the Governor in Cabinet undertakes with:

ING IM CLO 2013-3, Ltd., "the Company"

(a) that no law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and

(b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:

(i) on or in respect of the shares, debentures or other obligations of the Company; or

(ii) by way of the withholding in whole or part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (2011 Revision).

These concessions shall be for a period of twenty years from the 24th day of September 2013.

ACTING CLERK IN CABINET

The Cayman Islands does not have an income tax treaty arrangement with the United States; however, the Cayman Islands has entered into a tax information exchange agreement with the United States.

CERTAIN ERISA AND RELATED CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), imposes certain requirements on "**employee benefit plans**" (as defined in Section 3(3) of ERISA) subject to Title I of ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "**ERISA Plans**") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the Plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment including, but not limited to, the matters discussed above under "Risk Factors" and the fact that in the future there may be no market in which such fiduciary will be able to sell or otherwise dispose of any Securities it may purchase.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but to which Section 4975 of the Code applies, such as individual retirement accounts and Keogh plans, including entities whose underlying assets include the assets of such plans (collectively, together with ERISA Plans, "**Plans**")) and certain persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction (each a "**prohibited transaction**"). A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the Plan that is engaged in such a non-exempt prohibited transaction may be subject to penalties under ERISA and the Code.

The Co-Issuers, the Initial Purchaser, the Trustee and the Investment Manager and any of their respective Affiliates may be parties in interest and disqualified persons with respect to many Plans. Prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if Securities are acquired or held by a Plan with respect to which the Co-Issuers, the Initial Purchaser, the Trustee and the Investment Manager, or any of their respective Affiliates, is a party in interest or a disqualified person. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, in certain cases, depending in part on the type of Plan fiduciary making the decision to acquire any Securities and the circumstances under which such decision is made. Included among these exemptions are Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to transactions with certain service providers) and Prohibited Transaction Class Exemption ("**PTCE**") 91-38 (relating to investments by bank collective investment funds), PTCE 84–14 (relating to transactions effected by independent "qualified professional asset managers"), PTCE 95-60 (relating to transactions involving insurance company general accounts), PTCE 90-1 (relating to investments by insurance company pooled separate accounts) and PTCE 96-23 (relating to transactions determined by certain "in-house asset managers"). There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving Securities.

Governmental plans (as defined in Section 3(32) of ERISA), non-U.S. plans (as defined in Section 4(b)(4) of ERISA) and certain church plans (as defined in Section 3(33) of ERISA), while not subject to the fiduciary responsibility provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to non-U.S., federal, state, local or other applicable laws that are substantially similar to the foregoing provisions of ERISA and the Code ("**Similar Laws**"). Fiduciaries of any such plans should consult with their counsel before purchasing any Securities.

EACH PURCHASER OF ISSUER ONLY SECURITIES IN THE INITIAL OFFERING THEREOF WILL BE REQUIRED TO REPRESENT AND WARRANT, AND EACH PURCHASER OF A SECURITY (INCLUDING TRANSFEREES) REPRESENTED BY AN INTEREST IN ANY GLOBAL SECURITY WILL BE DEEMED BY SUCH PURCHASE OR ACQUISITION TO HAVE REPRESENTED AND WARRANTED, ON EACH DAY FROM THE DATE ON WHICH THE PURCHASER ACQUIRES SUCH INTEREST THROUGH AND INCLUDING THE DATE ON WHICH THE PURCHASER DISPOSES OF SUCH INTEREST, THAT ITS PURCHASE, HOLDING AND DISPOSITION OF SUCH INTEREST WILL NOT CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR IN A VIOLATION OF ANY SIMILAR LAW) UNLESS AN EXEMPTION IS AVAILABLE AND ALL CONDITIONS HAVE BEEN SATISFIED.

In addition, U.S. Department of Labor regulation, 29 C.F.R. Section 2510.3-101 (as modified by Section 3(42) of ERISA, the "**Plan Asset Regulation**") describes what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of certain provisions of ERISA, including the fiduciary responsibility provisions of Title I of ERISA, and Section 4975 of the Code. Under the Plan Asset Regulation, if a Plan invests in an "equity interest" of an entity that is neither a "publicly-offered security" nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established that the entity is an "operating company" or that equity participation in the entity by Benefit Plan Investors is not "significant." Under the Plan Asset Regulation, an "equity interest" means any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. A "**Benefit Plan Investor**" means (i) any "employee benefit plan" (as defined in Section 3(3) of ERISA), subject to Title I of ERISA, (ii) any "plan" described in Section 4975(e)(1) of the Code to which Section 4975 of the Code applies, or (iii) any entity whose underlying assets could be deemed to include "plan assets" by reason of an employee benefit plan's or a plan's investment in the entity within the meaning of the Plan Asset Regulation or otherwise. Such an entity is considered to hold plan assets only to the extent of the percentage of its equity interests held by Benefit Plan Investors.

The Co-Issuers do not intend to treat the Co-Issued Securities as "equity interests" in the Co-Issuers. However, the Issuer Only Securities may be considered "equity interests" in the Co-Issuers for purposes of the Plan Asset Regulation and will not constitute "publicly-offered securities" for purposes of the Plan Asset Regulation. In addition, the Co-Issuers will not be registered under the Investment Company Act, and it is not likely that the Co-Issuers will qualify as an "operating company" for purposes of the Plan Asset Regulation. Therefore, if equity participation in any Class of Issuer Only Securities by Benefit Plan Investors is "significant" within the meaning of the Plan Asset Regulation, the assets of the Co-Issuers could be considered to be the assets of any Plans that purchase such Notes. In such circumstances, in addition to considering the applicability of ERISA and Section 4975 of the Code to the Issuer Only Securities, a Plan fiduciary considering an investment in Issuer Only Securities should consider, among other things, the applicability of ERISA and Section 4975 of the Code to transactions involving any Transaction Party or their respective Affiliates, including whether such transactions might constitute a prohibited transaction under ERISA or Section 4975 of the Code or otherwise may result in a breach of fiduciary duty under ERISA.

Under the Plan Asset Regulation, equity participation in an entity by Benefit Plan Investors is "significant" on any date if, immediately after the most recent acquisition of any equity interest in the entity, 25% or more of the value of any class of equity interests in the entity is held by Benefit Plan Investors. For purposes of this determination, the value of equity interests held by a person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the entity or that provides investment advice for a fee (direct or indirect) with respect to such assets (or any "affiliate" of such a person (as defined in the Plan Asset Regulation)) is disregarded (any such person with respect to the Co-Issuers, a "**Controlling Person**").

The Issuer intends to limit equity participation by Benefit Plan Investors to less than 25% of each Class of Issuer Only Securities. Each prospective purchaser (including transferees) of Issuer Only Securities will be required to make, or will be deemed to have made, certain representations regarding its status as a Benefit Plan Investor or Controlling Person and other ERISA matters as described under "Transfer Restrictions." No interest in an Issuer Only Security will be sold or transferred to purchasers that have represented that they are Benefit Plan Investors or Controlling Persons to the extent that such sale may result in Benefit Plan Investors owning 25% or more of the Aggregate Outstanding Amount of any Class of Issuer Only Securities determined in accordance with the Plan Asset Regulation and the Indenture, assuming, for this purpose, that all the representations made (or, in the case of Global Securities, deemed to be made) by holders of such Securities are true. Each interest in an Issuer Only Security held as principal by any Transaction Party, any of such party's respective Affiliates and persons that have represented that they are Controlling Persons will be disregarded and will not be treated as Outstanding for purposes of determining compliance with such 25% limitation. With respect any interest in an Issuer Only Security that is purchased by a Controlling Person on the Closing Date and represented by a Global Security, if such Controlling Person notifies the Trustee that all or a portion of its interest in such Global Security has been transferred to a transferee that is not a Controlling Person, such transferred interest will no longer be disregarded.

There can be no assurance that there will not be circumstances in which transfers of an interest in the Issuer Only Securities will be restricted in order to comply with the aforementioned limitations. Moreover, there can be no assurance that, despite the restrictions relating to purchases by or transfers to Benefit Plan Investors and Controlling Persons, participation by Benefit Plan Investors in the Issuer Only Securities will not be "significant."

Each Plan fiduciary who is responsible for making the investment decisions whether to purchase or commit to purchase and to hold Securities should determine whether, under the general fiduciary standards of investment prudence and diversification and under the documents and instruments governing the Plan, an investment in such Securities is appropriate for the Plan, taking into account the overall investment policy of the Plan and the composition of the Plan's investment portfolio. Any Plan proposing to invest in Securities should consult with its counsel to confirm that such investment will not result in a prohibited transaction and will satisfy the other requirements of ERISA and the Code.

The sale of any Securities to a purchaser is in no respect a representation by any of the Co-Issuers, the Initial Purchaser, the Trustee and the Investment Manager or any of its respective Affiliates that such an investment meets all relevant legal requirements with respect to investments by purchasers generally or any particular purchaser, or that such an investment is appropriate for purchasers generally or any particular purchaser.

RULE 17G-5 COMPLIANCE

The Issuer, in order to permit the Rating Agencies to comply with their obligations under Rule 17g-5 promulgated under the Exchange Act ("**Rule 17g-5**"), has agreed to post on a password-protected internet website (the "**Rule 17g-5 Website**"), at the same time such information is provided to the Rating Agencies, all information that the Issuer or other parties on its behalf, including the Trustee and the Investment Manager, provide to the Rating Agencies for the purposes of determining the initial credit rating of the Secured Notes or undertaking credit rating surveillance of such Securities. On the Closing Date, the Issuer will engage the Collateral Administrator, in accordance with the Collateral Administration Agreement, to assist the Issuer in complying with certain of the posting requirements under Rule 17g-5 (in such capacity, the "**Information Agent**"). Any notices or requests to, or any other written communications with or written information provided to, any of the Rating Agencies, or any of their respective officers, directors or employees, to be given or provided to such Rating Agencies pursuant to, in connection with or related, directly or indirectly, to the Indenture and the Collateral Administration Agreement, any transaction document relating thereto, the Investment Management Agreement, the Assets or the Securities, will be in each case furnished directly to the Rating Agencies after a copy has been delivered to the Information Agent or the Issuer for posting to the Rule 17g-5 Website.

PLAN OF DISTRIBUTION

The Initial Purchaser will, pursuant to and subject to the terms and conditions of the Purchase Agreement, agree to purchase all of the Securities. The offering price and other terms of the Offering may be changed at any time without notice. Pursuant to the Purchase Agreement, the Initial Purchaser will receive certain fees and expenses on the Closing Date.

Each purchaser of Securities will be required to make (or will be deemed to have made) representations and warranties substantially similar to those described under "Transfer and Exchange."

The Co-Issuers have been advised by the Initial Purchaser that it proposes to resell the Securities (a) in reliance on an exemption under the Securities Act to (i) Qualified Institutional Buyers that are also Qualified Purchasers and (ii) in the case of Secured Notes, Qualified Purchasers that are also Institutional Accredited Investors or (iii) in the case of Subordinated Notes, Accredited Investors that are also either Qualified Purchasers or Knowledgeable Employees and (b) through Credit Suisse Securities (Europe) Limited acting as its sales agent to non-U.S. persons in offshore transactions in reliance on Regulation S. Any offer or sale of Securities in the United States in the Offering will be made by the Initial Purchaser or other broker-dealers, including Affiliates of the Initial Purchaser, who are registered as broker-dealers under the Exchange Act.

The Initial Purchaser will represent and agree that 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 FSMA) received by it in connection with the issue or sale of the Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Co-Issuers; and it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom.

The Initial Purchaser has represented and agreed that:

(i) it has not and will not underwrite the issue of, or place the Securities, 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), and any codes of conduct or rules issued in connection therewith and any conditions, requirements or other enactments imposed or approved by the Central Bank of Ireland (the "**Central Bank**") and the provisions of the Investor Compensation Act 1998;

(ii) it has not and will not underwrite the issue of, or place, any Securities, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 to 2013 and any codes of conduct rules made under Section 117(1) of the Irish Central Bank Act 1989;

(iii) it has not and will not underwrite the issue of, or place, or do anything in Ireland in respect of any Securities otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005, by the Central Bank;

(iv) it has not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of any Securities, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under Section 34 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank; and

(v) no Securities will be offered or sold with a maturity of less than 12 months except in full compliance with Notice BSD C 01/02 issued by the Central Bank.

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Initial Purchaser will represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Securities 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 Securities to the public in that Relevant Member State:

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

(iii) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Manager or Managers 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 offer of Offered Notes referred to in (i) to (iii) above shall require the Co-Issuers or it 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 purposes of this provision, the expression an "offer of Securities to the public" in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

The Initial Purchaser has agreed that it has not made and will not make any invitation to the public in the Cayman Islands to subscribe for the Securities.

The Co-Issuers extend to each prospective investor the opportunity, prior to the consummation of the sale of the Securities, to ask questions of, and receive answers from the Co-Issuers or a person or persons acting on behalf of the Co-Issuers, including the Initial Purchaser, concerning the Securities, the initial portfolio of Collateral Obligations and the terms and conditions of this Offering and to obtain any additional information it may consider necessary in making an informed investment decision and any information in order to verify the accuracy of the information set forth herein, to the extent the Co-Issuers possess the same or can acquire the same without unreasonable effort or expense. Requests for such additional information can be directed to the Initial Purchaser at 11 Madison Avenue, New York, New York 10010, Attention: CLO Group, telephone: (212) 325-9207.

No action is being taken or is contemplated by the Issuer or Co-Issuer that would permit a public offering of the Securities or possession or distribution of any Offering Memorandum (in preliminary or final form) or any amendment thereof, any supplement thereto or any other offering material relating to the Securities in any jurisdiction where, or in any other circumstances in which, action for those purposes is required. The Initial Purchaser understands and agrees that it is solely responsible for its own compliance with all laws applicable in each jurisdiction in which it offers and sells Securities or distributes any Offering Memorandum (in preliminary or final form) or any amendments thereof or supplements thereto or any other material and it agrees to comply with all of these laws.

The Co-Issuers have agreed to indemnify the Initial Purchaser, the Investment Manager, the Administrator, the Collateral Administrator, and the Trustee against certain liabilities, including liabilities under the Securities Act, or to contribute to payments it may be required to make in respect thereof.

As the structurer, Credit Suisse will help coordinate the development of the Concentration Limitations, the Coverage Tests, the Collateral Quality Test, the Priority of Payments, and other criteria in and provisions of the Indenture. These may be influenced by discussions that the Initial Purchaser may have 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 Securities.

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

The Credit Suisse 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. The Credit Suisse Parties may own positions in and will likely have placed or underwritten certain of the Collateral Obligations (or other obligations of the obligors of Collateral 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 Obligations. In addition, the Credit Suisse Parties and their clients may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, Collateral Obligations. Each of the Credit Suisse Parties will act in its own commercial interest in its various capacities without regard to whether its interests conflict with those of the Holders or any other party. Moreover, the Issuer may invest in loans of obligors affiliated with the Credit Suisse Parties or in which one or more Credit Suisse Parties hold an equity or participation interest. The purchase, holding or sale of such Collateral Obligations by the Issuer may increase the profitability of the Credit Suisse Party's own investments in such obligors.

From time to time the Investment Manager will purchase from or sell Collateral Obligations through or to the Credit Suisse Parties (including a portion of the Collateral Obligations to be purchased on or prior to the Closing Date) and one or more Credit Suisse Parties may act as the selling institution with respect to Participation Interests and/or a counterparty under a Hedge Agreement (if any). The Credit Suisse Parties may act as placement agent and/or initial purchaser or investment manager in other transactions involving issues of collateralized debt obligations or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the availability of collateral for the Issuer.

The Credit Suisse Parties do not disclose specific trading positions or hedging strategies, including whether they are in a long or short position in any Security or obligation referred to in this Offering Memorandum. Nonetheless, in the ordinary course of business, Credit Suisse Parties and employees or customers of the Credit Suisse Parties may actively trade in the Securities, Collateral Obligations and Eligible Investments for their own accounts and for the accounts of their customers. Accordingly, the Credit Suisse Parties and their employees or customers expect to hold on the Closing Date a long or short position in such Collateral Obligations, and at any time thereafter may hold a long or short position in such Securities or Collateral Obligations, but are not required to do so. Credit Suisse Parties and employees or customers of the Initial Purchaser and its Affiliates may also enter into credit derivative or other derivative transactions with other parties pursuant to which they sell or buy credit protection with respect to such Securities and obligations.

Credit Suisse Parties will on the Closing Date purchase Securities of one or more Classes and may hold Securities or one or more Class after the Closing Date. If a Credit Suisse Party becomes an owner of any of the Securities, 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 Securities. To the extent a Credit Suisse Party makes a market in the Securities (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 Securities. 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 Securities. The price at which a Credit Suisse Party may be willing to purchase Securities, 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 Securities and significantly lower than the price at which it may be willing to sell the Securities.

Conflicts of Interest

It is expected that a majority of the Collateral Obligations to be held by the Issuer as of the Closing Date will be purchased prior to the Closing Date in accordance with the terms of the warehouse agreement. See "Risk Factors—Relating to the Issuer and its Service Providers—Pre-Closing Collateral Accumulation." The Pre-Closing Parties under the warehouse agreement include Affiliates of Credit Suisse. The warehouse agreement must be terminated on the Closing Date and all amounts owing to the Pre-Closing Parties in connection therewith must be repaid by the Closing Date.

The Initial Purchaser takes no responsibility for, and has no obligations in respect of, the Issuer and will have no obligation to monitor the performance of the Collateral or the actions of the Investment Manager or the Issuer and will have no authority to advise the Investment Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Investment Manager and the Issuer. If the Initial Purchaser or its Affiliates owns Securities, they will have no responsibility to consider the interests of any other owners of Securities in actions they take or refrain from taking in such capacity.

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, or transfer of the Securities.

The Securities have not been registered under the Securities Act or any state securities or "**Blue Sky**" laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described herein and set forth in the Indenture.

Without limiting the foregoing, by holding a Security, each purchaser will acknowledge and agree, among other things, that it understands that neither of the Co-Issuers is registered as an investment company under the Investment Company Act, and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the Investment Company Act. Section 3(c)(7) excepts from the provisions of the Investment Company Act those issuers who privately place their securities solely to persons who at the time of purchase are Qualified Purchasers or Knowledgeable Employees. In general terms, qualified purchaser is defined to mean, among other things, any natural person who owns not less than $5,000,000 in investments; any person who in the aggregate owns and invests on a discretionary basis, not less than $25,000,000 in investments; and trusts as to which both the settlor and the decision-making trustee are qualified purchasers (but only if such trust was not formed for the specific purpose of making such investment). In general terms, Knowledgeable Employees is defined to mean, among other things, executive officers, directors and certain investment professionals and employees of an issuer and its related investment manager.

Global Securities

Each initial investor and each transferee of Securities represented by an interest in a Global Security will be deemed to have represented and agreed as follows, except that an initial investor of an Issuer Only Securities will be required to make written representations in a subscription agreement:

(i) In connection with the purchase of such Securities: (A) none of the Co-Issuers, the Investment Manager, the Initial Purchaser, the Trustee, the Collateral Administrator or any of their respective affiliates is acting as a fiduciary or financial or investment advisor for such beneficial owner; (B) such beneficial owner is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Co-Issuers, the Investment Manager, the Trustee, the Collateral Administrator, the Initial Purchaser, or any of their respective affiliates other than any statements in this Offering Memorandum, and such beneficial owner has read and understands this Offering Memorandum; (C) such beneficial owner has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture) based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Co-Issuers, the Investment Manager, the Trustee, the Collateral Administrator, the Initial Purchaser, or any of their respective affiliates; (D) such beneficial owner is either (1) (in the case of a beneficial owner of an interest in a Rule 144A Global Security) both (a) a "qualified institutional buyer" (as defined under Rule 144A under the Securities Act) that is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(i)(D) or (a)(1)(i)(E) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(i)(F) of Rule 144A under the Securities Act that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries of the plan and (b) a "qualified purchaser" for purposes of Section 3(c)(7) of the Investment Company Act or (2) not a "U.S. person" as defined in Regulation S and is acquiring the Securities in an offshore transaction (as defined in Regulation S) in reliance on the exemption from registration provided by Regulation S; (E) such beneficial owner is acquiring its interest in such Securities for its own account; (F) such beneficial owner was not formed for the purpose of investing in such Securities; (G) such beneficial owner understands that the Issuer, the Initial Purchaser and the Investment Manager will have the right to obtain a complete list of Holders (and subject to confidentiality requirements, persons who have certified to the Issuer and the Trustee that they are owners of a beneficial interest in a Global Security) at any time upon five Business Days' prior written notice to the Trustee. At the direction of the Issuer or the Investment Manager, the Trustee will request a list of participants holding

interests in the Securities from one or more book-entry depositories and provide such list to the Issuer or the Investment Manager, respectively; (H) such beneficial owner will hold and transfer at least the minimum denomination of such Securities; (I) such beneficial owner is a sophisticated investor and is purchasing the Securities with a full understanding of all of the terms, conditions and risks thereof, and is capable of and willing to assume those risks; (J) such beneficial owner will provide notice of the relevant transfer restrictions to subsequent transferees; (K) if it is not a U.S. person, it is not acquiring any Security as part of a plan to reduce, avoid or evade U.S. federal income tax; and (L) such beneficial owner is not a member of the public in the Cayman Islands.

(ii) Such beneficial owner's acquisition, holding and disposition of the Securities will not constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or in a violation of any substantially similar non-U.S., federal, state, local or other applicable law) unless an exemption is available and all conditions have been satisfied. Such beneficial owner understands that the representations made in this clause will be deemed made on each day from the date of its acquisition through and including the date it disposes of such Securities.

(iii) With respect to the purchase of Issuer Only Securities represented by Global Securities, for so long as it holds a beneficial interest in such Global Securities, such beneficial owner is not a Benefit Plan Investor or, except with respect to purchases by Controlling Persons on the Closing Date, a Controlling Person. The purchaser understands that the representations made in this clause will be deemed to be made on each day from the date of its acquisition through and including the date on which it disposes of such Securities.

(iv) Such beneficial owner understands that such Securities are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, such Securities have not been and will not be registered under the Securities Act, and, if in the future such beneficial owner decides to offer, resell, pledge or otherwise transfer such Securities, such Securities may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture and the legend on such Securities. Such beneficial owner acknowledges that no representation has been made as to the availability of any exemption under the Securities Act or any state securities laws for resale of such Securities. Such beneficial owner understands that neither of the Co-Issuers nor the pool of collateral has been registered under the Investment Company Act, and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the Investment Company Act.

(v) Such beneficial owner is aware that, except as otherwise provided in the Indenture, any Securities being sold to it in reliance on Regulation S will be represented by one or more Regulation S Global Securities and that in each case beneficial interests therein may be held only through DTC for the respective accounts of Euroclear or Clearstream.

(vi) Such beneficial owner will provide notice to each person to whom it proposes to transfer any interest in the Securities of the transfer restrictions and representations set forth in the Indenture.

(vii) Such beneficial owner agrees that it will not cause the filing of a petition in bankruptcy against the Issuer, the Co-Issuer or any Tax Subsidiary prior to the date which is one year (or, if longer, the applicable preference period then in effect) *plus* one day after the payment in full of all Notes.

(viii) Such beneficial owner understands and agrees that the Securities are limited recourse obligations of the Issuer (and in the case of the Co-Issued Securities, the Co-Issuer), payable solely from proceeds of the Assets in accordance with the Priority of Payments and following realization of the Assets, and application of the proceeds thereof in accordance with the Indenture, all obligations of and any claims against the Issuer (and in the case of the Co-Issued Securities, the Co-Issuer) thereunder or in connection therewith after such realization shall be extinguished and shall not thereafter revive.

Certificated Securities

Each purchaser or transferee taking delivery of Certificated Securities after the Closing Date will be required to provide the Issuer and the Trustee with a Transfer Certificate and no such purchase or transfer will be recorded or

otherwise recognized unless the purchaser or transferee has provided the Issuer and the Trustee with a Transfer Certificate. Initial purchasers of the Issuer Only Securities will be required to provide the Initial Purchaser or the Issuer with a subscription agreement containing representations substantially similar to those set forth in the Transfer Certificate.

Additional restrictions; Information required to be provided by Holders

Each purchaser agrees to provide upon request certification acceptable to the Issuer or, in the case of the Co-Issued Securities, the Co-Issuers to permit the Issuer or the Co-Issuers, as applicable, to (A) make payments to it without, or at a reduced rate of, withholding, (B) qualify for a reduced rate of withholding in any jurisdiction from or through which the Issuer receives payments on its assets and (C) comply with applicable law. Each purchaser has read the summary of the U.S. federal income tax considerations contained in this Offering Memorandum as it relates to the Securities, and it represents that it will treat the Securities for U.S. tax purposes in a manner consistent with the treatment of such Securities by the Issuer described therein and will take no action inconsistent with such treatment, it being understood that this paragraph shall not prevent a holder of Class D Notes or Class E Notes from making a protective "qualified electing fund" election or filing protective information returns.

In respect of the purchase of Issuer Only Securities, if the purchaser is a bank organized outside the United States, (i) it is acquiring such Notes as a capital markets investment and will not for any purpose treat such Notes or assets of the Issuer as loans acquired in its banking business, and (ii) it is not acquiring such Notes as part of a plan having as one of its principal purposes the avoidance of U.S. withholding taxes.

Each purchaser, beneficial owner and subsequent transferee of Securities or interest therein, by acceptance of such Securities or such an interest in such Securities, agrees or is deemed to agree (i) the Issuer has the right to compel any beneficial owner of Secured Notes that does not consent to a Re-Pricing with respect to its Notes pursuant to the applicable terms of the Indenture to sell its interest in the Notes or may sell such interest in the Notes on behalf of such beneficial owner and (ii)(A) except as prohibited by applicable law, to obtain and provide the Issuer and the Trustee with information or documentation, and to update or correct such information or documentation, as may be necessary or helpful (in the sole determination of the Issuer or the Trustee or their agents, as applicable) to achieve FATCA Compliance (the obligations undertaken pursuant to this clause (A), the "**Holder Reporting Obligations**"), (B) that the Issuer and/or the Trustee may (1) provide such information and documentation and any other information concerning its investment in the Securities to the IRS and any other relevant tax authority, and (2) take such other steps as they deem necessary or helpful to achieve FATCA Compliance, including withholding on "passthru payments" (as defined in the Code), and (C) that if it fails for any reason to provide any such information or documentation described in clause (A), or such information or documentation is not accurate or complete, or the Issuer otherwise reasonably determines that such purchaser's or subsequent transferee's direct or indirect acquisition, holding or transfer of an interest in such Security would cause the Issuer to be unable to achieve FATCA Compliance, the Issuer shall have the right, in addition to withholding on passthru payments, to (x) compel it to sell its interest in such Security, (y) sell such interest on its behalf and/or (z) assign to such Security a separate CUSIP or CUSIPs.

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

Legends

The Securities will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

(a) with respect to Secured Notes:

THIS SECURITY IS SUBJECT TO THE TERMS AND CONDITIONS OF THE INDENTURE REFERRED TO BELOW. THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND NEITHER OF THE CO-ISSUERS HAS BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THIS SECURITY AND INTERESTS HEREIN MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT (A)(1) TO A QUALIFIED PURCHASER (FOR PURPOSES OF THE INVESTMENT COMPANY ACT) THAT THE SELLER REASONABLY BELIEVES IS (X) A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT THAT IS NOT A BROKER-DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25 MILLION IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED PERSONS OF THE DEALER AND IS NOT A PLAN REFERRED TO IN PARAGRAPH (A)(1)(i)(D) OR (A)(1)(i)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (A)(1)(i)(F) OF RULE 144A THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY THE BENEFICIARIES OF THE PLAN, PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, OR (Y) AN INSTITUTIONAL ACCREDITED INVESTOR MEETING THE REQUIREMENTS OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 (AS APPLICABLE) OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE SUBJECT TO THE SATISFACTION OF CERTAIN CONDITIONS SPECIFIED IN THE INDENTURE, AND IN EACH CASE WHICH MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION, (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION AND (C) IN A MINIMUM DENOMINATION FOR THE PURCHASER AND FOR EACH SUCH ACCOUNT. EACH PURCHASER OF THIS SECURITY WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN SECTION 2.6 OF THE INDENTURE, OR, IF REQUIRED UNDER THE INDENTURE, MUST DELIVER A TRANSFER CERTIFICATE IN THE FORM PROVIDED IN THE INDENTURE. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO, AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE CO-ISSUER, THE TRUSTEE OR ANY INTERMEDIARY. THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY NON-PERMITTED HOLDER (AS DEFINED IN THE INDENTURE) TO SELL ITS INTEREST IN THE SECURITIES, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.

(b) with respect to Subordinated Notes:

THIS SECURITY IS SUBJECT TO THE TERMS AND CONDITIONS OF THE INDENTURE REFERRED TO BELOW. THIS SECURITY HAS NOT BEEN AND

WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND NEITHER OF THE CO-ISSUERS HAS BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THIS SECURITY AND INTERESTS HEREIN MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT (A)(1) TO A QUALIFIED PURCHASER (FOR PURPOSES OF THE INVESTMENT COMPANY ACT) OR A KNOWLEDGEABLE EMPLOYEE (AS DEFINED IN RULE 3c-5 UNDER THE INVESTMENT COMPANY ACT) THAT THE SELLER REASONABLY BELIEVES IS AN ACCREDITED INVESTOR WITHIN THE MEANING OF REGULATION D UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT, (2) TO A QUALIFIED PURCHASER (FOR PURPOSES OF THE INVESTMENT COMPANY ACT) THAT THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT THAT IS NOT A BROKER-DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25 MILLION IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED PERSONS OF THE DEALER AND IS NOT A PLAN REFERRED TO IN PARAGRAPH (A)(1)(i)(D) OR (A)(1)(i)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (A)(1)(i)(F) OF RULE 144A THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY THE BENEFICIARIES OF THE PLAN, PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, OR (3) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 (AS APPLICABLE) OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE SUBJECT TO THE SATISFACTION OF CERTAIN CONDITIONS SPECIFIED IN THE INDENTURE, AND IN EACH CASE WHICH MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION, (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION AND (C) IN A MINIMUM DENOMINATION FOR THE PURCHASER AND FOR EACH SUCH ACCOUNT. EACH PURCHASER OF THIS SECURITY WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN SECTION 2.6 OF THE INDENTURE, OR, IF REQUIRED UNDER THE INDENTURE, MUST DELIVER A TRANSFER CERTIFICATE IN THE FORM PROVIDED IN THE INDENTURE. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO, AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRUSTEE OR ANY INTERMEDIARY. THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY NON-PERMITTED HOLDER (AS DEFINED IN THE INDENTURE) TO SELL ITS INTEREST IN THE SECURITIES, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER. THIS SECURITY MAY BE PURCHASED BY A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON (EACH, AS DEFINED IN THE INDENTURE) ONLY SUBJECT TO CERTAIN CONDITIONS AND LIMITATIONS AS SET FORTH IN THE INDENTURE.

(c) In addition, Class D Notes and Class E Notes will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

THIS SECURITY MAY BE PURCHASED BY A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON (EACH, AS DEFINED IN THE INDENTURE) ONLY

SUBJECT TO CERTAIN CONDITIONS AND LIMITATIONS AS SET FORTH IN THE INDENTURE.

(d) In addition, each Class of Deferred Interest Notes will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

THIS SECURITY HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THIS SECURITY MAY BE OBTAINED BY WRITING TO THE ISSUER AT ITS REGISTERED OFFICE.

(e) In addition, each Class of Secured Notes other than the Class A-1 Notes will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

THE ISSUER ALSO HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY HOLDER THAT DOES NOT CONSENT TO A RE-PRICING WITH RESPECT TO THIS SECURITY PURSUANT TO THE APPLICABLE TERMS OF THE INDENTURE TO SELL ITS INTEREST IN THIS SECURITY, TO SELL SUCH INTEREST ON BEHALF OF SUCH OWNER OR TO REDEEM THIS SECURITY.

Non-Permitted Holder

If (a)(i) any Person that is not a Qualified Institutional Buyer and a Qualified Purchaser or that does not have an exemption available under the Securities Act and the Investment Company Act becomes the holder or beneficial owner of an interest in any Rule 144A Global Security, (ii) any U.S. person becomes the holder or beneficial owner of an interest in a Regulation S Global Security, or (iii) any U.S. person that is not (A) a Qualified Institutional Buyer and a Qualified Purchaser, (B) in the case of Secured Notes, an IAI that is also a Qualified Purchaser or (C) in the case of Subordinated Notes, an Accredited Investor that is also either a Qualified Purchaser or a Knowledgeable Employee becomes the holder or beneficial owner of a Certificated Security, or (b) any Non-Permitted ERISA Holder becomes a Holder or beneficial owner of a Security or (c) any holder of Securities fails to comply with the Holder Reporting Obligations or (d) any other Holder or beneficial owner if the Issuer reasonably determines that such Holder or beneficial owner's direct or indirect acquisition, holding or transfer of an interest in such Security would cause the Issuer to be unable to achieve FATCA Compliance (any such person a "**Non-Permitted Holder**"), the Issuer shall, promptly after discovery that such person is a Non-Permitted Holder by the Issuer, the Co-Issuer or the Trustee (or upon notice to the Issuer from the Trustee if it obtains actual knowledge or by the Co-Issuer if it makes the discovery (who, in each case, agree to notify the Issuer of such discovery, if any)), send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its Securities or interest therein to a person that is not a Non-Permitted Holder within 30 days after the date of such notice. If such Person fails to transfer its Securities (or the required portion of its Securities), the Issuer will have the right to sell such Securities to a purchaser selected by the Issuer. The Issuer (or its agent) will request such Person to provide (within 10 days after such request) the names of prospective purchasers, and the Issuer (or its agent) will solicit bids from any such identified prospective purchasers and may also solicit bids from one or more brokers or other market professionals that regularly deal in securities similar to the Securities. The Issuer agrees that it will accept the highest of such bids, subject to the bidder satisfying the transfer restrictions set forth in the Indenture. If the procedures above do not result in any bids from qualified investors, the Issuer may select a purchaser by any other means determined by it in its sole discretion.

A "**Non-Permitted ERISA Holder**" is any Person that is or becomes the beneficial owner of an interest in any Security who has made or is deemed to have made a prohibited transaction representation or a Benefit Plan Investor, Controlling Person or Similar Law representation that is subsequently shown to be false or misleading or whose beneficial ownership otherwise results in Benefit Plan Investors owning 25% or more of the Aggregate Outstanding Amount of any Class of Issuer Only Securities determined in accordance with the Plan Asset Regulation and the Indenture, assuming, for this purpose, that all the representations made (or, in the case of Global Securities, deemed to be made) by holders of such Securities are true.

LISTING AND GENERAL INFORMATION

1. Application has been made to the Irish Stock Exchange for the Securities to be admitted to the Official List and to trading on the Global Exchange Market of the Irish Stock Exchange. There can be no assurance that any such listing will be maintained. It is expected that the total expenses related to admission to trading will be approximately €6,440.

2. For the term of the Notes, copies of the Memorandum and Articles of Association of the Issuer, the Certificate of Formation and Limited Liability Company Agreement of the Co-Issuer and the Indenture will be available for inspection by holders in electronic form at the office of the Trustee.

3. Since its organization, neither the Issuer nor the Co-Issuer has commenced trading, published annual reports or accounts, established any accounts or declared any dividends, except for the transactions described herein.

4. Neither of the Co-Issuers is, or has since organization been, involved in any governmental, litigation or arbitration proceedings relating to claims in amounts which may have or have had a significant effect on the financial positions of the Co-Issuers, nor, so far as either Co-Issuer is aware, is any such governmental, litigation or arbitration proceedings involving it pending or threatened.

5. The issuance by the Issuer of the Securities will be authorized by the board of directors of the Issuer by resolution prior to the Closing Date and the issuance by the Co-Issuer of the Co-Issued Securities will be authorized by the sole member of the Co-Issuer by resolution prior to the Closing Date.

6. The Issuer is not required by Cayman Islands law, and the Issuer does not intend, to publish annual reports and accounts. The Co-Issuer is not required by Delaware State law, and the Co-Issuer does not intend, to publish annual reports and accounts. The Indenture, however, requires the Issuer to provide the Trustee with written confirmation, on an annual basis, that to the best of its knowledge following review of the activities of the prior year, no Event of Default has occurred and is continuing or, if one has, specifying the same.

7. The Securities sold in offshore transactions in reliance on Regulation S under the Securities Act and represented by the Regulation S Global Securities, have been accepted for clearance through Clearstream and Euroclear. The Securities sold to persons that are Qualified Institutional Buyers and Qualified Purchasers in reliance on Rule 144A under the Securities Act and represented by Rule 144A Global Securities have been accepted for clearance through DTC. The CUSIP Numbers, Common Codes and International Securities Identification Numbers (ISIN), as applicable, for the Global Securities are as set forth below and identifying numbers for Certificated Securities are available upon request from the Initial Purchaser.

Class	Rule 144A Global		Regulation S Global		
	CUSIP	ISIN	Common Code	CUSIP	ISIN
Class A-1 Notes	44987E AA2	US44987EAA29	100409330	G47790 AA1	USG47790AA13
Class A-2 Notes	44987E AC8	US44987EAC84	100409372	G47790 AB9	USG47790AB95
Class B Notes	44987E AG9	US44987EAG98	100409500	G47790 AD5	USG47790AD51
Class C Notes	44987E AJ3	US44987EAJ38	100409569	G47790 AE3	USG47790AE35
Class D Notes	44987F AA9	US44987FAA93	100410044	G4778N AA2	USG4778NAA21
Class E Notes	44987F AC5	US44987FAC59	100410214	G4778N AB0	USG4778NAB04
Subordinated Notes	44987F AE1	US44987FAE16	100410389	G4778N AC8	USG4778NAC86

8. For each calendar month, except a month in which a Payment Date occurs, the Issuer will compile and make available (or cause to be compiled and made available) (including, at the election of the Issuer, via appropriate electronic means acceptable to the recipient) to any Holder in the Register upon written request a monthly report (each a "**Monthly Report**"). The Monthly Report will set out, among other things, information relating to Collateral Obligations and Eligible Investments included in the Assets and certain tests (based, in part, on information provided by the Investment Manager). Furthermore, the Issuer will (or will cause the Collateral Administrator to) prepare a report (each a "**Distribution Report**"), determined as of the close of business on each Determination Date preceding a Payment Date, and make available such Distribution Report (including, at the election of the Issuer, via appropriate electronic means acceptable to the recipient), to any Holder on the Register upon written request information including, among other things, information relating to the Note balances.

The Issuer will agree that for so long as any Secured Notes remain Outstanding there will at all times be a Collateral Administrator which will not control, be controlled by or be under common control with the Issuer or its affiliates or the Investment Manager or its affiliates. The Collateral Administrator may be removed by the Issuer or the Investment Manager, on behalf of the Issuer, at any time. If the Collateral Administrator is unable or unwilling to act as such or is removed by the Issuer or the Investment Manager, on behalf of the Issuer, the Issuer or the Investment Manager, on behalf of the Issuer, will be required to appoint promptly a replacement Collateral Administrator which does not control and is not controlled by or under common control with the Issuer, the Investment Manager or their respective affiliates. In addition, for so long as any Securities are listed on the Irish Stock Exchange and the guidelines of such exchange so require, notice of the appointment of any replacement Collateral Administrator will be sent to the Irish Stock Exchange.

LEGAL MATTERS

Certain legal matters with respect to the Securities will be passed upon for the Investment Manager by internal counsel. Certain legal matters with respect to Cayman Islands law will be passed upon for the Issuer by Maples and Calder. Certain legal matters with respect to the Securities will be passed upon for the Co-Issuers and the Initial Purchaser by Cleary Gottlieb Steen & Hamilton LLP.

GLOSSARY OF DEFINED TERMS

"**Adjusted Collateral Principal Amount**" means as of any date of determination:

(a) the Aggregate Principal Balance of the Collateral Obligations, excluding (i) Defaulted Obligations, (ii) Discount Obligations and (iii) Collateral Obligations that mature after the Stated Maturity of the Notes; *plus*

(b) without duplication, amounts (including Eligible Investments) on deposit (i) in the Collection Account and (ii) in the Ramp-Up Account, in each case representing Principal Proceeds; *plus*

(c) for all Defaulted Obligations that have been Defaulted Obligations for less than three years, the lesser of (i) the S&P Collateral Value thereof and (ii) the Moody's Collateral Value thereof; *plus*

(d) with respect to each Discount Obligation, its Discount Obligation Principal Balance; *minus*

(e) the Excess CCC/Caa Adjustment Amount; *plus*

(f) with respect to Collateral Obligations that mature after the Stated Maturity of the Notes, 70% of the Aggregate Principal Balance of such Collateral Obligations;

provided, that any Collateral Obligation that would be subject to more than one of the definitions under clauses (c) through (f) above will, for the purposes of this definition, be treated as belonging to the category of Collateral Obligations which results in the lowest Adjusted Collateral Principal Amount on any date of determination; *provided*, *further* that with respect to any Tax Subsidiary Asset held by a Tax Subsidiary, for purposes of this definition and the calculation of any Overcollateralization Ratio, such Tax Subsidiary Asset will be treated in the same manner as if it were held directly by the Issuer. For the avoidance of doubt, (x) the value of equity warrants attached to any Collateral Obligation will not constitute part of the Principal Balance thereof for purposes of this definition and (y) the Issuer cannot purchase Collateral Obligations that mature after the Stated Maturity of the Notes.

"**Administrative Expense Cap**" means, an amount equal on any Payment Date (when taken together with any Administrative Expenses paid in the order of priority contained in the definition thereof during the period since the preceding Payment Date or, in the case of the first Payment Date, the Closing Date) to the sum of (a) 0.02% *per annum* (prorated for the related Interest Accrual Period on the basis of a 360-day year and the actual number of days elapsed) of the Fee Basis Amount on the Determination Date relating to the immediately preceding Payment Date (or, for purposes of calculating this clause (a) in connection with the first Payment Date, on the Closing Date) and (b) $200,000 *per annum* (prorated for the related Interest Accrual Period on the basis of a 360-day year comprised of twelve 30-day months); *provided* that (i) if the amount of Administrative Expenses paid pursuant to clause (A) of the Priority of Interest Proceeds (including any excess applied in accordance with this proviso) on the three immediately preceding Payment Dates or during the related Collection Periods is less than the stated Administrative Expense Cap (without regard to any excess applied in accordance with this proviso) in the aggregate for such three preceding Payment Dates, the excess may be applied to the Administrative Expense Cap with respect to the then-current Payment Date; (ii) in respect of each of the first three Payment Dates from the Closing Date, such excess amount will be calculated based on the Payment Dates, if any, preceding such Payment Date; and (iii) after giving effect to the application of such excess amount on any Payment Date pursuant to the preceding proviso, sufficient Interest Proceeds remain for the payment of accrued interest on the Class A-1 Notes and Class A-2 Notes due and payable on such Payment Date (after giving effect to any other payments required to be made on such date prior to such interest payments in accordance with the Priority of Payments).

"**Administrative Expenses**" include fees, expenses (including indemnities) and other amounts due or accrued with respect to any Payment Date and payable in the following order by the Issuer or the Co-Issuer

first, to make any capital contribution to a Tax Subsidiary necessary to pay any taxes or governmental fees or registered office fees owing by such Tax Subsidiary,

second, to the Trustee for its fees and expenses (including indemnities) in each of its capacities pursuant to the Indenture,

third, to the Collateral Administrator for its fees and expenses (including indemnities) under the Collateral Administration Agreement, and then

fourth, on a *pro rata basis* to:

(a) the independent accountants, agents (other than the Investment Manager) and counsel of the Issuer for fees and expenses;

(b) the Rating Agencies for fees and expenses (including surveillance fees) in connection with any rating of the Securities or in connection with the rating of (or provision of credit estimates in respect of) any Collateral Obligations;

(c) the Investment Manager under the Indenture and the Investment Management Agreement, including without limitation reasonable expenses of the Investment Manager (including (x) actual fees incurred and paid by the Investment Manager for its accountants, agents, counsel and administration and (y) out-of-pocket travel and other miscellaneous expenses incurred and paid by the Investment Manager in connection with the Investment Manager's management of the Collateral Obligations (including without limitation expenses related to the workout of Collateral Obligations), which will be allocated among the Issuer and other clients of the Investment Manager to the extent such expenses are incurred in connection with the Investment Manager's activities on behalf of the Issuer and such other clients) actually incurred and paid in connection with the purchase or sale of any Collateral Obligations, any other expenses actually incurred and paid in connection with the Collateral Obligations pursuant to the Investment Management Agreement but excluding the Management Fees;

(d) the Administrator pursuant to the Administration Agreement and the Registered Office Agreement; and

(e) any other Person in respect of any other fees or expenses permitted under the Indenture and the documents delivered pursuant to or in connection with the Indenture (including expenses incurred in connection with setting up and administering Tax Subsidiaries, the payment of facility rating fees, FATCA Compliance Costs and all legal and other fees and expenses incurred in connection with the purchase or sale of any Collateral Obligations and any other expenses incurred in connection with the Collateral Obligations including any Excepted Advances) and the Securities, including but not limited to, amounts owed to the Co-Issuer pursuant to the Indenture and any amounts due in respect of the listing of the Securities on any stock exchange or trading system, any costs associated with producing Certificated Securities;

provided that (x) amounts due in respect of actions taken on or before the Closing Date will not be payable as Administrative Expenses but will be payable only from the Expense Reserve Account pursuant to the Indenture, (y) for the avoidance of doubt, amounts that are specified as payable under the Priority of Payments that are not specifically identified therein as Administrative Expenses (including, without limitation, interest and principal in respect of the Notes and amounts owing to Hedge Counterparties) will not constitute Administrative Expenses and (z) the Investment Manager may direct the payment of Rating Agency fees (only out of amounts available pursuant to clause (b) of the definition of Administrative Expense Cap) other than in the order required above if, in the Investment Manager's commercially reasonable judgment, such payments are necessary to avoid the withdrawal of any currently assigned rating on any Outstanding Class of Secured Notes.

"**Affiliate**" means, with respect to a Person, (a) any other Person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such Person or (b) any other Person who is a director, officer or employee (i) of such Person, (ii) of any subsidiary or parent company of such Person or (iii) of any Person described in clause (a) above; *provided*, that neither the Administrator nor any special purpose entity for which it acts as share trustee or administrator will be deemed to be an Affiliate of the Issuer or the Co-Issuer solely because the Administrator or any of its Affiliates serves as administrator or share trustee for the Issuer or the Co-Issuer. For the purposes of this definition, control of a Person means the power, direct or indirect, (x) to vote more than 50% of the securities having ordinary voting power for the election of directors of any such Person or (y) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise; *provided* that no special

purpose company to which the Investment Manager provides investment advisory services will be considered an Affiliate of the Investment Manager, *provided*, *further*, that no entity to which the Administrator provides share trustee and/or administration services, including the provision of directors, will be considered to be an Affiliate of the Issuer solely by reason thereof.

"**Aggregate Outstanding Amount**" means, with respect to Notes as of any date, the aggregate principal amount of such Notes Outstanding on such date.

"**Aggregate Principal Balance**" means, when used with respect to all or a portion of the Collateral Obligations or the Pledged Obligations, the sum of the Principal Balances of all or of such portion of the Collateral Obligations or Pledged Obligations, respectively.

"**Aggregate Ramp-Up Par Amount**" means an amount equal to $500,000,000.

"**Aggregate Ramp-Up Par Condition**" means a condition satisfied as of the Effective Date if the Issuer has purchased, or entered into binding commitments to purchase, Collateral Obligations, including Collateral Obligations acquired by the Issuer on or prior to the Closing Date together with Eligible Investments constituting Principal Proceeds (other than Principal Proceeds in the Ramp-Up Account or the Collection Account that have been or will be designated as Interest Proceeds after the Effective Date and on or prior to the first Determination Date), having an Aggregate Principal Balance that in the aggregate equals or exceeds the Aggregate Ramp-Up Par Amount; *provided*, that the Principal Balance of any Defaulted Obligation will be the lower of its S&P Collateral Value and its Moody's Collateral Value.

"**Applicable Advance Rate**" means, for each Collateral Obligation and for the applicable number of Business Days between the certification date for a sale or participation connection with a Redemption by Liquidation and the expected date of such sale or participation, the percentage specified below:

	Same Day	**1-2 days**	**3-5 days**	**6-15 days**
Senior Secured Loans with a Market Value of:				
90% or more	100%	93%	92%	88%
below 90%	100%	80%	73%	60%
Other Collateral Obligations with an S&P Rating of at least "B", a Moody's Rating of at least "B3" and a Market Value of 90% or more	100%	89%	85%	75%
All other Collateral Obligations	100%	75%	65%	45%

"**Asset Quality Matrix**" means the following chart:

	Minimum Diversity Score									
Minimum Weighted Average Spread	**40**	**45**	**50**	**55**	**60**	**65**	**70**	**75**	**80**	**85**
2.00%	2060	2135	2210	2265	2320	2365	2410	2445	2480	2510
2.10%	2070	2140	2210	2270	2330	2375	2420	2455	2490	2520
2.20%	2090	2165	2240	2300	2360	2405	2450	2485	2520	2550
2.30%	2120	2195	2270	2330	2390	2435	2480	2515	2550	2580
2.40%	2150	2225	2300	2360	2420	2465	2510	2545	2580	2610
2.50%	2180	2255	2330	2390	2450	2495	2540	2575	2610	2640
2.60%	2210	2285	2360	2420	2480	2525	2570	2605	2640	2670
2.70%	2230	2310	2390	2450	2510	2555	2600	2635	2670	2700
2.80%	2260	2340	2420	2480	2540	2585	2630	2665	2700	2730
2.90%	2290	2370	2450	2510	2570	2615	2660	2695	2730	2760
3.00%	2320	2400	2480	2535	2590	2640	2690	2725	2760	2790
3.10%	2350	2430	2510	2565	2620	2665	2710	2750	2790	2820
3.20%	2370	2450	2530	2590	2650	2695	2740	2780	2820	2850

	Minimum Diversity Score									
Minimum Weighted Average Spread	**40**	**45**	**50**	**55**	**60**	**65**	**70**	**75**	**80**	**85**
3.30%	2400	2490	2560	2620	2680	2725	2770	2810	2850	2880
3.40%	2430	2510	2590	2650	2710	2755	2800	2835	2870	2900
3.50%	2450	2540	2620	2680	2730	2775	2820	2860	2900	2930
3.60%	2480	2570	2640	2710	2760	2805	2850	2890	2930	2960
3.70%	2500	2590	2670	2730	2790	2835	2880	2915	2950	2990
3.80%	2530	2620	2700	2760	2820	2865	2910	2945	2980	3010
3.90%	2560	2640	2720	2780	2840	2885	2930	2970	3010	3040
4.00%	2580	2670	2740	2810	2860	2910	2960	2995	3030	3070
4.10%	2610	2700	2770	2840	2900	2945	2990	3025	3060	3090
4.20%	2630	2720	2800	2860	2920	2965	3010	3050	3090	3120
4.30%	2660	2750	2830	2890	2940	2990	3040	3075	3110	3140
4.40%	2690	2770	2850	2920	2970	3015	3060	3100	3140	3170
4.50%	2710	2790	2870	2935	3000	3045	3090	3130	3170	3200
4.60%	2730	2815	2900	2965	3030	3075	3120	3155	3190	3220
4.70%	2760	2845	2930	2990	3050	3095	3140	3180	3220	3240
4.80%	2780	2870	2960	3015	3070	3120	3170	3205	3240	3270
4.90%	2810	2895	2980	3040	3100	3145	3190	3230	3270	3300
5.00%	2840	2920	3000	3060	3120	3170	3220	3255	3290	3320
5.10%	2860	2940	3020	3085	3150	3195	3240	3275	3310	3350
5.20%	2880	2965	3050	3110	3170	3220	3270	3305	3340	3370
5.30%	2910	2995	3080	3140	3200	3245	3290	3325	3360	3390
5.40%	2930	3015	3100	3160	3220	3265	3310	3350	3390	3420
5.50%	2950	3035	3120	3185	3250	3295	3340	3375	3410	3440
	Maximum Moody's Weighted Average Rating Factor									

"**Asset Quality Matrix Combination**" means the applicable row/column combination of the Asset Quality Matrix chosen by the Investment Manager with notice to the Collateral Administrator (or the linear interpolation between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture.

"**Assigned Moody's Rating**" means the monitored publicly available rating or the estimated rating expressly assigned to a debt obligation (or facility) by Moody's that addresses the full amount of the principal and interest promised.

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

"**Bank**" means State Street Bank and Trust Company (including any organization or entity succeeding to all or substantially all of its corporate trust business, in its individual capacity and not as Trustee, and any successor thereto.

"**Bankruptcy Event**" means either (a) the entry of a decree or order by a court having competent jurisdiction adjudging the Issuer or the Co-Issuer as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Issuer or the Co-Issuer under the Bankruptcy Law or any other applicable law, or appointing a receiver, liquidator, assignee, or sequestrator (or other similar official) of the Issuer or the Co-Issuer or of any substantial part of its property, respectively, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order unstayed and in effect for a

period of 60 consecutive days; or (b) the institution by the shareholders of the Issuer or the Co-Issuer of proceedings to have the Issuer or Co-Issuer, as the case may be, adjudicated as bankrupt or insolvent, or the consent by the shareholders of the Issuer or the Co-Issuer to the institution of bankruptcy or insolvency proceedings against the Issuer or Co-Issuer, or the filing by the Issuer or the Co-Issuer of a petition or answer or consent seeking reorganization or relief under the Bankruptcy Law or any other similar applicable law, or the consent by the Issuer or the Co-Issuer to the filing of any such petition or to the appointment in a proceeding of a receiver, liquidator, assignee, trustee or sequestrator (or other similar official) of the Issuer or the Co-Issuer or of any substantial part of its property, respectively, or the making by the Issuer or the Co-Issuer of an assignment for the benefit of creditors, or the admission by the Issuer or the Co-Issuer in writing of its inability to pay its debts generally as they become due, or the taking of any action by the Issuer or the Co-Issuer in furtherance of any such action.

"**Bankruptcy Law**" means the federal Bankruptcy Code, Title 11 of the United States Code, as amended from time to time, Part V of the Companies Law (2013 Revision) of the Cayman Islands, as amended from time to time, the Bankruptcy Law (1997 Revision) of the Cayman Islands, as amended from time to time, and the Foreign Bankruptcy Proceedings (International Cooperation) Rules 2008 of the Cayman Islands, as amended from time to time.

"**Bridge Loan**" means any obligation or debt security incurred or issued in connection with a merger, acquisition, consolidation, sale of all or substantially all of the assets of a person or entity, restructuring or similar transaction, which obligation or security by its terms is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings (other than any additional borrowing or refinancing if one or more financial institutions has provided the issuer of such obligation or security with a binding written commitment to provide the same, so long as (i) such commitment is equal to the outstanding principal amount of the Bridge Loan and (ii) such committed replacement facility has a maturity of at least one year and cannot be extended beyond such one year maturity pursuant to the terms thereof).

"**Business Day**" means any day other than (a) a Saturday or a Sunday or (b) a day on which commercial banks are authorized or required by applicable law, regulation or executive order to close in New York, New York or in the city in which the principal corporate trust office of the Trustee is located or, for any final payment of principal, in the relevant place of presentation. Except as otherwise expressly provided herein, any reference to a date that is not a Business Day will be deemed to refer to the next succeeding Business Day.

"**Caa Collateral Obligation**" means a Collateral Obligation (other than a Defaulted Obligation) with a Moody's Rating of "Caa1" or lower.

"**CCC Collateral Obligation**" means a Collateral Obligation (other than a Defaulted Obligation) with an S&P Rating of "CCC+" or lower.

"**CCC/Caa Excess**" means the excess, if any, of (a) the greater of (i) the Aggregate Principal Balance of all Collateral Obligations that are Caa Collateral Obligations or (ii) the Aggregate Principal Balance of all Collateral Obligations that are CCC Collateral Obligations, over (b) 7.5% of the Collateral Principal Amount as of the current Determination Date; *provided* that in determining which of the Collateral Obligations will be included in the CCC/Caa Excess, the Collateral Obligations with the lowest price (expressed as a percentage of par) as determined pursuant to clauses (a) through (d) of the definition of Market Value shall be deemed to constitute such CCC/Caa Excess.

"**Class**" means, in the case of (a) the Secured Notes, all of the Secured Notes having the same Interest Rate, Stated Maturity and designation and (b) the Subordinated Notes, all of the Subordinated Notes. For the purpose of exercising any rights to consent, give direction or otherwise vote, Class A Notes will be treated as a single class except as expressly provided herein.

"**Class A Notes**" means the Class A-1 Notes and the Class A-2 Notes.

"**Class A-1 Notes**" means the Class A-1 Floating Rate Notes issued pursuant to the Indenture.

"**Class A-2 Notes**" means the Class A-2 Floating Rate Notes issued pursuant to the Indenture.

"**Class B Notes**" means the Class B Floating Rate Notes issued pursuant to the Indenture.

"**Class Break-even Default Rate**" means, respect to each Class of Secured Notes, the maximum percentage of defaults, as determined at any time through application of the S&P CDO Monitor that is applicable to the portfolio of Collateral Obligations, that the Current Portfolio or the Proposed Portfolio, as applicable, can sustain, which, after giving effect to assumptions on recoveries, defaults and timing and to the Priority of Payments, will result in sufficient funds remaining for the payment of such Class or Classes of Notes in full.

"**Class C Notes**" means the Class C Deferrable Floating Rate Notes issued pursuant to the Indenture.

"**Class D Notes**" means the Class D Deferrable Floating Rate Notes issued pursuant to the Indenture.

"**Class Default Differential**" means, with respect to each Class of Secured Notes, at any time, the rate calculated by subtracting the Class Scenario Default Rate for such Class at such time from the Class Break-even Default Rate for such Class or Classes of Notes at such time.

"**Class E Notes**" means the Class E Deferrable Floating Rate Notes issued pursuant to the Indenture.

"**Class Scenario Default Rate**" means, with respect to each Class of Secured Notes at any time, an estimate of the cumulative default rate for the Current Portfolio or the Proposed Portfolio, as applicable, consistent with S&P's initial rating of such Class or Classes of Notes, determined by application by the Investment Manager and the Collateral Administrator of the S&P CDO Monitor at such time.

"**Clearstream**" means Clearstream Banking, société anonymé.

"**Closing Date**" means December 12, 2013.

"**Code**" means the United States Internal Revenue Code of 1986, as amended.

"**Collateral Administration Agreement**" means an agreement dated as of the Closing Date among the Issuer, the Investment Manager and the Collateral Administrator, as amended from time to time.

"**Collateral Interest Amount**" means, as of any date of determination, without duplication, the aggregate amount of Interest Proceeds that has been received or that is expected to be received in cash (other than Interest Proceeds expected to be received from Defaulted Obligations but including Interest Proceeds actually received from Defaulted Obligations, in accordance with the definition of "Interest Proceeds"), in each case during the Collection Period (and, if such Collection Period does not end on a Business Day, the next succeeding Business Day) in which such date of determination occurs (or after such Collection Period but on or prior to the related Payment Date if such Interest Proceeds would be treated as Interest Proceeds with respect to such Collection Period).

"**Collateral Principal Amount**" means, as of any date of determination, the sum of (a) the Aggregate Principal Balance of the Collateral Obligations, including the funded and unfunded balance on any Revolving Collateral Obligation and Delayed Drawdown Collateral Obligation, and (b) without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds.

"**Cov-Lite Loan**" means a loan that:

(a) does not contain any financial covenants, or

(b) (i) requires the borrower to comply with one or more financial covenants only upon the occurrence of certain actions of the borrower as identified in the Underlying Instrument (including, but not limited to, a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture), but

(ii) does not require the borrower to comply with one or more financial covenants during each reporting period, without regard to whether it has taken any specified action.

"**Credit Improved Obligation**" means,

(a) so long as a Restricted Trading Period is not in effect, any Collateral Obligation that in the Investment Manager's commercially reasonable business judgment has significantly improved in credit quality from the condition of its credit at the time of purchase which judgment may (but need not) be based on one or more of the following facts:

(i) it has a market price that is greater than the price that is warranted by its terms and credit characteristics, or improved in credit quality since its acquisition by the Issuer;

(ii) the issuer of such Collateral Obligation has shown improved financial results since the published financial reports first produced after it was purchased by the Issuer;

(iii) the obligor of such Collateral Obligation since the date on which such Collateral Obligation was purchased by the Issuer has raised significant equity capital or has raised other capital that has improved the liquidity or credit standing of such obligor; or

(iv) with respect to which one or more of the following criteria applies:

(A) such Collateral Obligation has been upgraded or put on a watch list for possible upgrade by either of the Rating Agencies since the date on which such Collateral Obligation was acquired by the Issuer;

(B) if such Collateral Obligation is a loan or a bond, the Disposition Proceeds (excluding Disposition Proceeds that constitute Interest Proceeds) of such loan or bond would be at least 101% of its purchase price;

(C) if such Collateral Obligation is a loan, the price of such loan has changed during the period from the date on which it was acquired by the Issuer to the proposed sale date by a percentage either at least 0.25% more positive, or 0.25% less negative, as the case may be, than the percentage change in the average price of the applicable Eligible Loan Index over the same period;

(D) if such Collateral Obligation is a floating rate note, the price of such note changed during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either at least 0.50% more positive, or at least 0.50% less negative, as the case may be, than the percentage change in the average price of the applicable Eligible Loan Index over the same period;

(E) if such Collateral Obligation is a bond, the price of such bond has changed during the period from the date on which it was acquired by the Issuer to the proposed sale date by a percentage either at least 1.0% more positive or at least 1.0% less negative than the percentage change in the Eligible Bond Index over the same period;

(F) if such Collateral Obligation is a loan, the spread over the applicable reference rate for such Collateral Obligation has been decreased in accordance with the underlying Collateral Obligation since the date of acquisition by (1) 0.25% or more (in the case of a loan with a spread (prior to such decrease) less than or equal to 2.00%), (2) 0.375% or more (in the case of a loan with a spread (prior to such decrease) greater than 2.00% but less than or equal to 4.00%) or (3) 0.50% or more (in the case of a loan with a spread (prior to such decrease) greater than 4.00%) due, in each case, to an improvement in the related borrower's financial ratios or financial results; or

(G) with respect to fixed-rate Collateral Obligations, there has been a decrease in the difference between its yield compared to the yield on the relevant United States Treasury security of more than 7.5% since the date of purchase; or (h) it has a

projected cash flow interest coverage ratio (earnings before interest and taxes *divided by* cash interest expense as estimated by the Investment Manager) of the underlying borrower or other obligor of such Collateral Obligation that is expected to be more than 1.15 times the current year's projected cash flow interest coverage ratio; or

(b) if a Restricted Trading Period is in effect, any Collateral Obligation:

(i) that in the Investment Manager's commercially reasonable business judgment has significantly improved in credit quality from the condition of its credit at the time of purchase and with respect to which one or more of the criteria referred to in clause (a)(iv) above applies; or

(ii) with respect to which a Majority of the Controlling Class vote to treat such Collateral Obligation as a Credit Improved Obligation.

"**Credit Risk Obligation**" means (a) so long as a Restricted Trading Period is not in effect, any Collateral Obligation that in the Investment Manager's commercially reasonable business judgment has a significant risk of declining in credit quality or market value, or (b) if a Restricted Trading Period is in effect:

(a) any Collateral Obligation as to which one or more of the following criteria applies:

(i) such Collateral Obligation has been downgraded or put on a watch list for possible downgrade by either of the Rating Agencies since the date on which such Collateral Obligation was acquired by the Issuer;

(ii) if such Collateral Obligation is a loan, the price of such loan has changed during the period from the date on which it was acquired by the Issuer to the proposed sale date by a percentage either at least 0.25% more negative, or at least 0.25% less positive, as the case may be, than the percentage change in the average price of an Eligible Loan Index;

(iii) if such Collateral Obligation is a loan or bond, the Market Value of such Collateral Obligation has decreased by at least 1.00% of the price paid by the Issuer for such Collateral Obligation;

(iv) if such Collateral Obligation is a bond, the price of such bond has changed during the period from the date on which it was acquired by the Issuer to the proposed sale date by a percentage either at least 1.0% more negative or at least 1.0% less positive than the percentage change in the Eligible Bond Index over the same period;

(v) if such Collateral Obligation is a loan or floating rate note, (A) the spread over the applicable reference rate for such Collateral Obligation has been increased in accordance with the underlying Collateral Obligation since the date of acquisition by (1) 0.25% or more (in the case of a loan with a spread (prior to such increase) less than or equal to 2.00%), (2) 0.375% or more (in the case of a loan with a spread (prior to such increase) greater than 2.00% but less than or equal to 4.00%) or (3) 0.50% or more (in the case of a loan with a spread (prior to such increase) greater than 4.00%) due, in each case, to a deterioration in the related borrower's financial ratios or financial results;

(vi) such Collateral Obligation has a projected cash flow interest coverage ratio (earnings before interest and taxes *divided by* cash interest expense as estimated by the Investment Manager) of the underlying borrower or other obligor of such Collateral Obligation of less than 1.00 or that is expected to be less than 0.85 times the current year's projected cash flow interest coverage ratio; or

(vii) with respect to fixed-rate Collateral Obligations, an increase since the date of purchase of more than 7.5% in the difference between the yield on such Collateral Obligation and the yield on the relevant United States Treasury security; or

(b) with respect to which a Majority of the Controlling Class consents to treat such Collateral Obligation as a Credit Risk Obligation.

"**Current Pay Obligation**" means any Collateral Obligation (other than a DIP Collateral Obligation) that

(a) would otherwise be a Defaulted Obligation but for the exclusion of Current Pay Obligations from the definition of Defaulted Obligation pursuant to the proviso at the end of such definition;

(b) (i)(x) if the issuer of such Collateral Obligation is subject to a bankruptcy proceeding, the relevant court has authorized the issuer to make payments of principal, interest or commitment fees on such Collateral Obligation and no such payments that are due and payable are unpaid and (y) otherwise, no other payments authorized by such relevant court are due and payable and are unpaid and (ii) is not past due with respect to any payments of principal, interest or commitment fees and for which the Investment Manager reasonably believes all such amounts will continue to be current as they become contractually due;

(c) has a Market Value of at least 80% of its par value;

(d) satisfies the S&P Additional Current Pay Criteria; and

(e) for so long as Moody's is a Rating Agency in respect of any Class of Secured Notes, such Collateral Obligation has a facility rating from Moody's of either (i) at least "Caa1" (and if "Caa1," not on watch for downgrade) and its Market Value is at least 80% of its par value or (ii) at least "Caa2" (and if "Caa2," not on watch for downgrade) and its Market Value is at least 85% of its par value (*provided*, that for purposes of this definition, with respect to a Collateral Obligation already owned by the Issuer whose facility rating from Moody's is withdrawn after the Issuer's acquisition thereof, the facility rating will be the last outstanding facility rating before the withdrawal);

provided, *however,* that to the extent the Principal Balance of all Collateral Obligations that would otherwise be Current Pay Obligations exceeds 7.5% in Aggregate Principal Balance of the Current Portfolio, such excess over 7.5% will constitute Defaulted Obligations; and *provided, further,* that in determining which of the Collateral Obligations will be included in such excess, the Collateral Obligations with the lowest Market Value expressed as a percentage will be deemed to constitute such excess; *provided*, *further,* that each such Collateral Obligation included in such excess will be treated as a Defaulted Obligation for all purposes until such time as the Aggregate Principal Balance of Collateral Obligations that would otherwise be Current Pay Obligations would not exceed, on a pro forma basis including such Defaulted Obligation, 7.5% in Aggregate Principal Balance of the Current Portfolio.

"**Current Portfolio**" means, at any time, the portfolio of Collateral Obligations and Eligible Investments, representing Principal Proceeds (determined in accordance with certain assumptions included in the Indenture), then held by the Issuer.

"**Defaulted Obligation**" means any Collateral Obligation included in the Assets as to which:

(a) a default as to the payment of principal and/or interest has occurred and is continuing with respect to such debt obligation (without regard to any grace period applicable thereto, or waiver thereof, after the passage (in the case of a default that in the Investment Manager's judgment, as certified to the Trustee in writing, is not due to credit-related causes) of a three Business Day grace period);

(b) a default as to the payment of principal and/or interest has occurred and is continuing on another debt obligation of the same issuer which is senior or pari passu in right of payment to such debt obligation (*provided* that both debt obligations are full recourse obligations);

(c) the issuer or others have instituted proceedings to have the issuer adjudicated as bankrupt or insolvent or placed into receivership and such proceedings have not been stayed or dismissed or such issuer has filed for protection under Chapter 11 of the United States Bankruptcy Code;

(d) such Collateral Obligation has (x) an S&P Rating of "CC" or below, (y) an S&P Rating of "D" or "SD" or (z) an obligor with a Moody's probability of default rating (as published by Moody's) of "D" or "LD" or, in each case, had such ratings before they were withdrawn by S&P or Moody's, as applicable;

(e) such Collateral Obligation is pari passu or junior in right of payment as to the payment of principal and/or interest to another debt obligation of the same issuer which has (i) (x) an S&P Rating of "CC" or below or

"D" or (y) an S&P Rating of "SD" or had such rating before such rating was withdrawn, or (ii) an obligor with a Moody's probability of default rating (as published by Moody's) of "D" or "LD," and in each case such other debt obligation remains outstanding (*provided* that both the Collateral Obligation and such other debt obligation are full recourse obligations of the applicable issuer);

(f) the Investment Manager has received written notice or has knowledge that a default has occurred under the Underlying Instruments and any applicable grace period has expired such that the holders of such Collateral Obligation may accelerate the repayment of such Collateral Obligation (but only until such default is cured or waived) in the manner provided in the Underlying Instruments;

(g) the Investment Manager has in its reasonable commercial judgment otherwise declared such debt obligation to be a Defaulted Obligation;

(h) such Collateral Obligation is a Participation Interest with respect to which the Selling Institution has defaulted in the performance of any of its payment obligations under the Participation Interest (except to the extent such defaults were cured within the applicable grace period under the Underlying Instruments of the obligor thereof);

(i) such Collateral Obligation is a Participation Interest in a loan that would, if such loan were a Collateral Obligation, constitute a "Defaulted Obligation" (other than under this clause (i)) or with respect to which the Selling Institution has an S&P Rating of "CC" or below, "D" or "SD" or a Moody's probability of default rating (as published by Moody's) of "D" or "LD" or had such rating before such rating was withdrawn;

(j) a Distressed Exchange has occurred in connection with such Collateral Obligation; or

(k) such Collateral Obligation is a Deferring Security;

provided, that a Collateral Obligation will not constitute a Defaulted Obligation pursuant to clauses (a) through (f) and (j) above if: (x) in the case of clauses (a), (b), (c), (d), (e) and (j), such Collateral Obligation is a Current Pay Obligation, or (y) in the case of clauses (b), (c) and (e), such Collateral Obligation is a DIP Collateral Obligation.

"**Deferrable Security**" means a Collateral Obligation (other than a Partial Deferring Security) which by its terms permits the deferral or capitalization of payment of accrued, unpaid interest.

"**Deferring Security**" means a Deferrable Security that is deferring the payment of interest due thereon and has been so deferring the payment of interest due thereon (a) with respect to Collateral Obligations that have a Moody's Rating of at least "Baa3," for the shorter of two consecutive accrual periods or one year, and (b) with respect to Collateral Obligations that have a Moody's Rating of "Ba1" or below, for the shorter of one accrual period or six consecutive months, which deferred capitalized interest has not, as of the date of determination, been paid in cash; *provided, however*, that such Deferrable Security will cease to be a Deferring Security at such time as it (i) ceases to defer or capitalize the payment of interest, (ii) pays in cash all accrued and unpaid interest, including all deferred amounts, and (iii) commences payment of all current interest in cash.

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

"**Determination Date**" means the last day of each Collection Period.

"**DIP Collateral Obligation**" means any interest in a loan or financing facility that has a public or private facility rating from Moody's and S&P and is purchased directly or by way of assignment (a) which is an obligation of (i) a debtor-in-possession as described in §1107 of the Bankruptcy Code or (ii) a trustee if appointment of such trustee has been ordered pursuant to §1104 of the Bankruptcy Code (in either such case, a "**Debtor**") organized under the laws of the United States or any state therein, or (b) on which the related obligor is required to pay interest on a

current basis and, with respect to either clause (a) or (b) above, the terms of which have been approved by an order of the United States Bankruptcy Court, the United States District Court, or any other court of competent jurisdiction, the enforceability of which order is not subject to any pending contested matter or proceeding (as such terms are defined in the Federal Rules of Bankruptcy Procedure) and which order provides that: (i) (A) such DIP Collateral Obligation is fully secured by liens on the Debtor's otherwise unencumbered assets pursuant to §364(c)(2) of the Bankruptcy Code or (B) such DIP Collateral Obligation is secured by liens of equal or senior priority on property of the Debtor's estate that is otherwise subject to a lien pursuant to §364(d) of the Bankruptcy Code and (ii) such DIP Collateral Obligation is fully secured based upon a current valuation or appraisal report. Notwithstanding the foregoing, such a loan will not be deemed to be a DIP Collateral Obligation following the emergence of the related debtor-in-possession from bankruptcy protection under Chapter 11 of the Bankruptcy Code.

"**Discount Obligation**" means any Collateral Obligation forming part of the Assets which was purchased (as determined without averaging prices of purchases on different dates) for less than

(a) 80.0% of its principal balance, if such Collateral Obligation has (at the time of the purchase) a Moody's Rating of "B3" or higher, or

(b) 85.0% of its principal balance, if such Collateral Obligation has (at the time of the purchase) a Moody's Rating of "Caa1" or lower;

provided that:

(x) such Collateral Obligation will cease to be a Discount Obligation at such time as the Market Value (expressed as a percentage of the par amount of such Collateral Obligation) determined for such Collateral Obligation on each day during any period of 22 consecutive Business Days since the acquisition by the Issuer of such Collateral Obligation, equals or exceeds 90.0% on each such day;

(y) any Collateral Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the proceeds of sale of a Collateral Obligation that was not a Discount Obligation at the time of its purchase, so long as such purchased Collateral Obligation

(A) is purchased or committed to be purchased within five Business Days of such sale,

(B) is purchased at a purchase price (expressed as a percentage of the par amount of such Collateral Obligation) equal to or greater than the sale price of the sold Collateral Obligation,

(C) is purchased at a purchase price (expressed as a percentage of the par amount of such Collateral Obligation) not less than 65%, and

(D) has a Moody's Default Probability Rating equal to or greater than the Moody's Default Probability Rating of the sold Collateral Obligation, will not be considered to be a Discount Obligation;

provided that the provisions of this clause (y) will not apply to any such Collateral Obligation at any time on or after the acquisition by the Issuer of such Collateral Obligation if, as determined at the time of such acquisition, such application would result in Aggregate Principal Balance of Collateral Obligations to which this clause (y) has been applied since the Closing Date exceeding 10% of the Aggregate Ramp-Up Par Amount.

"**Discount Obligation Principal Balance**" means, with respect to each Discount Obligation, the product (expressed as a dollar amount) of (i) the purchase price of such Discount Obligation (excluding accrued interest and any syndication or upfront fees paid to the Issuer, but including, at the discretion of the Investment Manager, the amount of any related transaction costs (including assignment fees) paid by the Issuer to the seller of the Collateral Obligation of its agent) expressed as a percentage of par *multiplied by* (ii) the principal balance of such Discount Obligation

"**Disposition Proceeds**" means proceeds received with respect to sales of Collateral Obligations, Eligible Investments and Equity Securities and the termination of any Hedge Agreement, in each case, net of reasonable out-of-pocket expenses and disposition costs in connection with such sales.

"**Dissolution Expenses**" means the amount of expenses reasonably likely to be incurred in connection with the discharge of the Indenture, the liquidation of the Assets and the dissolution of the Co-Issuers, as reasonably certified by the Investment Manager or the Issuer, based in part on expenses incurred by the Trustee and reported to the Investment Manager.

"**Distressed Exchange**" means, in connection with any Collateral Obligation, a distressed exchange or other debt restructuring has occurred, as reasonably determined by the Investment Manager, pursuant to which the issuer or obligor of such Collateral Obligation has issued to the holders of such Collateral Obligation a new security or package of securities or obligations that, in the sole judgment of the Investment Manager, amounts to a diminished financial obligation or has the purpose of helping the issuer of such Collateral Obligation avoid default; *provided*, that no Distressed Exchange will be deemed to have occurred if the securities or obligations received by the Issuer in connection with such exchange or restructuring meet the definition of "Collateral Obligation."

"**Distressed Exchange Offer**" means an offer by the issuer of a Collateral Obligation to exchange one or more of its outstanding debt obligations for a different debt obligation or to repurchase one or more of its outstanding debt obligations for cash, or any combination thereof.

"**Diversity Score**" means a single number that indicates collateral concentration in terms of both issuer and industry concentration calculated as follows:

(a) An "**Issuer Par Amount**" is calculated for each issuer of a Collateral Obligation, and is equal to the Aggregate Principal Balance of all Collateral Obligations issued by that issuer and all affiliates.

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

(c) An "**Equivalent Unit Score**" is calculated for each issuer, and is equal to the lesser of (i) one and (ii) the Issuer Par Amount for such issuer *divided by* the Average Par Amount.

(d) An "**Aggregate Industry Equivalent Unit Score**" is then calculated for each of the Moody's industry classification groups (as set forth in the Indenture) and is equal to the sum of the Equivalent Unit Scores for each issuer in such industry classification group.

(e) An "**Industry Diversity Score**" is then established for each Moody's industry classification group by reference to the following table for the related Aggregate Industry Equivalent Unit Score; *provided*, that if any Aggregate Industry Equivalent Unit Score falls between any two such scores, the applicable Industry Diversity Score will be the lower of the two Industry Diversity Scores:

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
0.0000	0.0000	5.0500	2.7000	10.1500	4.0200	15.2500	4.5300
0.0500	0.1000	5.1500	2.7333	10.2500	4.0300	15.3500	4.5400
0.1500	0.2000	5.2500	2.7667	10.3500	4.0400	15.4500	4.5500
0.2500	0.3000	5.3500	2.8000	10.4500	4.0500	15.5500	4.5600
0.3500	0.4000	5.4500	2.8333	10.5500	4.0600	15.6500	4.5700
0.4500	0.5000	5.5500	2.8667	10.6500	4.0700	15.7500	4.5800
0.5500	0.6000	5.6500	2.9000	10.7500	4.0800	15.8500	4.5900
0.6500	0.7000	5.7500	2.9333	10.8500	4.0900	15.9500	4.6000
0.7500	0.8000	5.8500	2.9667	10.9500	4.1000	16.0500	4.6100
0.8500	0.9000	5.9500	3.0000	11.0500	4.1100	16.1500	4.6200
0.9500	1.0000	6.0500	3.0250	11.1500	4.1200	16.2500	4.6300
1.0500	1.0500	6.1500	3.0500	11.2500	4.1300	16.3500	4.6400
1.1500	1.1000	6.2500	3.0750	11.3500	4.1400	16.4500	4.6500
1.2500	1.1500	6.3500	3.1000	11.4500	4.1500	16.5500	4.6600
1.3500	1.2000	6.4500	3.1250	11.5500	4.1600	16.6500	4.6700
1.4500	1.2500	6.5500	3.1500	11.6500	4.1700	16.7500	4.6800
1.5500	1.3000	6.6500	3.1750	11.7500	4.1800	16.8500	4.6900

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
1.6500	1.3500	6.7500	3.2000	11.8500	4.1900	16.9500	4.7000
1.7500	1.4000	6.8500	3.2250	11.9500	4.2000	17.0500	4.7100
1.8500	1.4500	6.9500	3.2500	12.0500	4.2100	17.1500	4.7200
1.9500	1.5000	7.0500	3.2750	12.1500	4.2200	17.2500	4.7300
2.0500	1.5500	7.1500	3.3000	12.2500	4.2300	17.3500	4.7400
2.1500	1.6000	7.2500	3.3250	12.3500	4.2400	17.4500	4.7500
2.2500	1.6500	7.3500	3.3500	12.4500	4.2500	17.5500	4.7600
2.3500	1.7000	7.4500	3.3750	12.5500	4.2600	17.6500	4.7700
2.4500	1.7500	7.5500	3.4000	12.6500	4.2700	17.7500	4.7800
2.5500	1.8000	7.6500	3.4250	12.7500	4.2800	17.8500	4.7900
2.6500	1.8500	7.7500	3.4500	12.8500	4.2900	17.9500	4.8000
2.7500	1.9000	7.8500	3.4750	12.9500	4.3000	18.0500	4.8100
2.8500	1.9500	7.9500	3.5000	13.0500	4.3100	18.1500	4.8200
2.9500	2.0000	8.0500	3.5250	13.1500	4.3200	18.2500	4.8300
3.0500	2.0333	8.1500	3.5500	13.2500	4.3300	18.3500	4.8400
3.1500	2.0667	8.2500	3.5750	13.3500	4.3400	18.4500	4.8500
3.2500	2.1000	8.3500	3.6000	13.4500	4.3500	18.5500	4.8600
3.3500	2.1333	8.4500	3.6250	13.5500	4.3600	18.6500	4.8700
3.4500	2.1667	8.5500	3.6500	13.6500	4.3700	18.7500	4.8800
3.5500	2.2000	8.6500	3.6750	13.7500	4.3800	18.8500	4.8900
3.6500	2.2333	8.7500	3.7000	13.8500	4.3900	18.9500	4.9000
3.7500	2.2667	8.8500	3.7250	13.9500	4.4000	19.0500	4.9100
3.8500	2.3000	8.9500	3.7500	14.0500	4.4100	19.1500	4.9200
3.9500	2.3333	9.0500	3.7750	14.1500	4.4200	19.2500	4.9300
4.0500	2.3667	9.1500	3.8000	14.2500	4.4300	19.3500	4.9400
4.1500	2.4000	9.2500	3.8250	14.3500	4.4400	19.4500	4.9500
4.2500	2.4333	9.3500	3.8500	14.4500	4.4500	19.5500	4.9600
4.3500	2.4667	9.4500	3.8750	14.5500	4.4600	19.6500	4.9700
4.4500	2.5000	9.5500	3.9000	14.6500	4.4700	19.7500	4.9800
4.5500	2.5333	9.6500	3.9250	14.7500	4.4800	19.8500	4.9900
4.6500	2.5667	9.7500	3.9500	14.8500	4.4900	19.9500	5.0000
4.7500	2.6000	9.8500	3.9750	14.9500	4.5000		
4.8500	2.6333	9.9500	4.0000	15.0500	4.5100		
4.9500	2.6667	10.0500	4.0100	15.1500	4.5200		

(f) The Diversity Score is then calculated by summing each of the Industry Diversity Scores for each Moody's industry classification group.

For purposes of calculating the Diversity Score, affiliated issuers in the same industry are deemed to be a single issuer, except as otherwise agreed to by Moody's and collateralized loan obligations will not be included.

"**Designated Maturity**" means three months; *provided* that with respect to the period from the Closing Date to the First Interest Determination End Date, LIBOR will be determined by interpolating between the rate for the next shorter period of time for which rates are available and the rate for the next longer period of time for which rates are available.

"**Domicile**" or "**Domiciled**" means, with respect to any issuer of or obligor with respect to a Collateral Obligation: (a) except as provided in clause (b) and (c) below, its country of organization; or (b) if it is organized in a Tax Jurisdiction, each of such jurisdiction and the country in which a substantial portion of its operations is located or from which a substantial portion of its revenue is derived, in each case directly or through subsidiaries; or (c) if its payment obligations in respect of such Collateral Obligation are guaranteed by a person or entity (in a guarantee agreement with such person or entity, which guarantee agreement complies with each Rating Agency's then-current criteria with respect to guarantees) that is organized in the United States, then the United States.

"**Effective Spread**" means, as of any Measurement Date, with respect to any floating rate Collateral Obligation (including any LIBOR Floor Obligation), the current *per annum* rate at which it pays interest in cash *minus* LIBOR

for the Notes; *provided* that: (i) with respect to any unfunded commitment of a Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, the Effective Spread shall be the commitment payable with respect to such unfunded commitment, (ii) with respect to the funded portion of a commitment under a Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, the Effective Spread shall be the *per annum* rate at which it pays interest in cash *minus* LIBOR for such Collateral Obligation (in each case, as of such date) or, if such funded portion bears interest based on a floating rate index other than a London interbank offered rate-based index, the Effective Spread will be the then-current base rate applicable to such funded portion *plus* the rate at which such funded portion pays interest in cash in excess of such base rate *minus* three-month LIBOR and (iii) in respect of any Step Down Obligation, the Effective Spread of such Collateral Obligation will be the lowest permissible Effective Spread pursuant to the Underlying Instruments of the Obligor of such Step Down Obligation.

"**Eligible Bond Index**" means, with respect to each Collateral Obligation that is a bond, one of the following indices as selected by the Investment Manager upon the acquisition of such Collateral Obligation: Merrill Lynch US High Yield Master II Constrained Index, Bloomberg ticker HUC0, Bloomberg ticker H0A0, Bloomberg ticker HW40, Credit Suisse High Yield Index or any nationally recognized comparable replacement bond index (other than an index that is maintained by an Affiliate of the Investment Manager); *provided*, that the Investment Manager may change the index applicable to a Collateral Obligation at any time following the acquisition thereof after giving notice to Moody's, the Trustee and the Collateral Administrator; *provided further*, *however*, that a single index will be in effect for all Collateral Obligations that are bonds on any Measurement Date.

"**Eligible Investment Required Ratings**" means (a) if such obligation or security (i) has both a long-term and a short-term credit rating from Moody's, such ratings are "A1" or higher (not on credit watch for possible downgrade) and "P-1" (not on credit watch for possible downgrade), respectively, (ii) has only a long-term credit rating from Moody's, such rating is "Aaa" (not on credit watch for possible downgrade) or (iii) has only a short-term credit rating from Moody's, such rating is "P-1" (not on credit watch for possible downgrade) and (b) a long-term rating and short-term rating of "A" and "A-1" or higher, respectively (or, if it has no short-term credit rating, a long-term rating of "A+" or higher) from S&P.

"**Eligible Investments**" means (a) cash, or (b) any United States dollar investment that, at the time it is delivered to the Trustee (directly or through an intermediary or bailee), is one or more of the following obligations or securities:

(i) direct obligations of, and obligations the timely payment of principal and interest on which is fully and expressly guaranteed by, the United States of America or any agency or instrumentality of the United States of America the obligations of which are expressly backed by the full faith and credit of the United States of America and which satisfy the Eligible Investment Required Ratings;

(ii) demand and time deposits in, certificates of deposit of, trust accounts with, bankers' acceptances issued by, or federal funds sold by any depository institution or trust company incorporated under the laws of the United States of America (including the Bank) or any state thereof and subject to supervision and examination by federal and/or state banking authorities, in each case payable within 183 days of issuance, so long as the commercial paper and/or the debt obligations of such depository institution or trust company at the time of such investment or contractual commitment providing for such investment have the Eligible Investment Required Ratings;

(iii) unleveraged repurchase obligations with respect to (A) any security described in clause (i) above or (B) any other security issued or guaranteed by an agency or instrumentality of the United States of America, in either case entered into with a depository institution or trust company (acting as principal) described in clause (ii) above or entered into with an entity (acting as principal) with the Eligible Investment Required Ratings;

(iv) securities bearing interest or sold at a discount with maturities up to 365 days (but in any event such securities will mature by the next succeeding Payment Date) issued by any entity formed under the laws of the United States of America or any State thereof that have a credit rating of "Aaa" from Moody's and "AAA" from S&P at the time of such investment or contractual commitment providing for such investment;

(v) commercial paper or other short-term obligations with the Eligible Investment Required Ratings and that either bear interest or are sold at a discount from the face amount thereof and have a maturity of not more than 183 days from their date of issuance; *provided*, that this clause (v) will not include extendible commercial paper or asset backed commercial paper;

(vi) a Reinvestment Agreement issued by any bank (if treated as a deposit by such bank), or a Reinvestment Agreement issued by any insurance company or other corporation or entity, in each case with the Eligible Investment Required Ratings and which satisfies the Global Rating Agency Condition; and

(vii) money market funds domiciled outside of the United States which funds have, at all times, credit ratings of "Aaa-mf" by Moody's and "AAAm" by S&P, respectively;

provided, *however,* that

(A) Eligible Investments purchased with funds in the Collection Account will be held until maturity except as otherwise specifically provided herein and will include only such obligations or securities, other than those referred to in clause (vii) above, as mature (or are putable at par to the issuer thereof) no later than the earlier of 60 days and the Business Day prior to the next Payment Date (unless such Eligible Investments are issued by the Trustee in its capacity as a banking institution, in which case such Eligible Investments may mature on such Payment Date);

(B) none of the foregoing obligations or securities will constitute Eligible Investments if (1) such obligation or security has an "f," "r," "p," "pi," "q" or "t" subscript assigned by S&P, (2) all, or substantially all, of the remaining amounts payable thereunder consist of interest and not principal payments, (3) such obligation or security is subject to withholding tax (other than any withholding tax imposed pursuant to FATCA) unless the issuer of the security is required to make "gross-up" payments that ensure that the net amount actually received by the Issuer (after payment of all taxes, whether imposed on such obligor or the Issuer) will equal the full amount that the Issuer would have received had no such taxes been imposed, (4) such obligation or security is secured by real property, (5) such obligation or security is purchased at a price greater than 100% of the principal or face amount thereof or (6) in the Investment Manager's sole judgment, such obligation or security is subject to material non-credit related risks; and

(C) none of the foregoing obligations or securities will constitute Eligible Investments unless the obligation or security either (1) is treated as indebtedness for U.S. federal income tax purposes and is not a United States real property interest for U.S. federal income tax purposes, (2) is not treated as indebtedness for U.S. federal income tax purposes and is issued by an entity that is treated for U.S. federal income tax purposes as (x) a corporation the equity interests in which are not "United States real property interests" for U.S. federal income tax purposes, it being understood that stock will not be treated as a United States real property interest if the class of such stock is regularly traded on an established securities market and the Issuer holds no more than 5% of such class at any time, all within the meaning of Section 897(c)(3) of the Code, (y) a partnership or disregarded entity for U.S. federal income tax purposes that is not engaged in a trade or business within the United States for U.S. federal income tax purposes and does not own any "United States real property interests" within the meaning of Section 897(c)(1) of the Code, or (z) a grantor trust all of the assets of which are treated as debt instruments that are in registered form for U.S. federal income tax purposes, or (3) based upon Tax Advice, the acquisition, ownership or disposition of such security will not cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes or otherwise subject to U.S. federal income tax on a net income tax basis. Eligible Investments may include, without limitation, those investments for which the Trustee or an Affiliate of the Trustee is the obligor or depository institution, or provides services and receives compensation.

"**Eligible Loan Index**" means, with respect to each Collateral Obligation that is a loan, one of the following indices as selected by the Investment Manager upon the acquisition of such Collateral Obligation: the Credit Suisse Leveraged Loan Indices (formerly the DLJ Leveraged Loan Index Plus), the Deutsche Bank Leveraged Loan Index, the Goldman Sachs/Loan Pricing Corporation Liquid Leveraged Loan Index, the Merrill Lynch Leveraged Loan Index, the S&P/LSTA Leveraged Loan Indices or any nationally recognized comparable replacement loan index (other than an index that is maintained by an Affiliate of the Investment Manager); *provided*, that the Investment

Manager may change the index applicable to an Collateral Obligation at any time following the acquisition thereof after giving notice to Moody's, the Trustee and the Collateral Administrator; *provided further*, *however*, that a single index will be in effect for all Collateral Obligations that are loans on any Measurement Date.

"**Equity Security**" means any security or debt obligation which does not satisfy the requirements of clauses (i) through (xxiii) of the definition of "Collateral Obligation" and is not an Eligible Investment; it being understood that Equity Securities may not be purchased by the Issuer but it is possible that the Issuer (or a Tax Subsidiary) may receive an Equity Security in exchange for a Collateral Obligation or a portion thereof in connection with an insolvency, bankruptcy, reorganization, debt restructuring or workout of the issuer thereof.

"**Euroclear**" means Euroclear Bank S.A./N.V.

"**European Countries**" means Austria, Belgium, Denmark, Finland, France, Germany, Iceland, Ireland, Liechtenstein, Luxembourg, Norway, Spain, Sweden, Switzerland, The Netherlands and the United Kingdom.

"**Excepted Advances**" means customary advances made to protect or preserve rights against the borrower of or obligor under a Collateral Obligation or to indemnify an agent or representative for lenders pursuant to the Underlying Instrument.

"**Excepted Property**" means (a) the transaction fee paid to the Issuer in consideration of the issuance of the Securities, (b) the proceeds of the issue and allotment of the Issuer's ordinary shares, (c) the membership interests of the Co-Issuer and (d) the bank account in the Cayman Islands in which the funds referred to in items of (a) and (b) above are deposited (or any interest thereon).

"**Excess CCC/Caa Adjustment Amount**" means, as of any date of determination, an amount equal to the excess, if any, of:

(a) the Aggregate Principal Balance of all Collateral Obligations included in the CCC/Caa Excess; over

(b) the sum of the Market Values of all Collateral Obligations included in the CCC/Caa Excess.

"**Excess Weighted Average Fixed Coupon**" means, as of any Measurement Date, a percentage equal to the product obtained by multiplying (a) the greater of zero and the excess, if any, of the Weighted Average Fixed Coupon over the Minimum Fixed Coupon by (b) the number obtained by dividing the Aggregate Principal Balance of all fixed rate Collateral Obligations (excluding any Defaulted Obligation) by the Aggregate Principal Balance of all floating rate Collateral Obligations.

"**Excess Weighted Average Floating Spread**" means, as of any Measurement Date, an amount equal to the product obtained by multiplying (a) the greater of zero and the excess, if any, of the Weighted Average Floating Spread over the Minimum Floating Spread by (b) the number obtained by dividing the Aggregate Principal Balance of all floating rate Collateral Obligations (excluding any Defaulted Obligation) by the Aggregate Principal Balance of all fixed rate Collateral Obligations.

"**FATCA**" means Sections 1471 through 1474 of the Code and any applicable intergovernmental agreement entered into in respect thereof, and any related provisions of law, court decisions or administrative guidance, including an agreement between the Issuer and the IRS that sets forth the requirements for the Issuer to be treated as complying with Section 1471(b) of the Code.

"**FATCA Compliance**" means compliance with FATCA as necessary so that no tax will be imposed or withheld thereunder in respect of payments to or for the benefit of Issuer or a Tax Subsidiary.

"**FATCA Compliance Costs**" means the costs to the Issuer of achieving FATCA Compliance.

"**Fee Basis Amount**" means, as of any date of determination, the Collateral Principal Amount.

"**Finance Lease**" means a lease agreement or other agreement entered into in connection with and evidencing any transaction pursuant to which the obligations of the lessee to pay rent or other amounts on a triple net basis under

any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, are required to be classified and accounted for as a capital lease on a balance sheet of such lessee under generally accepted accounting principles in the United States; but only if (a) such lease or other transaction provides for the unconditional obligation of the lessee to pay a stated amount of principal no later than a stated maturity date, together with interest thereon, and the payment of such obligation is not subject to any material non-credit related risk as determined by the Investment Manager, (b) the obligations of the lessee in respect of such lease or other transaction are fully secured, directly or indirectly, by the property that is the subject of such lease, (c) the interest held by the Issuer in respect of such lease or other transaction is treated as debt for U.S. federal income tax purposes and (d) it has a rating by Moody's and S&P.

"**First-Lien Last-Out Loan**" means a Collateral Obligation that is a Senior Secured Loan that, prior to a default with respect such loan, is entitled to receive payments pari passu with other Senior Secured Loans of the same obligor, but following a default becomes fully subordinated to other Senior Secured Loans of the same obligor and is not entitled to any payments until such other Senior Secured Loans are paid in full.

"**Floating Rate Notes**" mean Notes that bear interest at floating rates.

"**Global Rating Agency Condition**" means, with respect to any action taken or to be taken by or on behalf of the Issuer, the satisfaction of both the Moody's Rating Condition and the S&P Rating Condition. If either Moody's or S&P (a) makes a public announcement or informs the Issuer, the Investment Manager or the Trustee that (i) it believes satisfaction of the Global Rating Agency Condition is not required with respect to an action or (ii) its practice is to not give such confirmations, or (b) no longer constitutes a Rating Agency under the Indenture, the requirement for satisfaction of the Global Rating Agency Condition with respect to that Rating Agency will not apply.

"**Group I Country**" means Australia, Canada, The Netherlands and New Zealand (or such other countries as may be notified by Moody's to the Investment Manager and the Collateral Administrator from time to time).

"**Group II Country**" means Germany, Sweden and Switzerland (or such other countries as may be notified by Moody's to the Investment Manager and the Collateral Administrator from time to time).

"**Group III Country**" means Austria, Belgium, Denmark, Finland, France, Iceland, Liechtenstein, Luxembourg, Norway and Spain (or such other countries as may be notified by Moody's to the Investment Manager and the Collateral Administrator from time to time).

"**Group IV Country**" means Greece, Italy and Portugal (or such other countries as may be notified by Moody's to the Investment Manager and the Collateral Administrator from time to time).

"**Hedge Agreement**" means any interest rate swap, floor and/or cap agreements, including without limitation one or more interest rate basis swap agreements, between the Issuer and any Hedge Counterparty, as amended from time to time, and any replacement agreement entered into pursuant to the Indenture.

"**Hedge Counterparty**" means any one or more institutions entering into or guaranteeing a Hedge Agreement with the Issuer that satisfies the Required Hedge Counterparty Rating that has entered into a Hedge Agreement with the Issuer, including any permitted assignee or successor under the Hedge Agreements.

"**High-Yield Bond**" means a publicly issued or privately placed debt obligation of a corporation or other entity (other than a loan, Senior Secured Bond or a Senior Secured Note).

"**Holder**" means, with respect to any Note, the Person whose name appears on the Register as the registered holder of such Note.

"**Interest Coverage Ratio**" means, for any designated Class or Classes of Secured Notes, as of any date of determination on or after the Determination Date immediately preceding the second Payment Date, the percentage derived from:

(a) the sum of (i) the Collateral Interest Amount as of such date of determination *minus* (ii) amounts payable (or expected as of the date of determination to be payable) on the following Payment Date as set forth in clauses (A), (B) and (C) under the Priority of Interest Proceeds; *divided by*

(b) interest due and payable on the Secured Notes of such Class or Classes and each Priority Class of Secured Notes on such Payment Date (excluding Deferred Interest with respect to any such Class or Classes).

"**Interest Proceeds**" means, with respect to any Collection Period or Determination Date, without duplication, the sum of:

(a) all payments of interest and other income received by the Issuer during the related Collection Period on the Collateral Obligations and Eligible Investments including the accrued interest received in connection with a sale thereof during the related Collection Period, less any such amount that represents Principal Financed Accrued Interest;

(b) all principal and interest payments received by the Issuer during the related Collection Period on Eligible Investments purchased with Interest Proceeds;

(c) all amendment and waiver fees, late payment fees and other fees received by the Issuer during the related Collection Period, except for those in connection with (i) the lengthening of the maturity of the related Collateral Obligation or (ii) the reduction of the par of the related Collateral Obligation (in the case of such amounts described in subclauses (c)(i) and (ii), as identified by the Investment Manager in writing to the Trustee and the Collateral Administrator);

(d) any payment received with respect to any Hedge Agreement other than (i) an upfront payment received upon entering into such Hedge Agreement or (ii) a payment received as a result of the termination of any Hedge Agreement to the extent not used by the Issuer to enter into a new or replacement Hedge Agreement (for purposes of this subclause (d), any such payment received or to be received on or before 10:00 a.m. New York time on the last day of the Collection Period in respect of such Payment Date will be deemed received in respect of the preceding Collection Period and included in the calculation of Interest Proceeds received in such Collection Period);

(e) any payments received as repayment for Excepted Advances made using Interest Proceeds;

(f) all payments other than principal payments received by the Issuer during the related Collection Period on Collateral Obligations that are Defaulted Obligations solely as the result of a Moody's Rating of "LD" in relation thereto;

(g) any amounts deposited in the Interest Collection Account from the Expense Reserve Account pursuant to the Indenture in respect of the related Determination Date;

(h) any proceeds from Tax Subsidiary Assets received by the Issuer from any Tax Subsidiary to the same extent as such proceeds would have constituted Interest Proceeds pursuant to this definition if received directly by the Issuer from the obligors of the Tax Subsidiary Assets;

(i) commitment fees and other similar fees received by the Issuer during such Collection Period in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations;

(j) in the case of the first Payment Date, all amounts on deposit in the Interest Reserve Account (other than amounts designated by the Investment Manager as Principal Proceeds); and

(k) any amounts being transferred from the Principal Collection Account or the Ramp-Up Account subject to the Effective Date Interest Deposit Restriction;

provided that

(A) except as set forth in clause (f) above, any amounts received in respect of any Defaulted Obligation will constitute (i) Principal Proceeds (and not Interest Proceeds) until the aggregate of all recoveries in respect of such Defaulted Obligation since it became a Defaulted Obligation equals the outstanding Principal Balance of such Collateral Obligation when it became a Defaulted Obligation, and then (ii) Interest Proceeds thereafter; and

(B) amounts that would otherwise constitute Interest Proceeds may be designated as Principal Proceeds pursuant to "Use of Proceeds—Ramp-Up Period" with notice to the Collateral Administrator. Notwithstanding the foregoing, in the Investment Manager's sole discretion (to be exercised on or before the related Determination Date), on any date after the first Payment Date, Interest Proceeds in any Collection Period may be deemed to be Principal Proceeds so long as such designation would not result in an interest deferral on any Class of Secured Notes.

"**Internal Rate of Return**" means, for purposes of the definition of Investment Manager Incentive Fee Amount, the rate of return on the Subordinated Notes that would result in a net present value of zero, assuming (i) an original purchase price of par for the Subordinated Notes as the initial negative cash flow and all payments to Holders of the Subordinated Notes on the current and each preceding Payment Date as subsequent positive cash flows (including the Redemption Date), if applicable, (ii) the initial date for the calculation as the Closing Date, (iii) the number of days to each subsequent Payment Date from the Closing Date, and (iv) such rate of return shall be calculated using the XIRR function in Excel (or any successor); *provided* that, for the avoidance of doubt, for purposes of this definition, the amount of Contributions made by any Holder of Subordinated Notes shall be deemed to be a payment made to such Holder.

"**Junior Class**" means, with respect to a particular Class of Notes, each Class of Notes that is subordinated to such Class, as indicated in "Summary of Terms—Principal Terms of the Securities."

"**Letter of Credit**" means a facility whereby (i) a fronting bank that, at the time of the Issuer's commitment to acquire the same, has at least a long-term rating of "A" and a short-term rating of "A-1" (or if no short-term rating exists, a long-term rating of "A+") by S&P ("**LOC Agent Bank**") issues or will issue a letter of credit ("**LC**") for or on behalf of a borrower pursuant to an Underlying Instrument, (ii) in the event that the LC is drawn upon and the borrower does not reimburse the LOC Agent Bank, the lender/participant is obligated to fund its portion of the facility and (iii) the LOC Agent Bank passes on (in whole or in part) the fees it receives for providing the LC to the lender/participant.

"**Libor**" means the London interbank offered rate for U.S. Dollars.

"**LIBOR Floor Obligation**" means, as of any date, a floating rate Collateral Obligation (a) for which the related Underlying Instruments allow a Libor rate option, (b) that provides that such Libor rate is (in effect) calculated as the greater of (i) a specified "floor" rate *per annum* and (ii) the London interbank offered rate for the applicable interest period for such Collateral Obligation and (c) that, as of such date, bears interest based on such Libor rate option, but only if as of such date Libor for the applicable interest period is less than such floor rate.

"**Majority**" means, with respect to any Class, the Holders of more than 50% of the Aggregate Outstanding Amount of the Securities of such Class.

"**Margin Stock**" means "Margin Stock" as defined under Regulation U issued by the Federal Reserve Board, including any debt security which is by its terms convertible into "Margin Stock."

"**Market Value**" means, with respect to any loans or other assets, the amount (determined by the Investment Manager) equal to the product of the principal amount thereof and the price determined in the following manner:

(a) the quote determined by any of Loan Pricing Corporation, MarkIt Partners, IDC (with respect to bonds only) or any other nationally recognized loan pricing service selected by the Investment Manager; or

(b) if such quote described in clause (a) is not available, the average of the bid-side quotes determined by three broker-dealers active in the trading of such asset that are independent (with respect to each other and the Investment Manager); or

(i) if only two such bids can be obtained, the lower of the bid-side quotes of such two bids; or

(ii) with respect to determining Market Value in connection with calculating the Adjusted Collateral Principal Amount only, if only one such bid can be obtained, such bid; *provided* that this subclause (ii) will not apply at any time at which the Investment Manager is not a registered investment adviser under the Investment Advisers Act; or

(c) if such quote or bid described in clause (a) or (b) is not available, then the Market Value of such Collateral Obligation will be the lowest of (i) the higher of (A) the S&P Recovery Rate and (B) 70% of the outstanding principal amount of such Collateral Obligation, (ii) the Market Value determined by the Investment Manager exercising reasonable commercial judgment, consistent with the manner in which it would determine the market value of an asset for purposes of other funds or accounts managed by it and (iii) the purchase price of such Collateral Obligation; *provided*, *however,* that, if the Investment Manager is not a registered investment adviser under the Investment Advisers Act, the Market Value of any such asset may not be determined in accordance with this clause (c) for more than thirty days; or

(d) if the Market Value of an asset is not determined in accordance with clause (a), (b) or (c) above, then the Market Value will be deemed to be zero until such determination is made in accordance with clause (a) or (b) above.

"**Measurement Date**" means (a) any day on which the Issuer purchases, or enters into a commitment to purchase, a Collateral Obligation or a default of a Collateral Obligation occurs, (b) any Determination Date, (c) the date as of which the information in any Monthly Report is calculated, (d) with five Business Days prior notice, any Business Day requested by S&P or Moody's if such Rating Agency is then rating any Class of Outstanding Notes and (e) the Effective Date; *provided* that, in the case of (a) through (d), no Measurement Date can occur prior to the Effective Date.

"**Minimum Floating Spread**" means the Minimum Weighted Average Spread in the Asset Quality Matrix Combination *minus* the Moody's Weighted Average Recovery Adjustment.

"**Moody's**" means Moody's Investors Service, Inc. and any successor thereto.

"**Moody's Adjusted Weighted Average Rating Factor**" mean, as of any date of determination, a number equal to the Moody's Weighted Average Rating Factor determined in the following manner: for purposes of determining a Moody's Default Probability Rating in connection with determining the Moody's Weighted Average Rating Factor for purposes of this definition, each applicable rating on credit watch by Moody's that is on (a) positive watch will be treated as having been upgraded by one rating subcategory, (b) negative watch will be treated as having been downgraded by two rating subcategories and (c) negative outlook will be treated as having been downgraded by one rating subcategory.

"**Moody's Collateral Value**" means, as of any date of determination, with respect to any Defaulted Obligation, the lesser of (a) the Moody's Recovery Amount of such Defaulted Obligation as of such date and (b) the Market Value of such Defaulted Obligation as of such date.

"**Moody's Counterparty Criteria**" means, with respect to any Participation Interest or Letter of Credit proposed to be acquired by the Issuer, criteria that will be met if immediately after giving effect to such acquisition, (x) the percentage of the Collateral Principal Amount that consists in the aggregate of Participation Interests with Selling Institutions that have the same or a lower Moody's credit rating does not exceed the "Aggregate Percentage Limit" set forth below for such Moody's credit rating and (y) the percentage of the Collateral Principal Amount that consists in the aggregate of Participation Interests with any single Selling Institution that has the Moody's credit rating set forth under "Individual Percentage Limit" below or a lower credit rating does not exceed the "Individual Percentage Limit" set forth below for such Moody's credit rating:

Moody's credit rating of Selling Institution (at or below)	Aggregate Percentage Limit	Individual Percentage Limit
Aaa	20.0%	20.0%
Aa1	20.0%	10.0%
Aa2	20.0%	10.0%
Aa3	15.0%	10.0%
A1	10.0%	5.0%
A2 and "P-1"	5.0%	5.0%

"**Moody's Effective Date Rating Condition**" means a confirmation by Moody's of the initial ratings of such Secured Notes which is deemed to occur upon the furnishing to Moody's of a report of the Collateral Administrator confirming that as of the Effective Date (i) the Overcollateralization Ratio Tests were met, (ii) the Collateral Quality Test (excluding the S&P CDO Monitor Test) was met, (iii) the Concentration Limitations were satisfied and (iv) the Aggregate Ramp-Up Par Condition was satisfied.

"**Moody's Rating Condition**" means, with respect to any action taken or to be taken by or on behalf of the Issuer, a condition that is satisfied if Moody's has confirmed in writing, including electronic messages, facsimile, press release, posting to its internet website, or other means then considered industry standard (or has declined to undertake the review of such action by such means) to the Issuer, the Trustee and the Investment Manager that no immediate withdrawal or reduction with respect to its then-current rating of any Class of Secured Notes will occur as a result of such action; *provided* that if Moody's (a) makes a public announcement or informs the Issuer, the Investment Manager or the Trustee that (i) it believes the Moody's Rating Condition is not required with respect to an action or (ii) its practice or policy is to not give such confirmations, or (b) it no longer constitutes a Rating Agency under the Indenture, the Moody's Rating Condition will not apply.

"**Moody's Rating Factor**" means, with respect to any Collateral Obligation, the number set forth in the table below opposite the Moody's Default Probability Rating of such Collateral Obligation.

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
Aaa	1	Ba1	940
Aa1	10	Ba2	1,350
Aa2	20	Ba3	1,766
Aa3	40	B1	2,220
A1	70	B2	2,720
A2	120	B3	3,490
A3	180	Caa1	4,770
Baa1	260	Caa2	6,500
Baa2	360	Caa3	8,070
Baa3	610	Ca or lower	10,000

"**Moody's Recovery Amount**" means, with respect to any Collateral Obligation, an amount equal to the product of (i) the applicable Moody's Recovery Rate and (ii) the Principal Balance of such Collateral Obligation.

"**Moody's Recovery Rate**" means, with respect to any Collateral Obligation, as of any date of determination, the recovery rate determined in accordance with the following, in the following order of priority:

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

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

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

* If the Collateral Obligation does not have both a corporate family rating from Moody's and a facility rating from Moody's, its Moody's Recovery Rate will be determined by reference to the "Other Collateral Obligations" column.

or

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

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

(a) the sum of

The principal balance of each Collateral Obligation (excluding any Current Pay Obligation and Defaulted Obligation)	**X**	The Moody's Rating Factor of such Collateral Obligation (as described below)

divided by

(b) the outstanding principal balance of all such Collateral Obligations.

"**Moody's Weighted Average Recovery Adjustment**" means as of any date of determination, the greater of (a) zero and (b) the product of (i)(A) the Weighted Average Moody's Recovery Rate as of such date of determination *multiplied by* 100 *minus* (B) 43 and (ii) (A) with respect to the adjustment of the Maximum Moody's Rating Factor Test, 80 and (B) with respect to the adjustment of the Minimum Floating Spread, 0.25%; *provided*, *however*, if the Weighted Average Moody's Recovery Rate for purposes of determining the Moody's Weighted Average Recovery Adjustment is greater than 60%, then such Weighted Average Moody's Recovery Rate shall equal 60% or such other percentage as shall have been notified to Moody's by or on behalf of the Issuer; *provided*, *further*, that the amount specified in clause (b)(i) above may only be allocated once on any date of determination and the Investment 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 Investment Manager, all such amounts shall be allocated to clause (b)(ii)(A)).

"**Moody's Weighted Average Recovery Rate**" means, as of any date of determination, the number, expressed as a percentage, obtained by summing the product of the Moody's Recovery Rate on such Measurement Date of each Collateral Obligation (excluding any Defaulted Obligation) and the Principal Balance of such Collateral Obligation, dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations and rounding up to the first decimal place.

"**Non-Emerging Market Obligor**" means an obligor that is Domiciled in (a) the United States of America, (b) any country that has a foreign currency country ceiling rating of at least "Aa2" by Moody's and a foreign currency issuer credit rating of at least "AA" by S&P, or (c) a Tax Jurisdiction.

"**Notes**" means the Secured Notes and the Subordinated Notes.

"**Offer**" means, with respect to any security, (i) any offer by the issuer in respect of such security or by any other Person made to all of the holders of such security to purchase or otherwise acquire such security (other than pursuant to any redemption in accordance with the terms of the related Underlying Instruments) or to convert or exchange such security into or for cash, securities or any other type of consideration or (ii) any solicitation by the issuer in respect of such security or by any other Person to amend, modify or waive any provision of such security or any related Underlying Instrument.

"**Outstanding**" means, with respect to the Notes of any specified Class, as of any date of determination, all of the Notes of such Class theretofore authenticated and delivered under the Indenture, except:

(i) Notes theretofore canceled by the Registrar or delivered to the Registrar for cancellation or registered in the Register on the date the Trustee provides notice to Holders that the Indenture has been discharged;

(ii) Notes or portions thereof for whose payment or redemption funds in the necessary amount have been theretofore irrevocably deposited with the Trustee or any Paying Agent in trust for the Holders of such Notes; *provided* that if such Notes or portions thereof are to be redeemed, notice of such redemption has been duly given pursuant to the Indenture or provision therefor satisfactory to the Trustee has been made;

(iii) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to the Indenture, unless proof satisfactory to the Trustee is presented that any such Notes are held by a "protected purchaser" (as defined under the Uniform Commercial Code);

(iv) Notes alleged to have been mutilated, defaced, destroyed, lost or stolen for which replacement Notes have been issued;

provided that in determining whether the Holders of the requisite Aggregate Outstanding Amount have given any request, demand, authorization, direction, notice, consent or waiver hereunder or under the Investment Management Agreement,

(1) any Securities owned by (x) the Issuer, the Co-Issuer, or any other obligor upon the Securities or any Affiliate thereof or (y) the Investment Manager or any of its Affiliates or over which the Investment Manager or any of its Affiliates has discretionary voting authority (other than any Securities held by an entity for which the Investment Manager or an Affiliate acts as investment adviser, if the voting of such Securities with respect to the matter in question is in fact directed by a board of directors or similar governing body with a majority of members that are independent from the Investment Manager and its Affiliates (as certified to the Trustee by the Investment Manager)) in connection with any vote under the Investment Management Agreement, to the extent provided in the Investment Management Agreement, shall each be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities a trust officer of Trustee has actual knowledge (or has been provided written notice of) to be so owned shall be so disregarded, and

(2) Securities so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Issuer, the Co-Issuer, any other obligor upon the Securities or any Affiliate of the Issuer, the Co-Issuer, or such other obligor (or the Investment Manager, any Affiliate of the Investment Manager or any account or investment fund over which the Investment Manager or any Affiliate has discretionary voting authority).

"**Overcollateralization Ratio**" means, with respect to any specified Class or Classes of Secured Notes as of the Effective Date or any Measurement Date thereafter, the percentage derived from:

(a) the Adjusted Collateral Principal Amount; *divided by*

(b) the sum of (i) the Aggregate Outstanding Amounts of the Secured Notes of such Class or Classes and each Priority Class of Secured Notes, *plus* (ii) Deferred Interest with respect to such Class or Classes and each Priority Class of Secured Notes.

"**Partial Deferring Security**" means a Collateral Obligation on which the interest, in accordance with its related Underlying Instruments, is currently being (i) partly paid in cash (with a minimum cash payment required under the Underlying Instruments of (x) in the case of a floating rate Collateral Obligation, LIBOR plus 3.00% or (y) in the case of a fixed rate Collateral Obligation, the forward swap rate for a designated maturity equal to the scheduled maturity of such Collateral Obligation plus 3.00%) and (ii) partly deferred, or paid by the issuance of additional debt securities identical to such debt security or through additions to the principal amount thereof.

"**Partial Redemption Date**" means any date on which a Refinancing of one or more but not all Classes of Secured Notes occurs.

"**Partial Redemption Interest Proceeds**" means in connection with a Refinancing of one or more (but not all) of the Secured Notes or a Re-Pricing Redemption, Interest Proceeds in an amount equal to the lesser of (a) the amount of accrued interest on the Classes being refinanced (after giving effect to payments under the Priority of Interest Proceeds if the Partial Redemption Date or Re-Pricing Redemption Date would have been a Payment Date without regard to the Partial Redemption or Re-Pricing Redemption) and (b) the amount the Investment Manager reasonably determines would have been available for distribution under the Priority of Payments for the payment of accrued interest on the Classes being refinanced on the next subsequent Payment Date if such Notes had not been refinanced.

"**Participation Interest**" means a participation interest in a loan that at the time of acquisition or the Issuer's commitment to acquire the same is represented by a contractual obligation of a Selling Institution.

"**Paying Agent**" means any paying agent appointed under the Indenture.

"**Person**" means an individual, corporation (including a business trust), partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"**Pledged Obligations**" means, as of any date of determination, the Collateral Obligations, the Eligible Investments and any Equity Security which forms part of the Assets that have been granted to the Trustee.

"**Post-Acceleration Payment Date**" means any Business Day designated by the Trustee after the principal of the Secured Notes has been declared to be or has otherwise become immediately due and payable pursuant to the applicable provisions of the Indenture; *provided* that such declaration has not been rescinded or annulled.

"**Principal Balance**" means, subject to the Indenture, with respect to any Pledged Obligation, as of any date of determination, the outstanding principal amount of such Pledged Obligation, including the funded and unfunded balance on any Revolving Collateral Obligation and Delayed Drawdown Collateral Obligation and excluding any capitalized or deferred interest; *provided* that the Principal Balance of (i) any Equity Security or Collateral Obligation that has been a Defaulted Obligation for three years or more shall be deemed to be zero, (ii) any Collateral Obligation that, at the time of its purchase by the Issuer, was subject to an offer for a price of less than its par amount, shall be, until the expiration of such offer in accordance with its terms, the offer price (expressed as a dollar amount) of such Collateral Obligation and (iii) any revolving Collateral Obligation or Delayed Drawdown Collateral Obligation will not include the unfunded balance of such obligations for purposes of the calculation of any test or determination if amounts in the Unfunded Exposure Account are included in such calculation.

"**Principal Financed Accrued Interest**" means, with respect to (a) any Collateral Obligation owned or purchased by the Issuer on the Closing Date, any unpaid interest on such Collateral Obligation that accrued prior to the Closing Date that was owing to the Issuer and remained unpaid as of the Closing Date and (b) any Collateral Obligation

purchased after the Closing Date, any payments made to, or other collections made by, the obligor with respect to such Collateral Obligation that is attributable to the payment of accrued interest thereon, which accrued interest was purchased with Principal Proceeds at the time such Collateral Obligation was purchased by the Issuer; *provided*, that in the case of this clause (b), Principal Financed Accrued Interest Collections will not include any amounts attributable to accrued interest purchased with Interest Proceeds deemed to be Principal Proceeds as set forth in the definition of Interest Proceeds.

"**Principal Proceeds**" means, with respect to any Collection Period or Determination Date, all amounts received by the Issuer during the related Collection Period that do not constitute Interest Proceeds.

"**Priority Class**" means, respect to any specified Class of Notes, each Class of Notes that ranks senior to such Class, as indicated in "Summary of Terms—Principal Terms of the Securities."

"**Priority Hedge Termination Event**" means the occurrence (a) of any termination under a Hedge Agreement with respect to which the Issuer is the sole Defaulting Party or Affected Party (each as defined in the relevant Hedge Agreement), (b) with respect to the Issuer, of any event described in Section 5(b)(i) ("Illegality") of any Hedge Agreement, or (c) the liquidation of Assets pursuant to Article V of the Indenture due to an Event of Default under the Indenture.

"**Proposed Portfolio**" means the portfolio of Collateral Obligations and Eligible Investments resulting from the proposed purchase, sale, maturity or other disposition of a Collateral Obligation or a proposed reinvestment in an additional Collateral Obligation, as the case may be.

"**Rating Agency**" means each of Moody's and S&P, in each case only for so long as Notes rated by such entity on the Closing Date are Outstanding and rated by such entity.

"**Re-Pricing Redemption**" means, in connection with a Re-Pricing, the redemption by the Issuer of the Notes of the Re-Priced Class held by Non-Consenting Holders from the proceeds of the Re-Pricing Replacement Notes.

"**Re-Pricing Redemption Date**" means any Business Day on which a Re-Pricing Redemption Occurs.

"**Re-Pricing Replacement Notes**" means Notes issued in connection with a Re-Pricing that have terms identical to the Re-Priced Class (after giving effect to the Re-Pricing) and are issued in an Aggregate Outstanding Amount such that the Re-Priced Class will have the same Aggregate Outstanding Amount after giving effect to the Re-Pricing as it did before the Re-Pricing.

"**Record Date**" means, with respect to any applicable Payment Date, the day which is 15 days prior to such Payment Date.

"**Redemption Date**" means any Business Day specified for a redemption of Securities pursuant to the Indenture (other than a Special Redemption or a Rating Confirmation Redemption), unless the related notice of redemption is withdrawn by the Issuer as provided in the Indenture.

"Redemption Price" means, when used with respect to (i) any Class of Secured Notes (a) an amount equal to 100% of the Aggregate Outstanding Amount thereof *plus* (b) accrued and unpaid interest thereon (including interest on any accrued and unpaid Deferred Interest with respect to such Secured Notes), to the Redemption Date or Re-Pricing Date, as applicable, (ii) any Subordinated Note, its proportional share (based on the Aggregate Outstanding Amount of such Subordinated Notes, as applicable) of the amount of the proceeds of the Assets (including proceeds created when the lien of the Indenture is released) remaining after giving effect to the redemption of the Secured Notes in full and payment in full of (and/or creation of a reserve for) all expenses of the Co-Issuers and payment of all other amounts senior to such Notes that is distributable to the Subordinated Notes, as applicable, in accordance with the Priority of Payments; *provided* that if any Holder of a Secured Note, in its sole discretion, elects by written notice to the Issuer, the Trustee, the Paying Agent and the Investment Manager, to accept in full payment for the redemption of its Secured Note an amount less than the amount described above, such reduced amount will be the Redemption Price of such Secured Note.

"**Refinancing Proceeds**" means, with respect to any Refinancing, the Cash proceeds received by the Issuer therefrom.

"**Register**" means the register maintained on behalf of the Issuer under the Indenture.

"**Registrar**" means the agent of the Issuer that maintains the Register.

"**Regulation D**" means Regulation D, as amended, under the Securities Act.

"**Regulation S Global Security**" means a Security issued as a permanent global security in definitive, fully registered form without interest coupons and sold to a non-U.S. person in an offshore transaction in reliance on Regulation S.

"**Reinvestment Agreement**" means a guaranteed reinvestment agreement from a bank, insurance company or other corporation or entity; *provided*, *however*, that such agreement provides that it is terminable by the purchaser, without penalty, in the event that the rating assigned to such agreement by S&P or Moody's is at any time lower than such agreement's Eligible Investment Required Rating.

"**Reinvestment Target Par Balance**" means the Aggregate Ramp-Up Par Amount minus (a) any reduction in the Aggregate Outstanding Amount of the Notes through the payment of Principal Proceeds or Interest Proceeds *plus* (b) the aggregate amount of Principal Proceeds that result from the issuance of any additional Securities (after giving effect to such issuance of any additional Securities).

"**Required Hedge Counterparty Rating**" means, With respect to any Hedge Counterparty (or its guarantor under a guarantee satisfying the then-current Rating Agency criteria with respect to guarantees), the minimum ratings required by the criteria of each Rating Agency in effect at the time of execution of the related Hedge Agreement.

"**Restricted Trading Period**" means each day during which (i) the Moody's rating of the Class A-1 Notes is one or more subcategories below its initial rating thereof (or has been withdrawn and not reinstated) or (ii) (a) the S&P rating of the Class A-1 Notes is one or more subcategories below its initial rating thereof (or has been withdrawn and not reinstated) or the S&P rating of any Class of Secured Notes other than the Class A-1 Notes is two or more subcategories below its initial rating thereof (or has been withdrawn and not reinstated) and (b) any Coverage Test or Collateral Quality Test is not satisfied; *provided* that (x) the withdrawal of a rating of any Class of Notes because such Class is no longer Outstanding will not result in a Restricted Trading Period and (y) a Majority of the Controlling Class may waive the occurrence and continuance of any Restricted Trading Period, which waiver shall remain in effect until a Majority of the Controlling Class revokes such waiver or a further downgrade or withdrawal of a rating of any class of Secured Notes that notwithstanding such waiver would cause the conditions set forth in clause (i) or (ii) to be true.

"**Revolving Collateral Obligation**" means any Asset (other than a Delayed Drawdown Collateral Obligation) that is a loan (including, without limitation, revolving loans, including funded and unfunded portions of revolving credit lines and letter of credit facilities, unfunded commitments under specific facilities and other similar loans and investments) that by its terms may require one or more future advances to be made to the borrower by the Issuer; *provided*, that any such Collateral Obligation will be a Revolving Collateral Obligation only until all commitments to make advances to the borrower expire or are terminated or irrevocably reduced to zero.

"**Rule 144A Global Security**" means a Security issued as a permanent global security in definitive, fully registered form without interest coupons and sold to a person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Security is both a Qualified Institutional Buyer and a Qualified Purchaser.

"**S&P**" means Standard & Poor's Rating Services, a Standard & Poor's Financial Services LLC business, and any successor thereto.

"**S&P Additional Current Pay Criteria**" means criteria satisfied with respect to any Collateral Obligation (a) if the issuer of such Collateral Obligation (other than a DIP Collateral Obligation) has made a Distressed Exchange Offer and such Collateral Obligation is already held by the Issuer and is subject to the Distressed Exchange Offer or ranks equal to or higher in priority than the obligation subject to the Distressed Exchange Offer and (b) such Collateral

Obligation has a Market Value no less than 80% (determined under clause (i) or (ii) of the definition of Market Value.

"**S&P Asset Specific Recovery Rating**" means, with respect to any Collateral Obligation, the corporate recovery rating assigned by S&P (*i.e.*, the S&P Recovery Rate) to such Collateral Obligation.

"**S&P CDO Monitor**" means, the dynamic, analytical computer model developed by S&P used to calculate the default frequency in terms of the amount of debt assumed to default as a percentage of the original principal amount of the Collateral Obligations consistent with a specified benchmark rating level based upon certain assumptions (including the applicable S&P Weighted Average Recovery Rate) and S&P's proprietary corporate default studies, as may be amended by S&P from time to time upon notice to the Issuer, the Trustee and the Collateral Administrator. The inputs to the S&P CDO Monitor will be (A) the applicable weighted average spread will be the spread between 2.00% and 5.50% (in increments of 0.05%) without exceeding the Weighted Average Floating Spread (determined for purposes of this definition as if all Discount Obligations instead constituted Collateral Obligations that are not Discount Obligations) as of such Measurement Date (the "**S&P Matrix Spread**") and (B) the applicable weighted average recovery rate with respect to each Class of Secured Notes will be determined according to its S&P rating by reference to the applicable "Recovery Rate Case" set forth in the table provided below, in each case as selected by the Investment Manager (*provided* that, in each case, such rate may not exceed the actual weighted average recovery rate with respect to such Class of Secured Notes). On and after the Effective Date, the Investment Manager will have the right to choose which Recovery Rate Case set forth below for each Class of Secured Notes (collectively, a "**Recovery Rate Set**") and which S&P Matrix Spread will be applicable for purposes of the S&P CDO Monitor.

Class A-1 Notes		Class A-2 Notes		Class B Notes		Class C Notes		Class D Notes		Class E Notes	
Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)
1	38.00	1	44.00	1	49.50	1	55.75	1	61.50	1	66.50
2	38.00	2	45.00	2	50.50	2	56.75	2	62.50	2	67.50
3	38.00	3	46.00	3	51.50	3	57.75	3	63.50	3	68.50
4	38.00	4	47.00	4	52.50	4	58.75	4	64.50	4	69.50
5	38.25	5	44.25	5	49.75	5	56.00	5	61.75	5	66.75
6	38.25	6	45.25	6	50.75	6	57.00	6	62.75	6	67.75
7	38.25	7	46.25	7	51.75	7	58.00	7	63.75	7	68.75
8	38.25	8	47.25	8	52.75	8	59.00	8	64.75	8	69.75
9	38.50	9	44.50	9	50.00	9	56.25	9	62.00	9	67.00
10	38.50	10	45.50	10	51.00	10	57.25	10	63.00	10	68.00
11	38.50	11	46.50	11	52.00	11	58.25	11	64.00	11	69.00
12	38.50	12	47.50	12	53.00	12	59.25	12	65.00	12	70.00
13	38.75	13	44.75	13	50.25	13	56.50	13	62.25	13	67.25
14	38.75	14	45.75	14	51.25	14	57.50	14	63.25	14	68.25
15	38.75	15	46.75	15	52.25	15	58.50	15	64.25	15	69.25
16	38.75	16	47.75	16	53.25	16	59.50	16	65.25	16	70.25
17	39.00	17	45.00	17	50.50	17	56.75	17	62.50	17	67.50
18	39.00	18	46.00	18	51.50	18	57.75	18	63.50	18	68.50
19	39.00	19	47.00	19	52.50	19	58.75	19	64.50	19	69.50
20	39.00	20	48.00	20	53.50	20	59.75	20	65.50	20	70.50
21	39.25	21	45.25	21	50.75	21	57.00	21	62.75	21	67.75
22	39.25	22	46.25	22	51.75	22	58.00	22	63.75	22	68.75
23	39.25	23	47.25	23	52.75	23	59.00	23	64.75	23	69.75
24	39.25	24	48.25	24	53.75	24	60.00	24	65.75	24	70.75
25	39.50	25	45.50	25	51.00	25	57.25	25	63.00	25	68.00
26	39.50	26	46.50	26	52.00	26	58.25	26	64.00	26	69.00
27	39.50	27	47.50	27	53.00	27	59.25	27	65.00	27	70.00
28	39.50	28	48.50	28	54.00	28	60.25	28	66.00	28	71.00
29	39.75	29	45.75	29	51.25	29	57.50	29	63.25	29	68.25
30	39.75	30	46.75	30	52.25	30	58.50	30	64.25	30	69.25
31	39.75	31	47.75	31	53.25	31	59.50	31	65.25	31	70.25
32	39.75	32	48.75	32	54.25	32	60.50	32	66.25	32	71.25
33	40.00	33	46.00	33	51.50	33	57.75	33	63.50	33	68.50
34	40.00	34	47.00	34	52.50	34	58.75	34	64.50	34	69.50
35	40.00	35	48.00	35	53.50	35	59.75	35	65.50	35	70.50
36	40.00	36	49.00	36	54.50	36	60.75	36	66.50	36	71.50

Class A-1 Notes		Class A-2 Notes		Class B Notes		Class C Notes		Class D Notes		Class E Notes	
Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)
37	40.25	37	46.25	37	51.75	37	58.00	37	63.75	37	68.75
38	40.25	38	47.25	38	52.75	38	59.00	38	64.75	38	69.75
39	40.25	39	48.25	39	53.75	39	60.00	39	65.75	39	70.75
40	40.25	40	49.25	40	54.75	40	61.00	40	66.75	40	71.75
41	40.50	41	46.50	41	52.00	41	58.25	41	64.00	41	69.00
42	40.50	42	47.50	42	53.00	42	59.25	42	65.00	42	70.00
43	40.50	43	48.50	43	54.00	43	60.25	43	66.00	43	71.00
44	40.50	44	49.50	44	55.00	44	61.25	44	67.00	44	72.00
45	40.75	45	46.75	45	52.25	45	58.50	45	64.25	45	69.25
46	40.75	46	47.75	46	53.25	46	59.50	46	65.25	46	70.25
47	40.75	47	48.75	47	54.25	47	60.50	47	66.25	47	71.25
48	40.75	48	49.75	48	55.25	48	61.50	48	67.25	48	72.25
49	41.00	49	47.00	49	52.50	49	58.75	49	64.50	49	69.50
50	41.00	50	48.00	50	53.50	50	59.75	50	65.50	50	70.50
51	41.00	51	49.00	51	54.50	51	60.75	51	66.50	51	71.50
52	41.00	52	50.00	52	55.50	52	61.75	52	67.50	52	72.50
53	41.25	53	47.25	53	52.75	53	59.00	53	64.75	53	69.75
54	41.25	54	48.25	54	53.75	54	60.00	54	65.75	54	70.75
55	41.25	55	49.25	55	54.75	55	61.00	55	66.75	55	71.75
56	41.25	56	50.25	56	55.75	56	62.00	56	67.75	56	72.75
57	41.50	57	47.50	57	53.00	57	59.25	57	65.00	57	70.00
58	41.50	58	48.50	58	54.00	58	60.25	58	66.00	58	71.00
59	41.50	59	49.50	59	55.00	59	61.25	59	67.00	59	72.00
60	41.50	60	50.50	60	56.00	60	62.25	60	68.00	60	73.00
61	41.75	61	47.75	61	53.25	61	59.50	61	65.25	61	70.25
62	41.75	62	48.75	62	54.25	62	60.50	62	66.25	62	71.25
63	41.75	63	49.75	63	55.25	63	61.50	63	67.25	63	72.25
64	41.75	64	50.75	64	56.25	64	62.50	64	68.25	64	73.25
65	42.00	65	48.00	65	53.50	65	59.75	65	65.50	65	70.50
66	42.00	66	49.00	66	54.50	66	60.75	66	66.50	66	71.50
67	42.00	67	50.00	67	55.50	67	61.75	67	67.50	67	72.50
68	42.00	68	51.00	68	56.50	68	62.75	68	68.50	68	73.50
69	42.25	69	48.25	69	53.75	69	60.00	69	65.75	69	70.75
70	42.25	70	49.25	70	54.75	70	61.00	70	66.75	70	71.75
71	42.25	71	50.25	71	55.75	71	62.00	71	67.75	71	72.75
72	42.25	72	51.25	72	56.75	72	63.00	72	68.75	72	73.75
73	42.50	73	48.50	73	54.00	73	60.25	73	66.00	73	71.00
74	42.50	74	49.50	74	55.00	74	61.25	74	67.00	74	72.00
75	42.50	75	50.50	75	56.00	75	62.25	75	68.00	75	73.00
76	42.50	76	51.50	76	57.00	76	63.25	76	69.00	76	74.00
77	42.75	77	48.75	77	54.25	77	60.50	77	66.25	77	71.25
78	42.75	78	49.75	78	55.25	78	61.50	78	67.25	78	72.25
79	42.75	79	50.75	79	56.25	79	62.50	79	68.25	79	73.25
80	42.75	80	51.75	80	57.25	80	63.50	80	69.25	80	74.25
81	43.00	81	49.00	81	54.50	81	60.75	81	66.50	81	71.50
82	43.00	82	50.00	82	55.50	82	61.75	82	67.50	82	72.50
83	43.00	83	51.00	83	56.50	83	62.75	83	68.50	83	73.50
84	43.00	84	52.00	84	57.50	84	63.75	84	69.50	84	74.50
85	43.25	85	49.25	85	54.75	85	61.00	85	66.75	85	71.75
86	43.25	86	50.25	86	55.75	86	62.00	86	67.75	86	72.75
87	43.25	87	51.25	87	56.75	87	63.00	87	68.75	87	73.75
88	43.25	88	52.25	88	57.75	88	64.00	88	69.75	88	74.75
89	43.50	89	49.50	89	55.00	89	61.25	89	67.00	89	72.00
90	43.50	90	50.50	90	56.00	90	62.25	90	68.00	90	73.00
91	43.50	91	51.50	91	57.00	91	63.25	91	69.00	91	74.00
92	43.50	92	52.50	92	58.00	92	64.25	92	70.00	92	75.00
93	43.75	93	49.75	93	55.25	93	61.50	93	67.25	93	72.25
94	43.75	94	50.75	94	56.25	94	62.50	94	68.25	94	73.25
95	43.75	95	51.75	95	57.25	95	63.50	95	69.25	95	74.25
96	43.75	96	52.75	96	58.25	96	64.50	96	70.25	96	75.25
97	44.00	97	50.00	97	55.50	97	61.75	97	67.50	97	72.50
98	44.00	98	51.00	98	56.50	98	62.75	98	68.50	98	73.50

Class A-1 Notes		Class A-2 Notes		Class B Notes		Class C Notes		Class D Notes		Class E Notes	
Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)
99	44.00	99	52.00	99	57.50	99	63.75	99	69.50	99	74.50
100	44.00	100	53.00	100	58.50	100	64.75	100	70.50	100	75.50
101	44.25	101	50.25	101	55.75	101	62.00	101	67.75	101	72.75
102	44.25	102	51.25	102	56.75	102	63.00	102	68.75	102	73.75
103	44.25	103	52.25	103	57.75	103	64.00	103	69.75	103	74.75
104	44.25	104	53.25	104	58.75	104	65.00	104	70.75	104	75.75
105	44.50	105	50.50	105	56.00	105	62.25	105	68.00	105	73.00
106	44.50	106	51.50	106	57.00	106	63.25	106	69.00	106	74.00
107	44.50	107	52.50	107	58.00	107	64.25	107	70.00	107	75.00
108	44.50	108	53.50	108	59.00	108	65.25	108	71.00	108	76.00
109	44.75	109	50.75	109	56.25	109	62.50	109	68.25	109	73.25
110	44.75	110	51.75	110	57.25	110	63.50	110	69.25	110	74.25
111	44.75	111	52.75	111	58.25	111	64.50	111	70.25	111	75.25
112	44.75	112	53.75	112	59.25	112	65.50	112	71.25	112	76.25
113	45.00	113	51.00	113	56.50	113	62.75	113	68.50	113	73.50
114	45.00	114	52.00	114	57.50	114	63.75	114	69.50	114	74.50
115	45.00	115	53.00	115	58.50	115	64.75	115	70.50	115	75.50
116	45.00	116	54.00	116	59.50	116	65.75	116	71.50	116	76.50
117	45.25	117	51.25	117	56.75	117	63.00	117	68.75	117	73.75
118	45.25	118	52.25	118	57.75	118	64.00	118	69.75	118	74.75
119	45.25	119	53.25	119	58.75	119	65.00	119	70.75	119	75.75
120	45.25	120	54.25	120	59.75	120	66.00	120	71.75	120	76.75
121	45.50	121	51.50	121	57.00	121	63.25	121	69.00	121	74.00
122	45.50	122	52.50	122	58.00	122	64.25	122	70.00	122	75.00
123	45.50	123	53.50	123	59.00	123	65.25	123	71.00	123	76.00
124	45.50	124	54.50	124	60.00	124	66.25	124	72.00	124	77.00
125	45.75	125	51.75	125	57.25	125	63.50	125	69.25	125	74.25
126	45.75	126	52.75	126	58.25	126	64.50	126	70.25	126	75.25
127	45.75	127	53.75	127	59.25	127	65.50	127	71.25	127	76.25
128	45.75	128	54.75	128	60.25	128	66.50	128	72.25	128	77.25
129	46.00	129	52.00	129	57.50	129	63.75	129	69.50	129	74.50
130	46.00	130	53.00	130	58.50	130	64.75	130	70.50	130	75.50
131	46.00	131	54.00	131	59.50	131	65.75	131	71.50	131	76.50
132	46.00	132	55.00	132	60.50	132	66.75	132	72.50	132	77.50
133	46.25	133	52.25	133	57.75	133	64.00	133	69.75	133	74.75
134	46.25	134	53.25	134	58.75	134	65.00	134	70.75	134	75.75
135	46.25	135	54.25	135	59.75	135	66.00	135	71.75	135	76.75
136	46.25	136	55.25	136	60.75	136	67.00	136	72.75	136	77.75
137	46.50	137	52.50	137	58.00	137	64.25	137	70.00	137	75.00
138	46.50	138	53.50	138	59.00	138	65.25	138	71.00	138	76.00
139	46.50	139	54.50	139	60.00	139	66.25	139	72.00	139	77.00
140	46.50	140	55.50	140	61.00	140	67.25	140	73.00	140	78.00
141	46.75	141	52.75	141	58.25	141	64.50	141	70.25	141	75.25
142	46.75	142	53.75	142	59.25	142	65.50	142	71.25	142	76.25
143	46.75	143	54.75	143	60.25	143	66.50	143	72.25	143	77.25
144	46.75	144	55.75	144	61.25	144	67.50	144	73.25	144	78.25
145	47.00	145	53.00	145	58.50	145	64.75	145	70.50	145	75.50
146	47.00	146	54.00	146	59.50	146	65.75	146	71.50	146	76.50
147	47.00	147	55.00	147	60.50	147	66.75	147	72.50	147	77.50
148	47.00	148	56.00	148	61.50	148	67.75	148	73.50	148	78.50
149	47.25	149	53.25	149	58.75	149	65.00	149	70.75	149	75.75
150	47.25	150	54.25	150	59.75	150	66.00	150	71.75	150	76.75
151	47.25	151	55.25	151	60.75	151	67.00	151	72.75	151	77.75
152	47.25	152	56.25	152	61.75	152	68.00	152	73.75	152	78.75
153	47.50	153	53.50	153	59.00	153	65.25	153	71.00	153	76.00
154	47.50	154	54.50	154	60.00	154	66.25	154	72.00	154	77.00
155	47.50	155	55.50	155	61.00	155	67.25	155	73.00	155	78.00
156	47.50	156	56.50	156	62.00	156	68.25	156	74.00	156	79.00
157	47.75	157	53.75	157	59.25	157	65.50	157	71.25	157	76.25
158	47.75	158	54.75	158	60.25	158	66.50	158	72.25	158	77.25
159	47.75	159	55.75	159	61.25	159	67.50	159	73.25	159	78.25
160	47.75	160	56.75	160	62.25	160	68.50	160	74.25	160	79.25

Class A-1 Notes		Class A-2 Notes		Class B Notes		Class C Notes		Class D Notes		Class E Notes	
Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)	Recovery Rate Case	S&P Recovery Rate (%)
161	48.00	161	54.00	161	59.50	161	65.75	161	71.50	161	76.50
162	48.00	162	55.00	162	60.50	162	66.75	162	72.50	162	77.50
163	48.00	163	56.00	163	61.50	163	67.75	163	73.50	163	78.50
164	48.00	164	57.00	164	62.50	164	68.75	164	74.50	164	79.50

"**S&P Collateral Value**" means, with respect to any Defaulted Obligation, the lesser of (a) the S&P Recovery Amount of such Defaulted Obligation as of the relevant Measurement Date and (b) the Market Value of such Defaulted Obligation as of the relevant Measurement Date.

"**S&P Industry Classification** " means each classification in the table set forth in Annex B hereto.

"**S&P Rating**" has the meaning specified in Annex B hereto.

"**S&P Rating Condition**" means, with respect to any action taken or to be taken by or on behalf of the Issuer, a condition that is satisfied if S&P has specifically confirmed in writing, including by electronic messages, facsimile, press release or posting to its internet website, to the Issuer, the Trustee and the Investment Manager that no immediate withdrawal or reduction with respect to its then-current rating of any Class of Secured Notes will occur as a result of such action; *provided* that if S&P (a) makes a public announcement or informs the Issuer, the Investment Manager or the Trustee that (i) it believes the S&P Rating Condition is not required with respect to an action or (ii) its practice or policy is to not give such confirmations, or (b) it no longer constitutes a Rating Agency under the Indenture, the S&P Rating Condition will not apply.

"**S&P Recovery Amount**" means with respect to any Collateral Obligation, an amount equal to:

(i) the applicable S&P Recovery Rate multiplied by

(ii) the Principal Balance of such Collateral Obligation.

"**S&P Recovery Rate**" means, with respect to a Collateral Obligation, the recovery rate determined in the manner set forth in Annex B using the initial rating of the most senior Class of Secured Notes Outstanding at the time of determination.

"**S&P Weighted Average Recovery Rate**" means, as of any date of determination, the number, expressed as a percentage and determined separately for each Class of Secured Notes, obtained by summing the products obtained by multiplying the outstanding principal balance of each Collateral Obligation (excluding any Defaulted Obligation) by its corresponding recovery rate as determined in accordance with Annex B hereto, dividing such sum by the Aggregate Principal Balance of all Collateral Obligations (excluding any Defaulted Obligation), and rounding to the nearest tenth of a percent.

"**Sale Proceeds**" means all proceeds (excluding accrued interest, if any) received with respect to Assets as a result of sales of such Assets less any reasonable expenses incurred by the Investment Manager, the Trustee or the Collateral Administrator (other than amounts payable as Administrative Expenses) in connection with such sales.

"**Second Lien Loan**" means any assignment of or Participation Interest in or other interest in a loan that (a) is not (and that by its terms is not permitted to become) subordinate in right of payment to any other obligation of the obligor of the loan other than a Senior Secured Loan with respect to the liquidation of such obligor or the collateral for such loan and (b) is secured by a valid second priority perfected security interest or lien to or on specified collateral securing the obligor's obligations under the loan, which security interest or lien is not subordinate to the security interest or lien securing any other debt for borrowed money other than a Senior Secured Loan on such specified collateral.

"**Secured Loan Obligation**" means any Senior Secured Loan, Senior Secured Note or Second Lien Loan.

"**Secured Parties**" means collectively the Holders of the Secured Notes, each Hedge Counterparty, the Collateral Administrator, the Administrator and the Trustee.

"**Selling Institution**" means the entity obligated to make payments to the Issuer under the terms of a Participation Interest.

"**Senior Secured Bond**" means a debt security (that is not a loan) that is (a) issued by a corporation, limited liability company, partnership or trust and (b) secured by a valid first priority perfected security interest on specified collateral.

"**Senior Secured Loan**" means any assignment of, Participation Interest in or other interest in a loan that (a) is secured by a first priority perfected security interest or lien on specified collateral (subject to customary exemptions for permitted liens, including, without limitation, any tax liens), (b) has the most senior pre-petition priority (including *pari passu* with other obligations of the obligor) in any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings and (c) by its terms is not permitted to become subordinate in right of payment to any other obligation of the obligor thereof.

"**Senior Secured Note**" means any assignment of or Participation Interest in or other interest in a senior secured note issued pursuant to an indenture or equivalent document by a corporation, partnership, limited liability company, trust or other Person, bearing interest at a floating rate and that is secured by a pledge of collateral and has a senior pre-petition priority (including *pari passu* with other obligations of the obligor, but subject to customary permitted liens, such as, but not limited to, any tax liens) in any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings.

"**Senior Unsecured Loan**" means any assignment of or Participation Interest in or other interest in a unsecured loan that is not subordinated to any other unsecured indebtedness of the obligor.

"**Stated Maturity**" means the date indicated as such in "Summary of Terms—Principal Terms of the Securities," or, if such day is not a Business Day, then the next succeeding Business Day.

"**Step-Down Obligation**" means any Collateral Obligation the Underlying Instruments of which contractually mandate decreases in coupon payments or spread over time (in each case other than decreases that are conditioned upon an improvement in the creditworthiness of the obligor or changes in a pricing grid or based on improvements in financial ratios or other similar coupon or spread-reset features).

"**Step-Up Obligation**" means any Collateral Obligation which provides for an increase, in the case of a Collateral Obligation which bears interest at a fixed rate, in the *per annum* interest rate on such Collateral Obligation or, in the case of a Collateral Obligation which bears interest at a floating rate, in the spread over that applicable index or benchmark rate, solely as a function of the passage of time.

"**Structured Finance Obligation**" means any obligation of a special purpose vehicle secured directly by, referenced to, or representing ownership of, a pool of receivables or other assets, including collateralized debt obligations and single-asset repackages.

"**Subordinated Notes**" means the Subordinated Notes issued pursuant to the Indenture.

"**Supermajority**" means, with respect to any Class, the Holders of at least 66⅔% of the Aggregate Outstanding Amount of the Securities of such Class.

"**Synthetic Security**" means a security or swap transaction, other than a Participation Interest, that has payments associated with either payments of interest and/or principal on a reference obligation or the credit performance of a reference obligation.

"**Tax Advice**" means written advice from tax counsel of nationally recognized standing in the United States experienced in transactions of the type being addressed that (i) is based on knowledge by the person giving the advice of all relevant facts and circumstances of the Issuer and transaction (which are described in the advice or in a written description referred to in the advice which may be provided by the Issuer or Investment Manager), and (ii) is intended by the person rendering the advice to be relied upon by the Issuer in determining whether to enter into the transaction.

"**Tax Event**" means an event that will occur upon a change in or the adoption of any U.S. or non-U.S. tax statute or treaty, or any change in or the issuance of any regulation (whether final, temporary or proposed), ruling, procedure or any formal interpretation of any of the foregoing by a related governmental entity, which change, adoption or issuance results or will result in

(a) any portion of any payment (other than a commitment fee or similar fee) due from any obligor under any Collateral Obligation becoming properly subject to the imposition of U.S. or foreign withholding tax, which withholding tax is not compensated for by a "gross-up" provision under the terms of such Collateral Obligation,

(b) any jurisdiction's properly imposing net income, profits or similar tax on the Issuer,

(c) any portion of any payment due under a Hedge Agreement by the Issuer becoming properly subject to the imposition of U.S. or foreign withholding tax, which withholding tax is compensated for by a "gross-up" provision under the terms of the Hedge Agreement or

(d) any portion of any payment due under a Hedge Agreement by a Hedge Counterparty becoming properly subject to the imposition of U.S. or foreign withholding tax, which withholding tax is not compensated for by a "gross-up" provision under the terms of the Hedge Agreement;

provided that the total amount of

(i) the tax or taxes imposed on the Issuer as described in clause (b) of this definition,

(ii) the total amount withheld from payments to the Issuer which is not compensated for by a "gross-up" provision as described in clauses (a) and (d) of this definition and

(iii) the total amount of any tax "gross-up" payments that are required to be made by the Issuer as described in clause (c) of this definition are determined to be in excess of 5.0% of the aggregate interest due and payable on the Collateral Obligations during the Collection Period.

Withholding taxes imposed under FATCA will be disregarded in applying the definition of Tax Event, except that a Tax Event will also occur if (i) aggregate FATCA Compliance Costs over the remaining period that any Securities would remain outstanding (disregarding any redemption of Securities arising from a Tax Event under this sentence), as reasonably estimated by the Issuer (or the Investment Manager acting on behalf of the Issuer) are expected to be incurred in excess of $250,000 and (ii) any such withholding taxes are imposed (or are reasonably expected by the Issuer or the Investment Manager acting on its behalf to be imposed) in an aggregate amount in excess of $500,000.

"**Tax Jurisdiction**" means (a) one of the jurisdictions of the Bahamas, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands, Jersey, Singapore, the Netherlands Antilles, Ireland or the U.S. Virgin Islands, in each case so long as such jurisdiction is rated at least "AA" by S&P and "Aa2" by Moody's, and (b) upon satisfaction of the Global Rating Agency Condition with respect to the treatment of another jurisdiction as a Tax Jurisdiction, such other jurisdiction.

"**Third Party Credit Exposure**" as of any date of determination means the sum (without duplication) of the Principal Balance of each Collateral Obligation that is a Letter of Credit or a Participation Interest.

"**Third Party Credit Exposure Limits**" means limits that will be satisfied if the Third Party Credit Exposure with counterparties having the ratings below from S&P do not exceed the percentage of the Collateral Principal Amount specified below:

S&P's credit rating of Selling Institution (at or below)	Aggregate Percentage Limit	Individual Percentage Limit
AAA	20%	20%
AA+	10%	10%
AA	10%	10%
AA-	10%	10%
A+	5%	5%
A*	5%	5%
Below A	0%	0%

* must also have a short term S&P rating of "A-1"

"**Transaction Parties**" means the Issuer, the Co-Issuer, the Investment Manager, the Initial Purchaser, the Administrator, the Trustee and the Collateral Administrator.

"**Transfer Certificate**" means a written certification in the form of an exhibit to the Indenture.

"**Underlying Instrument**" means the indenture or other agreement pursuant to which an obligation has been issued or created and each other agreement that governs the terms of or secures the obligations represented by such obligation or of which the holders of such obligation are the beneficiaries.

"**Unsaleable Asset**" means (a) any Defaulted Obligation (during the continuation of an Event of Default only), Equity Security, obligation received in connection with a tender offer, voluntary redemption, exchange offer, conversion, restructuring or plan of reorganization with respect to the obligor, or other exchange or any other security or debt obligation that is part of the Assets, in respect of which the Issuer has not received a payment in cash during the preceding 12 months or (b) any asset, claim or other property identified in a certificate of the Investment Manager as having a Market Value of less than $1,000, in each case with respect to which the Investment Manager certifies to the Trustee that (x) it has made commercially reasonable efforts to dispose of such Collateral Obligation for at least 90 days and (y) in its commercially reasonable judgment such Collateral Obligation is not expected to be saleable for the foreseeable future.

"**Unscheduled Principal Payments**" means any principal payments received with respect to a Collateral Obligation as a result of optional redemptions, exchange offers, tender offers, consents or other payments or prepayments made at the option of the issuer thereof.

"**Weighted Average Fixed Coupon**" means, as of any Measurement Date, an amount equal to the number, expressed as a percentage, obtained by dividing

(a) the sum of (i) in the case of each fixed rate Collateral Obligation, the stated interest coupon on such Collateral Obligation times the Principal Balance of such Collateral Obligation (excluding any non-cash interest), *plus* (ii) to the extent that the amount obtained in subclause (i) is insufficient to satisfy the Minimum Fixed Coupon Test, the Excess Weighted Average Floating Spread (if any); by

(b) the Aggregate Principal Balance of the fixed rate Collateral Obligations as of such Measurement Date;

provided, that in the case of each of the foregoing clauses (a) and (b), in calculating the Weighted Average Fixed Coupon in respect of any Step-Down Obligation, the coupon of such Collateral Obligation will be the lowest permissible coupon pursuant to the Underlying Instruments of the obligor of such Step-Down Obligation.

"**Weighted Average Floating Spread**" means, as of any Measurement Date, a fraction (expressed as a percentage) obtained by:

(a) multiplying the Principal Balance of each floating rate Collateral Obligation held by the Issuer as of such Measurement Date by its Effective Spread;

(b) (1) summing the amounts determined pursuant to clause (a) and (2) adding thereto an amount (not less than zero) equal to the product of (x) LIBOR for the Notes and (y) the amount, if any, by which the Aggregate Principal Balance of all floating rate Collateral Obligations exceeds the amount equal to the Reinvestment Target Par Balance minus the Aggregate Principal Balance of all fixed rate Collateral Obligations;

(c) dividing the sum determined pursuant to clause (b) by the lesser of (1) the sum of the Aggregate Principal Balance of all floating rate Collateral Obligations held by the Issuer as of such Measurement Date and (2) the product of the Reinvestment Target Par Balance and a fraction, the numerator of which is the Aggregate Principal Balance of all floating rate Collateral Obligations and the denominator of which is the Aggregate Principal Balance of all Collateral Obligations; and

(d) if the result obtained in clause (c) is less than the minimum percentage necessary to pass the Minimum Floating Spread Test, adding to such sum the amount of the Excess Weighted Average Fixed Coupon, if any, as of such Measurement Date;

provided, that in calculating the Weighted Average Floating Spread (A) Defaulted Obligations will not be included, and (B) for purposes of the S&P CDO Monitor, the amount determined pursuant to clause (b)(2) will be deemed to be zero and the amount determined pursuant to clause (c)(1) will be deemed to be less than the amount determined pursuant to clause (c)(2).

"**Weighted Average Life**" means, on each Measurement Date with respect to each Collateral Obligation (other than any Defaulted Obligations), the number obtained by (a) summing the products obtained by multiplying (i) the Average Life at such time of each such Collateral Obligation by (ii) the Aggregate Principal Balance of such Collateral Obligation and (b) dividing such sum by the Aggregate Principal Balance at such time of all Collateral Obligations (excluding any Defaulted Obligations).

"**Zero-Coupon Security**" means any Collateral Obligation that at the time of purchase does not by its terms provide for the payment of cash interest; *provided* that if after such purchase such Collateral Obligation provides for the payment of cash interest, it will cease to be a Zero-Coupon Security.

ANNEX A – MOODY'S RATING DEFINITIONS

"**Moody's Credit Estimate**" means, with respect to any Collateral Obligation, as of any date of determination, an estimated credit rating for such Collateral Obligation (or, if such credit estimate is the Moody's Rating Factor, the credit rating corresponding to such Moody's Rating Factor) provided or confirmed by Moody's; *provided* that (a) if Moody's has been requested by the Issuer, the Investment Manager or the issuer of such Collateral Obligation to assign or renew an estimate with respect to such Collateral Obligation but such rating estimate has not been received, pending receipt of such estimate, the Moody's Rating or Moody's Default Probability Rating of such Collateral Obligation shall be (1) "B3" if the Investment Manager certifies to the Trustee and the Collateral Administrator that the Investment Manager believes that such estimate shall be at least "B3" and if the Aggregate Principal Balance of Collateral Obligations determined pursuant to this subclause (1) does not exceed 5% of the Collateral Principal Amount or (2) otherwise, "Caa1"; and (b) with respect to a Collateral Obligation's credit estimate which has not been renewed, the Moody's Credit Estimate will be (1) within 13-15 months of issuance, one subcategory lower than the estimated rating and (2) after 15 months of issuance, "Caa3."

"**Moody's Default Probability Rating**" means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) With respect to a Collateral Obligation other than a DIP Collateral Obligation

(i) if the obligor of such Collateral Obligation has a corporate family rating by Moody's, such rating;

(ii) if not determined pursuant to clause (i) above, if the senior unsecured debt of the obligor of such Collateral Obligation has a public rating by Moody's (a "**Moody's Senior Unsecured Rating**"), such Moody's Senior Unsecured Rating;

(iii) if not determined pursuant to clause (i) or (ii) above, if the senior secured debt of the obligor has a public rating by Moody's, the Moody's rating that is one subcategory lower than such rating;

(iv) if not determined pursuant to clause (i), (ii) or (iii) above, the Investment Manager may elect to use a Moody's Credit Estimate to determine the Moody's Rating Factor for such Collateral Obligation for purposes of the Maximum Moody's Rating Factor Test;

(v) if the Moody's Default Probability Rating is not determined pursuant to clause (i), (ii) or (iii) above (and a Moody's Rating Factor is not determined pursuant to clause (iv) above), the Moody's Derived Rating, if any; or

(vi) if the Moody's Default Probability Rating is not determined pursuant to clause (i), (ii), (iii) or (v) above (and a Moody's Rating Factor is not determined pursuant to clause (iv) above), the Moody's Default Probability Rating will be "Caa3."

(b) With respect to a DIP Collateral Obligation;

(i) the rating which is one subcategory below the facility rating (whether public or private) of such DIP Collateral Obligation rated by Moody's; or

(ii) with respect to any DIP Collateral Obligation if not determined pursuant to clause (i) above, a rating of "Caa3."

For purposes of determining a Moody's Default Probability Rating, if an obligor does not have a Moody's corporate family rating, the Moody's corporate family rating will be the Moody's corporate family rating of any entity in the obligor's corporate family as designated by the Investment Manager.

"**Moody's Derived Rating**" means, respect to a Collateral Obligation, as of any date of determination, the Moody's Rating or the Moody's Default Probability Rating determined in the manner set forth below:

(a) if another obligation of the obligor is rated by Moody's, then by adjusting the rating of the related Moody's rated obligations of the related obligor by the number of rating subcategories according to the table below:

Obligation Category of Rated Obligation	Rating of Rated Obligation	Number of Subcategories Relative to Rated Obligation Rating
Senior secured obligation.....	greater than or equal to B2	-1
Senior secured obligation.....	less than B2	-2
Subordinated obligation.....	greater than or equal to B3	+1
Subordinated obligation.....	less than B3	0

(b) If not determined pursuant to clause (a), by using one of the methods provided below:

(i) pursuant to the table below:

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

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

The Aggregate Principal Balance of the Collateral Obligations that may have a Moody's Derived Rating derived from a rating by S&P may not exceed 10.0% of the Collateral Principal Amount.

"**Moody's Rating**" means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) With respect to a Collateral Obligation that is a Senior Secured Loan:

(i) if Moody's has assigned such Collateral Obligation a rating (including pursuant to a Moody's Credit Estimate), such rating;

(ii) if not determined pursuant to clause (i), if the obligor of such Collateral Obligation has a corporate family rating by Moody's (including pursuant to a Moody's Credit Estimate), the Moody's rating that is one subcategory higher than such corporate family rating

(iii) if not determined pursuant to clause (i) or (ii), if the obligor of such Collateral Obligation has a Moody's Senior Unsecured Rating, the Moody's rating that is two subcategories higher than such Moody's Senior Unsecured Rating;

(iv) if not determined pursuant to clause (i), (ii) or (iii), the Moody's Derived Rating, if any; or

(v) if not determined pursuant to clause (i), (ii), (iii) or (iv), "Caa3";

(b) With respect to a Collateral Obligation that is not a Senior Secured Loan

(i) if Moody's has assigned such Collateral Obligation a rating (including pursuant to a Moody's Credit Estimate), such rating;

(ii) if not determined pursuant to clause (i), if the obligor of such Collateral Obligation has a Moody's Senior Unsecured Rating, such Moody's Senior Unsecured Rating;

(iii) if not determined pursuant to clause (i) or (ii), if the obligor of such Collateral Obligation has a corporate family rating by Moody's (including pursuant to a Moody's Credit Estimate), the Moody's rating that is one subcategory lower than such corporate family rating;

(iv) if not determined pursuant to clause (i), (ii) or (iii), if the subordinated debt of the obligor of such Collateral Obligation has a public rating from Moody's, the Moody's rating that is one subcategory higher than such rating;

(v) if not determined pursuant to clause (i), (ii), (iii) or (iv), the Moody's Derived Rating, if any; or

(vi) if not determined pursuant to clause (i), (ii), (iii), (iv) or (v), "Caa3."

For purposes of determining a Moody's Rating, if an obligor does not have a Moody's corporate family rating, the Moody's corporate family rating will be the Moody's corporate family rating of any entity in the obligor's corporate family as designated by the Investment Manager.

ANNEX B – S&P RATING DEFINITION AND S&P RECOVERY RATE TABLES

"**S&P Rating**" means, the S&P Rating of any Collateral Obligation (excluding Current Pay Obligations whose issuer has made a Distressed Exchange Offer), determined as follows:

(a) with respect to a Collateral Obligation that is not a DIP Collateral Obligation (i) if there is an issuer credit rating of the issuer of such Collateral Obligation by S&P as published by S&P, or the guarantor which unconditionally and irrevocably guarantees such Collateral Obligation pursuant to a form of guaranty approved by S&P for use in connection with this transaction, then the S&P Rating will be such rating (regardless of whether there is a published rating by S&P on the Collateral Obligations of such issuer held by the Issuer) or (ii) if there is no issuer credit rating of the issuer by S&P but (A) if there is a senior unsecured rating on any obligation or security of the issuer, the S&P Rating of such Collateral Obligation will equal such rating; (B) if there is a senior secured rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation will be one subcategory below such rating; and (C) if there is a subordinated rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation will be one subcategory above such rating if such rating is higher than "BB+," and will be two subcategories above such rating if such rating is "BB+" or lower;

(b) with respect to any Collateral Obligation that is a DIP Collateral Obligation, the S&P Rating thereof will be the credit rating assigned to such issue by S&P;

(c) if there is not a rating by S&P on the issuer or on an obligation of the issuer, then the S&P Rating may be determined pursuant to clauses (i) through (iv) below:

(i) if an obligation of the issuer is not a DIP Collateral Obligation and is publicly rated by Moody's, then the S&P Rating will be determined in accordance with the methodologies for establishing the Moody's Rating set forth above except that the S&P Rating of such obligation will be (A) one subcategory below the S&P equivalent of the Moody's Rating if such Moody's Rating is "Baa3" or higher and (B) two subcategories below the S&P equivalent of the Moody's Rating if such Moody's Rating is "Ba1" or lower; *provided*, that the Aggregate Principal Balance of the Collateral Obligations that may have an S&P Rating derived from a Moody's Rating as set forth in this subclause (i) may not exceed 10.0% of the Collateral Principal Amount; *provided*, *further* that, to the extent that Moody's is no longer acting as a Rating Agency under the Indenture and an applicable successor is not in place, the S&P Rating Condition has been satisfied prior to any determination in accordance with this clause (c)(i);

(ii) the S&P Rating may be based on a credit estimate provided by S&P, and in connection therewith, the Issuer, the Investment Manager on behalf of the Issuer or the issuer of such Collateral Obligation will, prior to or within thirty (30) days after the acquisition of such Collateral Obligation, apply (and concurrently submit all available Required S&P Credit Estimate Information in respect of such application) to S&P for a credit estimate which will be its S&P Rating; *provided*, that, until the receipt from S&P of such estimate, such Collateral Obligation will have an S&P Rating as determined by the Investment Manager in its sole discretion if the Investment Manager certifies to the Trustee that it believes that such S&P Rating determined by the Investment Manager is commercially reasonable and will be at least equal to such rating; *provided*, *further*, that if such Required S&P Credit Estimate Information is not submitted within such thirty (30) day period, then, pending receipt from S&P of such estimate, the Collateral Obligation will have (A) the S&P Rating as determined by the Investment Manager for a period of up to ninety (90) days after application (and submission of all Required S&P Credit Estimate Information in respect of such application) and (B) an S&P Rating of "CCC-" following such ninety day period; unless, during such ninety day period, the Investment Manager has requested the extension of such period and S&P, in its sole discretion, has granted such request; *provided*, *further*, that with respect to any Collateral Obligation for which S&P has provided a credit estimate, the Investment Manager (on behalf of the Issuer) will request that S&P confirm or update such estimate annually (and pending receipt of such confirmation or new estimate, the Collateral Obligation will have the prior estimate); *provided*, *further* that the Issuer will submit all available information in respect of such Collateral Obligation to S&P notwithstanding that the Issuer is not applying to S&P for a credit estimate; *provided, further*, that the Issuer will promptly notify S&P of any material event with respect to any such Collateral Obligation if the Investment Manager determines that such event is a material event as described in S&P's published criteria for credit estimates

titled "What Are Credit Estimates And How Do They Differ From Ratings?" dated April 2011 (as the same may be amended or updated from time to time);

(iii) with respect to a DIP Collateral Obligation, if the S&P Rating cannot otherwise be determined pursuant to this definition, the S&P Rating of such Collateral Obligation will be "CCC-"; and

(iv) with respect to a Collateral Obligation that is not a Defaulted Obligation, the S&P Rating of such Collateral Obligation will at the election of the Issuer (at the direction of the Investment Manager) be "CCC-" and the Investment Manager will submit all available Required S&P Credit Estimate Information to S&P; *provided*, that (A) the Investment Manager expects the Obligor in respect of such Collateral Obligation to continue to meet its payment obligations under such Collateral Obligation, (B) such Obligor is not currently in reorganization or bankruptcy, (C) such Obligor has not defaulted on any of its debts during the immediately preceding two year period and (D) the Issuer will promptly notify S&P of any material event with respect to any such Collateral Obligation if the Investment Manager determines that such event is a material event as described in S&P's published criteria for credit estimates titled "What Are Credit Estimates And How Do They Differ From Ratings?" dated April 2011 (as the same may be amended or updated from time to time);

provided, that for purposes of the determination of the S&P Rating, (x) if the applicable rating assigned by S&P to an obligor or its obligations is on "credit watch positive" by S&P, such rating will be treated as being one subcategory above such assigned rating, (y) if the applicable rating assigned by S&P to an obligor or its obligations is on "credit watch negative" by S&P, such rating will be treated as being one subcategory below such assigned rating and (z) any reference to the S&P rating in this definition will mean the public S&P rating and will not include any private or confidential S&P rating unless (1) the obligor and any other relevant party has provided written consent to S&P for the use of such rating; and (2) such rating is subject to continuous monitoring by S&P.

The S&P Rating of any Collateral Obligation that is a Current Pay Obligation whose issuer has made a Distressed Exchange Offer will be determined as follows:

(a) Subject to clause (d) below, if applicable, if the Collateral Obligation is and will remain senior to the debt obligations on which the related Distressed Exchange Offer has been made and the issuer is not subject to a bankruptcy proceeding, the issuer credit rating of the issuer published by S&P of the Collateral Obligation is below "CCC-" as a result of the Distressed Exchange Offer and S&P has not published revised ratings following the completion or withdrawal of the Distressed Exchange Offer and:

(b) there is an issue credit rating published by S&P for the Collateral Obligation and

(i) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 1+, then the S&P Rating of such Collateral Obligation will be the higher of (x) three subcategories below such issue credit rating and (y) "CCC-";

(ii) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 1, then the S&P Rating of such Collateral Obligation will be the higher of (x) two subcategories below such issue credit rating and (y) "CCC-";

(iii) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 2, then the S&P Rating of such Collateral Obligation will be the higher of (x) one subcategory below such issue credit rating and (y) "CCC-";

(iv) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 3 or 4, then the S&P Rating of such Collateral Obligation will be the higher of (x) such issue credit rating and (y) "CCC-";

(v) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 5, then the S&P Rating of such Collateral Obligation will be the higher of (x) one subcategory above such issue credit rating and (y) "CCC-"; or

(vi) the Collateral Obligation has an S&P Asset Specific Recovery Rating of 6, then the S&P Rating of such Collateral Obligation will be the higher of (x) two subcategories above such issue credit rating and (y) "CCC-"; or

(vii) there is either no issue credit rating or no S&P Asset Specific Recovery Rating for the Collateral Obligation, then the S&P Rating of such Collateral Obligations will be "CCC-";

(c) Subject to clause (d) below, if applicable, if the Collateral Obligation is the debt obligation on which the related Distressed Exchange Offer has been made, until S&P publishes revised ratings following the completion or withdrawal of the offer, the S&P Rating of such Collateral Obligation will be "CCC-";

(d) Subject to clause (d) below, if applicable, if the Collateral Obligation is subordinate to the debt obligation on which the related Distressed Exchange Offer has been made, until S&P publishes revised ratings following the completion or withdrawal of the offer the S&P Rating of such Collateral Obligation will be "CCC-";

(e) If multiple Collateral Obligations have the same issuer and such issuer made a Distressed Exchange Offer, the S&P Rating for each such Collateral Obligation will be determined as follows:

(i) *first*, an S&P Rating for each such Collateral Obligation will be determined in accordance with clauses (a), (b) and (c) of this definition;

(ii) *second*, the S&P Rating for each such Collateral Obligation determined in accordance with sub-clause (d)(i) above will be converted into "Rating Points" equivalent pursuant to the table set forth below:

S&P Rating	"Rating Points"	"Weighted Average Rating Points"
AAA	1	1
AA+	2	2
AA	3	3
AA-	4	4
A+	5	5
A	6	6
A-	7	7
BBB+	8	8
BBB	9	9
BBB-	10	10
BB+	11	11
BB	12	12
BB-	13	13
B+	14	14
B	15	15
B-	16	16
CCC+	17	17
CCC	18	18
CCC-	19	19

(iii) *third*, "Weighted Average Rating Points" for each such Collateral Obligation will be calculated by dividing "X" by "Y" where:

"X" will equal the sum of each of the products obtained by multiplying the Rating Points of each such Collateral Obligation by the Collateral Principal Amount of such Collateral Obligation, and

"Y" will equal the Aggregate Principal Balance of all the Collateral Obligations subject to the same Distressed Exchange Offer;

(iv) *fourth*, the "Weighted Average Rating Points" determined in accordance with sub-clause (d)(iii) above will be rounded to the nearest whole number and converted into an S&P Rating by matching the "Weighted Average Rating Points" of such Collateral Obligation with the S&P Rating set

forth in the table in sub-clause (d)(ii) above. The S&P Rating that matches the "Weighted Average Rating Points" for such Collateral Obligations will be the S&P Rating for each Collateral Obligation for which an S&P Rating is required to be determined pursuant to this clause (d).

"**Required S&P Credit Estimate Information**" means information required under S&P's "Credit Estimate Information Requirements" dated April 2011 and any other available information S&P reasonably requests in order to produce a credit estimate for a particular asset.

S&P Recovery Rate Tables

(a) If a Collateral Obligation has an S&P Asset Specific Recovery Rating, the S&P Recovery Rate for such Collateral Obligation will be the applicable percentage set forth in Table 1 below, based on such S&P Asset Specific Recovery Rating and the applicable Class of Note:

Table 1: S&P Recovery Rates For Collateral Obligations With S&P Asset Specific Recovery Ratings*

Asset Specific Recovery Rates	S&P Recovery Rate for Secured Notes rated "AAA" (%)	S&P Recovery Rate for Secured Notes rated "AA" (%)	S&P Recovery Rate for Secured Notes rated "A" (%)	S&P Recovery Rate for Secured Notes rated "BBB" (%)	S&P Recovery Rate for Secured Notes rated "BB" (%)	S&P Recovery Rate for Secured Notes rated "B" and "CCC" (%)
1+	75	85	88	90	92	95
1	65	75	80	85	90	95
2	50	60	66	73	79	85
3	30	40	46	53	59	65
4	20	26	33	39	43	45
5	5	10	15	20	23	25
6	2	4	6	8	10	10

* The S&P Recovery Rate will be the applicable rate set forth above based on the applicable Class of Secured Notes and the rating thereof as of the Closing Date.

(b) If a Collateral Obligation is senior unsecured debt or subordinate debt and does not have an S&P Asset Specific Recovery Rating but the same issuer has other debt obligations that rank senior, the S&P Recovery Rate for such Collateral Obligation will be the applicable percentage set forth in Tables 2 and 3 below:

Table 2: Recovery Rates for Senior Unsecured Assets Junior to Assets with Recovery Ratings

Senior Asset Recovery Rate	S&P Recovery Rate for Secured Notes rated "AAA" (%)	S&P Recovery Rate for Secured Notes rated "AA" (%)	S&P Recovery Rate for Secured Notes rated "A" (%)	S&P Recovery Rate for Secured Notes rated "BBB" (%)	S&P Recovery Rate for Secured Notes rated "BB" (%)	S&P Recovery Rate for Secured Notes rated "B" and "CCC" (%)
Group 1						
1+	18	20	23	26	29	31
1	18	20	23	26	29	31
2	18	20	23	26	29	31
3	12	15	18	21	22	23
4	5	8	11	13	14	15
5	2	4	6	8	9	10
6	--	--	--	--	--	--
Group 2						
1+	16	18	21	24	27	29
1	16	18	21	24	27	29
2	16	18	21	24	27	29
3	10	13	15	18	19	20
4	5	5	5	5	5	5
5	2	2	2	2	2	2
6	--	--	--	--	--	--
Group 3						
1+	13	16	18	21	23	25
1	13	16	18	21	23	25
2	13	16	18	21	23	25
3	8	11	13	15	16	17
4	5	5	5	5	5	5

Senior Asset Recovery Rate	S&P Recovery Rate for Secured Notes rated "AAA" (%)	S&P Recovery Rate for Secured Notes rated "AA" (%)	S&P Recovery Rate for Secured Notes rated "A" (%)	S&P Recovery Rate for Secured Notes rated "BBB" (%)	S&P Recovery Rate for Secured Notes rated "BB" (%)	S&P Recovery Rate for Secured Notes rated "B" and "CCC" (%)
5	2	2	2	2	2	2
6	--	--	--	--	--	--

Table 3: Recovery Rates for Subordinated Assets Junior to Assets with Recovery Ratings

Senior Asset Recovery Rate	S&P Recovery Rate for Secured Notes rated "AAA"	S&P Recovery Rate for Secured Notes rated "AA"	S&P Recovery Rate for Secured Notes rated "A"	S&P Recovery Rate for Secured Notes rated "BBB"	S&P Recovery Rate for Secured Notes rated "BB"	S&P Recovery Rate for Secured Notes rated "B" and "CCC"
Group 1						
1+	8	8	8	8	8	8
1	8	8	8	8	8	8
2	8	8	8	8	8	8
3	5	5	5	5	5	5
4	2	2	2	2	2	2
5	--	--	--	--	--	--
6	--	--	--	--	--	--

(c) In all other cases, as applicable, based on the applicable Class of Note, the S&P Recovery Rate for such Collateral Obligation will be the applicable percentage set forth in Table 4 below (and in the case of any High-Yield Bond that does not have an S&P Asset Specific Recovery Rating, the applicable percentage set forth below for subordinated bonds):

Table 4: Tiered Corporate Recovery Rates (By Asset Class And Class of Notes)*

	S&P Recovery Rate for Secured Notes rated "AAA"	S&P Recovery Rate for Secured Notes rated "AA"	S&P Recovery Rate for Secured Notes rated "A"	S&P Recovery Rate for Secured Notes rated "BBB"	S&P Recovery Rate for Secured Notes rated "BB"	S&P Recovery Rate for Secured Notes rated "B" and "CCC"
Senior secured first-lien (%)**						
Group 1	50	55	59	63	75	79
Group 2	45	49	53	58	70	74
Group 3	39	42	46	49	60	63
Group 4	17	19	27	29	31	34
Senior secured cov-lite loans/ senior secured bonds (%)						
Group 1	41	46	49	53	63	67
Group 2	37	41	44	49	59	62
Group 3	32	35	39	41	50	53
Group 4	17	19	27	29	31	34

	S&P Recovery Rate for Secured Notes rated "AAA"	S&P Recovery Rate for Secured Notes rated "AA"	S&P Recovery Rate for Secured Notes rated "A"	S&P Recovery Rate for Secured Notes rated "BBB"	S&P Recovery Rate for Secured Notes rated "BB"	S&P Recovery Rate for Secured Notes rated "B" and "CCC"
Mezzanine/ senior secured notes/second-lien/First-Lien Last-Out Loans/senior unsecured loans/senior unsecured bonds (%)* **						
Group 1	18	20	23	26	29	31
Group 2	16	18	21	24	27	29
Group 3	13	16	18	21	23	25
Group 4	10	12	14	16	18	20
Subordinated loans/ subordinated bonds (%)						
Group 1	8	8	8	8	8	8
Group 2	10	10	10	10	10	10
Group 3	9	9	9	9	9	9
Group 4	5	5	5	5	5	5

Group 1: Hong Kong, Norway, Singapore, Sweden, U.K., Ireland, Finland, Denmark, Netherlands, Australia, and New Zealand

Group 2: Belgium, Germany, Austria, Portugal, Luxembourg, South Africa, Switzerland, Canada, Israel, Japan and United States

Group 3: France, Italy, Greece, South Korea, Taiwan, Argentina, Brazil, Chile, Mexico, Spain, Turkey and United Arab Emirates

Group 4: Kazakhstan, Russia, Ukraine and others not included in Group 1, Group 2 or Group 3

* The S&P Recovery Rate will be the applicable rate set forth above based on the applicable Class of Secured Notes and the rating thereof as of the Closing Date.

** Solely for the purpose of determining the S&P Recovery Rate for such loan, no loan will constitute a "Senior Secured Loan" unless such loan (a) is secured by a valid first priority security interest in collateral, (b) in the Investment Manager's commercially reasonable judgment (with such determination being made in good faith by the Investment Manager at the time of such loan's purchase and based upon information reasonably available to the Investment Manager at such time and without any requirement of additional investigation beyond the Investment Manager's customary credit review procedures), is secured by specified collateral that has a value not less than an amount equal to the sum of (i) the aggregate principal balance of all loans senior or *pari passu* to such loans and (ii) the outstanding principal balance of such loan, which value may be derived from, among other things, the enterprise value (including equity and goodwill) of the issuer of such loan and (c) is not subordinate to any other obligation; *provided* that the terms of this footnote may be amended or revised at any time by a written agreement of the Issuer, the Investment Manager and the Trustee (without the consent of any Holder of any Note), subject to the satisfaction of the S&P Rating Condition, in order to conform to S&P then-current criteria for such loans; *provided, further,* that if the value of such loan is primarily derived from the enterprise value of the issuer of such loan, such loan will have either (1) the S&P Recovery Rate specified for Senior Unsecured Loans in the table above, or (2) the S&P Recovery Rate determined by S&P on a case by case basis.

*** Solely for the purpose of determining the S&P Recovery Rate for such loan, the aggregate principal balance of all Senior Unsecured Loans and Second Lien Loans that, in the aggregate, represent up to 15% of the Collateral Principal Amount will have the S&P Recovery Rate specified for Senior Unsecured Loans and Second Lien Loans in the table above and the aggregate principal balance of all Senior Unsecured Loans and Second Lien Loans in excess of 15% of the Collateral Principal Amount will have the S&P Recovery Rate specified for Subordinated Loans in the table above.

**** As determined by S&P on a case by case basis.

S&P Industry Classifications

Industry Code	Description	Industry Code	Description
0	Zero Default Risk	39	Utilities
1	Aerospace & Defense	40	Mortgage REITs
2	Air transport	41	Equity REITs and REOCs
3	Automotive	43	Life Insurance
4	Beverage & Tobacco	44	Health Insurance
5	Radio & Television	45	Property & Casualty Insurance
7	Building & Development	46	Diversified Insurance
8	Business equipment & services	50	CDO of corporate and emerging market corporate
9	Cable & satellite television	50A	CDO of SF
10	Chemicals & plastics	50B	CDO other
11	Clothing/textiles	51	ABS Consumer
12	Conglomerates	52	ABS Commercial
13	Containers & glass products	53	CMBS Diversified (Conduit and CTL); CMBS (large loan, single borrower, and single property); commercial real estate interests; commercial real estate loans
14	Cosmetics/toiletries	56	RMBS, home equity loans, home equity lines of credit, tax lien, and manufactured housing
15	Drugs	59	U.S./Sovereign Agency (Explicitly guaranteed)
16	Ecological services & equipment	60	SF third-party guaranteed
17	Electronics/electrical	62	FFELP Student Loans (Over 70% FFELP)
18	Equipment leasing		
19	Farming/agriculture		
20	Financial Intermediaries		
21	Food/drug retailers		
22	Food products		
23	Food service		
24	Forest products		
25	Health care		
26	Home furnishings		
27	Lodging & casinos		
28	Industrial equipment		
30	Leisure goods/activities/movies		
31	Nonferrous metals/minerals		
32	Oil & gas		
33	Publishing		
34	Rail industries		
35	Retailers (except food & drug)		
36	Steel		
37	Surface transport		
38	Telecommunications		

INDEX OF DEFINED TERMS

E

F

G

H

I

Q

R

S

T

U

W

Z

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