Cayman Islands Tax Considerations." All of the foregoing are subject to change, and any change may apply retroactively and could affect the continued validity of this summary, although it is expected that no changes will apply in the Cayman Islands due to the undertaking.

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 advisers as to U.S. federal income tax and Cayman Islands 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.

Certain Material U.S. Federal Income Tax Considerations

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, any estate the income of which is subject to U.S. federal income tax regardless of the source of its income or any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust.

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 advisers.

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 a partnership.

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 (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 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. You 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 as a result of unanticipated activities, changes in law, contrary conclusions by the IRS or other causes. In addition, you 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. 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 an opinion from nationally recognized tax counsel that the departure will not cause the Issuer to be treated as engaged in a trade or business within the United States. Any such departures would not be covered by the opinion of Cleary Gottlieb Steen & Hamilton LLP referred to above. If the Issuer were determined to be engaged in a trade or business within the United States, 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.