



# Risk Factors<sup>1</sup> (continued)

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## Future Tax Legislation

Future legislation, regulations or other authority could affect the federal income tax treatment of the Issuer and holders of Preferred Shares.

## U.S. State and Local and Other Taxes

Holders of Preferred Shares may be liable for foreign, state and local taxes in the country, state, or locality in which they are resident or doing business.

## Certain ERISA Considerations

The Issuer intends, through the use of written representations, to restrict ownership of the Preferred Shares by "benefit plan investors" and "controlling persons" so that no assets of the Issuer will be deemed to be "plan assets" subject to Title I of ERISA or Section 4975 of the Code as such term is defined in Section 3(42) of ERISA and the Plan Asset Regulation. However, there can be no assurance that ownership of the Preferred Shares by "benefit plan investors" will always remain below the 25% Limitation established under the Plan Asset Regulation.

## Mandatory Sale or Redemption of Preferred Shares

In certain circumstances, if the Issuer reasonably determines in good faith that a holder of Preferred Shares does not have the status that it purports to have or is required to have and such holder or beneficial owner is not permitted to hold such Preferred Shares, the Issuer will have the right to require such holder to dispose of such holder's Preferred Shares, after receipt of a notice from the Issuer that such holder is not so qualified, to a person or entity that is qualified to hold such Preferred Shares, or may require that such Preferred Shares be redeemed by the Issuer at a price reflecting a 25% reduction from then-current value as determined by the Issuer.

## European Risk Retention Rules

Article 122a and Articles 404-410 apply to Affected 122a Investors investing in the Preferred Shares. Affected 122a Investors should therefore make themselves aware of the requirements of Article 122a and Articles 404-410 (and any implementing rules in relation to a relevant jurisdiction) in addition to any other regulatory requirements applicable to them with respect to their investment in the Preferred Shares.

## RISKS RELATING TO THE ISSUER

### No Operating History

The Issuer is newly incorporated and has no operating history. The Issuer is subject to many of the business risks and uncertainties associated with any new investment fund, including the risk that the Issuer will not achieve its investment objective.

### Originator Start-Up Risks

The Originator is newly incorporated and has no operating history upon which prospective investors in the Preferred Shares may evaluate its performance. The Originator is subject to many of the business risks and uncertainties associated with any new loan origination business, including the risk that the Originator will not be able to originate loans which satisfy the Issuer's investment strategy due to market circumstances or competition with other originators, including Deutsche Bank, which also acts as a lender in respect of infrastructure projects and which could potentially compete with the Originator's business.

### Uncertainty of Asset Accumulation

The ability of the Issuer to accumulate an initial portfolio of assets that satisfies the Issuer's investment guidelines and purchase criteria at the projected prices, ratings, margins and any other applicable investment characteristics, and the pace of an overall timeframe in which such accumulation occurs, will be subject to a number of factors, including market conditions, the availability of such assets and the Originator's progress in developing its origination platform.

### Concentration Risks

The Issuer will invest in a portfolio of assets consisting of loans and participation interests and, to a lesser extent, letters of credit and other debt obligations of infrastructure obligors. It is expected that significant concentrations of exposures will exist during the Issuer's ramp-up period.

(1) A more detailed description of risk factors will be contained in a definitive Private Placement Memorandum of the Issuer with respect to the Preferred Shares.