

believes that this dynamic is credit accretive to lenders as funding capital expenditures, rather than distributing excess cash flow to Sponsors, enhances the borrower's asset base and a loan's equity cushion.

Investment Criteria

In executing the Issuer's investment strategy, the Portfolio Advisor will seek attractive risk-adjusted returns with an emphasis on capital preservation by monitoring and administering the Portfolio of Collateral Obligations consistent with the Issuer's return objectives, the Investment Guidelines for the Initial Facility (see Schedule II), the Investment Criteria and other criteria and restrictions applicable to the Issuer and the Portfolio Advisor under the Transaction Agreements. The Portfolio Advisor intends to utilize the following approach when considering investments:

- I. Invest in debt of operating infrastructure assets – Invest in the debt of privately owned or operated infrastructure assets that exhibit one or more of the following attributes: generate stable and predictable cash flow, demonstrate a solid operational track record, have strong competitive market positioning, have substantial asset coverage, and benefit from experienced management;
- II. Pursue disciplined investment approach – Employ a selection process based on intensive due diligence and fundamental credit analysis (including an assessment of underlying collateral value) to emphasize capital preservation;
- III. Evaluate risk-adjusted return – Evaluate investments based on relative value and utilize multiple methodologies, such as discounted cash flow analysis, expected returns for comparable cash and synthetic credit profiles, secondary market executed trades and asset coverage analysis; and
- IV. Construct diverse portfolio – Build an expected portfolio of at least 30 assets and seek diversification by sub-sector and tenor. No single investment will comprise more than 5% of the total Collateral Obligations, determined as set forth in Section 6, "Investment Criteria".

Ramp-Up Period

The Portfolio Advisor, on behalf of the Issuer, will seek to accumulate Collateral Obligations during the Ramp-Up Period in an amount up to the Target Principal Balance. Pursuant to the terms of the Initial Facility, the PS Issuing and Paying Agency Agreement and the PS Purchase Agreement, Contributions will be required to be made over time as described in Section 11, "Summary of Principal Terms—Capital Calls."

Intended Refinancing

Once the Issuer has accumulated Collateral Obligations in an aggregate amount equal to or approaching the Target Principal Balance, the Issuer intends to refinance the Initial Facility through a Refinancing effected by issuing tranching rated Refinancing Securities. The Issuer's goal is to issue at least \$[425] million in principal amount of rated Refinancing Securities to repay the Initial Facility, pay transaction expenses, and provide additional funds for investment by the Issuer. The Issuer contemplates that it may seek to increase the Aggregate Capital Commitment at the time of a Refinancing, subject to the satisfaction of the conditions and requirements set forth in the Transaction Agreements and the receipt of requisite approvals.

It is expected by the Issuer that Deutsche Bank or an affiliate thereof will seek to retain at least 5% of each of the Initial Facility and the Refinancing, and Deutsche Bank and/or an affiliate thereof will seek to retain its 5% stake in the Preferred Shares. No assurance can be made that the intended Refinancing will occur on such terms (or at all) (see Section 12, "Certain Risk Factors—Risks Relating to the Preferred Shares—Refinancing Risks").

Any principal repayments received during the term of the Refinancing are intended to be invested by the Issuer within the initial phase of up to a five-year reinvestment period commencing with the Refinancing (the "**RIN II Reinvestment Period**"). During the RIN II Reinvestment Period, it is expected that the Issuer will continue from time to time to purchase