Attached please find an electronic copy of the offering memorandum (the "Offering
Memorandum"), dated June 15, 2011, relating to the Securities of ING IM CLO 2011-1, Ltd. (the
"Issuer") and ING IM CLO 2011-1 LLC (the "Co-Issuer" and, together with the Issuer, the "CoIssuers").
The Offering Memorandum is highly confidential and does not constitute an offer to
any person other than the recipient or to the public generally to subscribe for or otherwise acquire
Securities.
DISTRIBUTION OF THE OFFERING MEMORANDUM TO ANY PERSONS OTHER THAN THE PERSON RECEIVING THIS ELECTRONIC TRANSMISSION FROM THE CO-ISSUERS OR THE INITIAL PURCHASER REFERRED TO THEREIN AND THEIR RESPECTIVE AGENTS, AND ANY PERSONS RETAINED TO ADVISE THE PERSON RECEIVING THIS ELECTRONIC TRANSMISSION FROM THE CO-ISSUERS OR THE INITIAL PURCHASER IS UNAUTHORIZED. ANY PHOTOCOPYING, DISCLOSURE OR ALTERATION OF THE CONTENTS OF THE OFFERING MEMORANDUM, AND ANY FORWARDING OF A COPY OF THE OFFERING MEMORANDUM OR ANY PORTION THEREOF BY ELECTRONIC MAIL OR ANY OTHER MEANS TO ANY PERSON OTHER THAN THE PERSON RECEIVING THIS ELECTRONIC TRANSMISSION FROM THE CO-ISSUERS OR THE INITIAL PURCHASER IS PROHIBITED. BY ACCEPTING DELIVERY OF THIS OFFERING MEMORANDUM, THE RECIPIENT AGREES TO THE FOREGOING.

OFFERING MEMORANDUM
June 15, 2011
ING IM CLO 2011-1, Ltd.
ING IM CLO 2011-1 LLC
U.S.$260,000,000 Class A-1 Floating Rate Notes Due 2021
U.S.$38,000,000 Class A-2 Floating Rate Notes Due 2021
U.S.$34,000,000 Class B Deferrable Floating Rate Notes Due 2021
U.S.$20,000,000 Class C Deferrable Floating Rate Notes Due 2021
U.S.$16,500,000 Class D Deferrable Floating Rate Notes Due 2021
U.S.$4,220,000 Subordinated Notes
36,780 Preferred Shares
ING IM CLO 2011-1, Ltd. (the “Issuer”) and ING IM CLO 2011-1 LLC (the “Co-Issuer” and, together with the Issuer, the
“Co-Issuers”) will issue Class A–1 Floating Rate Notes Due 2021 (the “Class A–1 Notes”), Class A–2 Floating Rate
Notes Due 2021 (the “Class A–2 Notes” and, together with the Class A–1 Notes, the “Class A Notes”), Class B
Deferrable Floating Rate Notes Due 2021 (the “Class B Notes”) and Class C Deferrable Floating Rate Notes Due 2021
(the “Class C Notes”), and the Issuer will also issue Class D Deferrable Floating Rate Notes Due 2021 (the “Class D
Notes”) and Subordinated Notes Due 2021 (the “Subordinated Notes” and, together with the Class A Notes, the Class B
Notes, the Class C Notes and the Class D Notes, the “Notes”), pursuant to an Indenture dated as of June 22, 2011 (the
“Indenture”), between the Co-Issuers and The Bank of New York Mellon Trust Company, National Association, as trustee
(the “Trustee”). The Notes will be secured by collateral comprised primarily of leveraged bank loans. The Issuer will also
issue preferred shares of $0.01 par value per share (the “Preferred Shares” and, together with the Subordinated Notes,
the “Subordinated Securities” and, together with the Notes, the “Securities”). The allocation between the Subordinated
Notes and Preferred Shares may change prior to the Closing Date.
ING Alternative Asset Management LLC will act as investment manager for the Issuer (the “Investment Manager” or
“ING”).
(Continued on next page)

See “Risk Factors” beginning on page 7 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 and the Preferred Shares 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 and that the Class D Notes be rated at least “BB(sf)”
by S&P. The Subordinated Securities 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 SUCH TERMS ARE 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 MAY ONLY BE OFFERED OR SOLD (A)(1) TO "QUALIFIED INSTITUTIONAL BUYERS" (AS
DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND (2) IN THE CASE OF THE SUBORDINATED SECURITIES, ALSO
TO "ACCREDITED INVESTORS" (AS DEFINED IN RULE 501(a) UNDER REGULATION D UNDER THE SECURITIES ACT), THAT
ARE ALSO (i) "QUALIFIED PURCHASERS" FOR PURPOSES OF THE INVESTMENT COMPANY ACT OR (ii) IN THE CASE OF
THE SUBORDINATED SECURITIES, "KNOWLEDGEABLE EMPLOYEES" (AS DEFINED IN RULE 3c-5 UNDER THE INVESTMENT
COMPANY ACT) OR (B) TO NON–U.S. PERSONS IN ACCORDANCE WITH THE REQUIREMENTS OF REGULATION S UNDER
THE SECURITIES ACT AND (C) IN ACCORDANCE WITH ANY OTHER APPLICABLE LAW. FOR A DESCRIPTION OF CERTAIN
RESTRICTIONS ON RESALE OR TRANSFER, SEE "TRANSFER AND EXCHANGE."
THIS DOCUMENT IS CONSIDERED AN ADVERTISEMENT FOR PURPOSES OF APPLICABLE MEASURES IMPLEMENTING THE
PROSPECTUS DIRECTIVE. A PROSPECTUS PREPARED PURSUANT TO THE PROSPECTUS DIRECTIVE WILL BE PUBLISHED,
WHICH MAY BE OBTAINED FROM THE ISSUER.
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 the Closing Date and each Definitive
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.

Credit Suisse

(Continued from previous page)
Interest on the Class A Notes, the Class B Notes, the Class C Notes (collectively, the "Senior Notes") and the Class D Notes (together with the Senior Notes, the "Rated Notes") will accrue at the applicable Interest Rate from the Closing Date until such Notes are redeemed or repaid and will be payable in U.S. Dollars in arrears on the 22nd of March, June, September and December of each year, commencing in December 2011 (or, if any such date is not a Business Day, the next Business Day).

Payments on the Securities are subordinated to certain payments on each Higher Ranking Class.

"Higher Ranking Class" with respect to any Class means in the case of (a) Rated Notes, each Class of Rated Notes that ranks higher in right of payment than such Class under the Principal Payment Sequence and (b) the Subordinated Securities, each Class of Rated Notes. On each Distribution Date, the Subordinated Securities will be entitled to receive any Excess Interest under the Priority of Payments. The payment of interest on Deferrable Classes and distributions on the Subordinated Securities will be subject to, among other things, the satisfaction of certain coverage tests. In addition, the Investment Manager may direct the Issuer to designate a portion of Interest Proceeds that would otherwise be available for payment on the Subordinated Securities to be invested in Collateral Obligations.

The Rated Notes will be redeemed by the Issuer at the direction of the Required Redemption Percentage (i) on any Distribution Date after the end of the Non-Call Period or (ii) upon and during the continuance of a Tax Event on any Distribution Date. The Required Redemption Percentage may direct (a) a redemption of each Class of Rated Notes, (b) a Refinancing of one or more Classes of Rated Notes; or (c) on any Distribution Date on or after the Rated Notes are redeemed or paid in full, the redemption of Subordinated Securities. "Required Redemption Percentage" means with respect to (a) any Optional Redemption resulting from a Tax Event, the holders of at least 66 2/3% of the Aggregate Outstanding Amount of the Subordinated Securities or a Majority of any Affected Class and (b) any other Optional Redemption, a Majority of the Subordinated Securities.

On its Stated Maturity, each Class of Outstanding Rated Notes will be entitled to payment of its outstanding principal amount. On the Stated Maturity, Outstanding Subordinated Notes will mature and Outstanding Preferred Shares will be redeemed and holders of the Subordinated Securities will be entitled to receive Principal Proceeds (if any) remaining after payment of principal of all of the Rated Notes and all fees and expenses.

Principal payments will be made on Outstanding Rated Notes in accordance with the Priority of Payments on:

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any Distribution Date, in the event a Continuing Effective Date Ratings Confirmation Failure has occurred and is continuing, to the extent required to obtain Rating Agency Confirmation;
any Distribution Date if any Coverage Test is not satisfied as of the related Determination Date, to the extent required to come into compliance with that test;
any Distribution Date after the Non-Call Period on which a Special Redemption occurs;
any Distribution Date after the Reinvestment Period, until the Rated Notes are retired;
any Redemption Date; and
the Stated Maturity.

Securities sold pursuant to Rule 144A will initially be issued either in the form of Definitive Securities or Rule 144A Global Securities; provided, that Subordinated Securities (the "ERISA Limited Securities") sold within the United States to Benefit Plan Investors or Controlling Persons (unless purchased by a Controlling Person on the Closing Date) and Subordinated Securities sold to Accredited Investors must be held in the form of Definitive Securities.

Securities sold in reliance on Regulation S will initially be issued in the form of Definitive Securities or Temporary Global Securities (or, in the case of Class D Notes and Subordinated Notes, Regulation S Global Securities); provided, that Subordinated Securities sold pursuant to Regulation S that are held by Benefit Plan Investors or Controlling Persons must be held in the form of Definitive Securities unless purchased by a Controlling Person on the Closing Date.

Interests in Temporary Global Securities will be exchangeable for interests in permanent Regulation S Global Securities only upon satisfaction of certain conditions set forth herein.

Beneficial interests in Temporary Global Securities or Regulation S Global Securities may be held only through Euroclear or Clearstream.

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.

In addition, until the expiration of 40 days after the later of the Closing Date and the commencement of the offering of the Securities, a re-offer or resale of any Security originally sold pursuant to Regulation S to, or for the account or benefit of, a U.S. person by a dealer or person receiving a concession, fee or remuneration in respect of the Securities (whether or not they participated in the Offering) may violate the registration requirements of the Securities Act, unless such offer and sale is made in compliance with an exemption from such registration requirements.

Each purchaser (including transferees) will be required to make (or will be deemed to have made) certain representations and agreements. For a description of such representations and agreements and the restrictions on resale or transfer of interests in the Securities, see “Transfer and Exchange” and “ERISA Considerations.”

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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).

The language of the Offering Memorandum is English. Any foreign language

text that is included with or within this
document has been included for convenience purposes only and does not form
part of the Offering Memorandum.
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 INFORMATION IN THE SECTIONS ENTITLED “SUMMARY OF TERMS—INVESTMENT MANAGER,” “RISK FACTORS—RISK FACTORS RELATING TO THE SECURITIES—-CONSIDERATIONS
RELATING TO THE INVESTMENT MANAGER; DEPENDENCE ON KEY PERSONNEL,” “RISK FACTORS—RISK FACTORS RELATING TO THE ISSUER AND ITS SERVICE PROVIDERS—CERTAIN CONFLICTS OF INTEREST RELATED TO THE INVESTMENT MANAGER,” “RISK FACTORS—RISK FACTORS
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RESTRUCTURING”
ISSUER
AND ITS
AND “INVESTMENT MANAGER”
SERVICE PROVIDERS—ING GROUP
(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 (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.
THE BANK OF NEW YORK MELLON TRUST COMPANY, NATIONAL ASSOCIATION, 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.
NOTICE TO NEW HAMPSHIRE RESIDENTS
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.

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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 PROSPECTUS, DISCLOSURE DOCUMENT, OFFERING MATERIAL OR ADVERTISEMENT IN RELATION TO THE
SECURITIES HAS BEEN LODGED WITH THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION OR
THE AUSTRALIAN STOCK EXCHANGE LIMITED. ACCORDINGLY, A PERSON MAY NOT (A) MAKE, OFFER OR
INVITE APPLICATIONS FOR THE ISSUE, SALE OR PURCHASE OF THE SECURITIES WITHIN, TO OR FROM
AUSTRALIA (INCLUDING AN OFFER OR INVITATION WHICH IS RECEIVED BY A PERSON IN AUSTRALIA) OR
(B) DISTRIBUTE OR PUBLISH THIS INFORMATION MEMORANDUM OR ANY OTHER PROSPECTUS, DISCLOSURE
DOCUMENT, OFFERING MATERIAL OR ADVERTISEMENT RELATING TO THE SECURITIES IN AUSTRALIA,
UNLESS (I) THE MINIMUM AGGREGATE CONSIDERATION PAYABLE BY EACH OFFEREE IS THE U.S. DOLLAR
EQUIVALENT OF AT LEAST A$500,000 (DISREGARDING MONEYS LENT BY THE OFFEROR OR ITS ASSOCIATES)
OR THE OFFER OTHERWISE DOES NOT REQUIRE DISCLOSURE TO INVESTORS IN ACCORDANCE WITH PART
6D.2 OF THE CORPORATIONS ACT 2001 (CWLTH) OF AUSTRALIA; AND (II) SUCH ACTION COMPLIES WITH ALL
APPLICABLE LAWS AND REGULATIONS.
NOTICE TO RESIDENTS OF AUSTRIA
THIS OFFERING MEMORANDUM IS CIRCULATED IN AUSTRIA FOR THE SOLE PURPOSE OF PROVIDING
INFORMATION ABOUT THE SECURITIES TO A LIMITED NUMBER OF SOPHISTICATED INVESTORS IN AUSTRIA.

THIS OFFERING MEMORANDUM IS MADE AVAILABLE ON THE CONDITION THAT IT IS SOLELY FOR THE USE
OF THE RECIPIENT AS A SOPHISTICATED, POTENTIAL AND INDIVIDUALLY SELECTED INVESTOR AND MAY
NOT BE PASSED ON TO ANY OTHER PERSON OR REPRODUCED IN WHOLE OR IN PART. THIS OFFERING
MEMORANDUM DOES NOT CONSTITUTE A PUBLIC OFFERING (ÖFFENTLICHES ANGEBOT) IN AUSTRIA AND
MUST NOT BE USED IN CONJUNCTION WITH A PUBLIC OFFERING PURSUANT TO THE CAPITAL MARKET ACT
(KAPITALMARKTGESETZ) AND/OR THE INVESTMENT FUND ACT (INVESTMENTFONDSGESETZ) IN AUSTRIA.
CONSEQUENTLY, NO PUBLIC OFFERS OR PUBLIC SALES MUST BE MADE IN AUSTRIA IN RESPECT OF THE
SECURITIES. THE SECURITIES ARE NOT REGISTERED IN AUSTRIA. IN CASE THE SECURITIES ARE QUALIFIED
AS SHARES IN A FOREIGN INVESTMENT FUND WITHIN THE MEANING OF THE INVESTMENT FUND ACT, THEY
MIGHT BE SUBJECT TO A LESS FAVORABLE TAX TREATMENT THAN SHARES IN INVESTMENT FUNDS
ESTABLISHED IN AUSTRIA UNDER THE INVESTMENT FUND ACT. ALL PROSPECTIVE INVESTORS ARE URGED
TO SEEK INDEPENDENT TAX ADVICE. THE INITIAL PURCHASER AND ITS AFFILIATES DO NOT GIVE TAX
ADVICE.
ANMERKUNG FÜR EINWOHNER VON ÖSTERREICH
DIESER PROSPEKT WIRD IN ÖSTERREICH NUR ZU DEM ZWECK HERAUSGEGEBEN, UM EINER BESCHRÄNKTEN ANZAHL VON PROFESSIONELLEN MARKTTEILNEHMERN IN ÖSTERREICH INFORMATIONEN
ÜBER DIE ANGEBOTENEN WERTPAPIERE ZU GEBEN. DIESER PROSPEKT WIRD UNTER DER BEDINGUNG ZUR
VERFÜGUNG GESTELLT, DASS DIESER PROSPEKT AUSSCHLIESSLICH VOM EMPFÄNGER ALS EINEM
PROFESSIONELLEN POTENTIELLEN UND EINZELN AUSGEWÄHLTEN ANLEGER VERWENDET WIRD UND ER
DARF NICHT AN EINE ANDERE PERSON WEITERGEGEBEN ODER TEILWEISE ODER VOLLSTÄNDIG
REPRODUZIERT WERDEN. DIESER PROSPEKT STELLT KEIN ÖFFENTLICHES ANGEBOT IN ÖSTERREICH DAR
UND DARF NICHT IN ZUSAMMENHANG MIT EINEM ÖFFENTLICHEN ANGEBOT IN ÖSTERREICH IM SINNE DES
KAPITALMARKTGESETZES UND/ODER DES INVESTMENTFONDSGESETZES VERWENDET WERDEN. FOLGLICH
DÜRFEN IN ÖSTERREICH KEINE ÖFFENTLICHEN ANGEBOTE ODER VERKÄUFE DER ANGEBOTENEN
WERTPAPIEREN DURCHGEFÜHRT WERDEN. DIE WERTPAPIERE SIND NICHT IN ÖSTERREICH ZUGELASSEN.
SOLLTEN DIE WERTPAPIERE ALS ANTEILE AN EINEM AUSLÄNDISCHEN INVESTMENTFONDS QUALIFIZIERT
WERDEN, KÖNNTEN SIE EINER UNGÜNSTIGEREN BESTEUERUNG ALS ANTEILE AN IN ÖSTERREICH GEMÄSS

DEM INVESTMENTFONDSGESETZ ERRICHTETEN INVESTMENTFONDS UNTERLIEGEN. ALLE KÜNFTIGEN
ANLEGER WERDEN DAHER AUFGEFORDERT, UNABHÄNGIGE STEUERBERATUNG EINZUHOLEN. DER ERSTKÄUFER UND DIE MIT IHM VERBUNDENEN UNTERNEHMEN ERTEILEN KEINE STEUERLICHE BERATUNG.
vi

NOTICE TO RESIDENTS OF BAHRAIN
EACH OF THE CO-ISSUERS, THE INVESTMENT MANAGER AND THE INITIAL PURCHASER REPRESENTS AND
WARRANTS THAT IT HAS NOT MADE AND WILL NOT MAKE ANY INVITATION TO THE PUBLIC IN THE STATE
OF BAHRAIN TO SUBSCRIBE FOR THE SECURITIES AND THAT THE DOCUMENT WILL NOT BE ISSUED, PASSED
TO, OR MADE AVAILABLE TO THE PUBLIC GENERALLY.
NOTICE TO RESIDENTS OF BELGIUM
THE SECURITIES MAY NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED IN OR FROM BELGIUM AS
PART OF THEIR INITIAL DISTRIBUTION OR AT ANY TIME THEREAFTER, DIRECTLY OR INDIRECTLY, UNLESS
THEY SHALL EACH HAVE A NOMINAL AMOUNT OF EUR 50,000 OR MORE.
ANY OFFER TO SELL OR SALE OF SECURITIES MUST BE MADE IN COMPLIANCE WITH THE PROVISIONS OF
THE LAW OF JULY 14, 1991 ON CONSUMER PROTECTION AND TRADE PRACTICES (“SUR LES PRATIQUES DU
COMMERCE ET SUR L’INFORMATION ET LA PROTECTION DU CONSOMMATEUR”/“BETREFFENDE DE
HANDELSPRAKTIJKEN EN DE VOORLICHTING EN BESCHERMING VAN DE CONSUMENT”), TO THE EXTENT
APPLICABLE PURSUANT TO THE ROYAL DECREE OF DECEMBER 5, 2000 “RENDANT APPLICABLES AUX
INSTRUMENTS FINANCIERS ET AUX TITRES ET VALEURS CERTAINES DISPOSITIONS DE LA LOI DU 14 JUILLET
1991 SUR LES PRATIQUES DU COMMERCE ET SUR L’INFORMATION ET LA PROTECTION DU
CONSOMMATEUR”/“WAARBIJ SOMMIGE BEPALINGEN VAN DE WET VAN 14 JULI 1991 BETREFFENDE DE
HANDELSPRAKTIJKEN EN DE VOORLICHTING EN BESCHERMING VAN DE CONSUMENT, VAN TOEPASSING
WORDEN VERKLAARD OP FINANCIËLE INSTRUMENTEN, EFFECTEN EN WAARDEN.”
NOTICE TO CANADIAN RESIDENTS
RESALE RESTRICTIONS
THE DISTRIBUTION OF THE SECURITIES IN CANADA IS BEING MADE ONLY ON A PRIVATE PLACEMENT BASIS
EXEMPT FROM THE REQUIREMENT THAT THE CO-ISSUERS PREPARE AND FILE A PROSPECTUS WITH THE
SECURITIES REGULATORY AUTHORITIES IN EACH PROVINCE WHERE TRADES OF SECURITIES ARE MADE.
ANY RESALE OF THE SECURITIES IN CANADA MUST BE MADE UNDER APPLICABLE SECURITIES LAWS
WHICH WILL VARY DEPENDING ON THE RELEVANT JURISDICTION, AND WHICH MAY REQUIRE RESALES TO
BE MADE UNDER AVAILABLE STATUTORY EXEMPTIONS OR UNDER A DISCRETIONARY EXEMPTION
GRANTED BY THE APPLICABLE CANADIAN SECURITIES REGULATORY AUTHORITY. PURCHASERS ARE
ADVISED TO SEEK LEGAL ADVICE PRIOR TO ANY RESALE OF THE SECURITIES.
REPRESENTATIONS OF PURCHASERS
BY PURCHASING SECURITIES IN CANADA AND ACCEPTING A PURCHASE CONFIRMATION A

PURCHASER IS
REPRESENTING TO THE CO-ISSUERS AND THE DEALER FROM WHOM THE PURCHASE CONFIRMATION IS
RECEIVED THAT:

- THE PURCHASER IS ENTITLED UNDER APPLICABLE PROVINCIAL SECURITIES LAWS TO PURCHASE THE SECURITIES WITHOUT THE BENEFIT OF A PROSPECTUS QUALIFIED UNDER THOSE SECURITIES LAWS,
- WHERE REQUIRED BY LAW, THAT THE PURCHASER IS PURCHASING AS PRINCIPAL AND NOT AS
AGENT,
- THE PURCHASER HAS REVIEWED THE TEXT ABOVE UNDER RESALE RESTRICTIONS, AND
- THE PURCHASER ACKNOWLEDGES AND CONSENTS TO THE PROVISION OF SPECIFIED INFORMATION CONCERNING ITS PURCHASE OF THE SECURITIES TO THE REGULATORY AUTHORITY THAT BY LAW IS ENTITLED TO COLLECT THE INFORMATION.

FURTHER DETAILS CONCERNING THE LEGAL AUTHORITY FOR THIS INFORMATION ARE AVAILABLE ON
REQUEST.

RIGHTS OF ACTION – ONTARIO PURCHASERS ONLY

UNDER ONTARIO SECURITIES LEGISLATION, CERTAIN PURCHASERS WHO PURCHASE A SECURITY OFFERED
BY THIS OFFERING MEMORANDUM DURING THE PERIOD OF DISTRIBUTION WILL HAVE A STATUTORY
RIGHT OF ACTION FOR DAMAGES, OR WHILE STILL THE OWNER OF THE SECURITIES, FOR RESCISSION
AGAINST THE CO-ISSUERS IN THE EVENT THAT THIS DOCUMENT CONTAINS A MISREPRESENTATION
WITHOUT REGARD TO WHETHER THE PURCHASER RELIED ON THE MISREPRESENTATION. THE RIGHT OF
ACTION FOR DAMAGES IS EXERCISABLE NOT LATER THAN THE EARLIER OF 180 DAYS FROM THE DATE THE
PURCHASER FIRST HAD KNOWLEDGE OF THE FACTS GIVING RISE TO THE CAUSE OF ACTION AND THREE
YEARS FROM THE DATE ON WHICH PAYMENT IS MADE FOR THE SECURITIES. THE RIGHT OF ACTION FOR
RESCISSION IS EXERCISABLE NOT LATER THAN 180 DAYS FROM THE DATE ON WHICH PAYMENT IS MADE
FOR THE SECURITIES. IF A PURCHASER ELECTS TO EXERCISE THE RIGHT OF ACTION FOR RESCISSION, THE
PURCHASER WILL HAVE NO RIGHT OF ACTION FOR DAMAGES AGAINST THE CO-ISSUERS. IN NO CASE WILL
THE AMOUNT RECOVERABLE IN ANY ACTION EXCEED THE PRICE AT WHICH THE SECURITIES WERE

OFFERED TO THE PURCHASER AND IF THE PURCHASER IS SHOWN TO HAVE PURCHASED THE SECURITIES
WITH KNOWLEDGE OF THE MISREPRESENTATION, THE CO-ISSUERS WILL HAVE NO LIABILITY. IN THE CASE
OF AN ACTION FOR DAMAGES, THE CO-ISSUERS WILL NOT BE LIABLE FOR ALL OR ANY PORTION OF THE
DAMAGES THAT ARE PROVEN TO NOT REPRESENT THE DEPRECIATION IN VALUE OF THE SECURITIES AS A
RESULT OF THE MISREPRESENTATION RELIED UPON. THESE RIGHTS ARE IN ADDITION TO, AND WITHOUT
DEROGATION FROM, ANY OTHER RIGHTS OR REMEDIES AVAILABLE AT LAW TO AN ONTARIO PURCHASER.
THE FOREGOING IS A SUMMARY OF THE RIGHTS AVAILABLE TO AN ONTARIO PURCHASER. ONTARIO
PURCHASERS SHOULD REFER TO THE COMPLETE TEXT OF THE RELEVANT STATUTORY PROVISIONS.
ENFORCEMENT OF LEGAL RIGHTS
ALL OF THE CO-ISSUERS' DIRECTORS AND OFFICERS AS WELL AS THE EXPERTS NAMED HEREIN MAY BE
LOCATED OUTSIDE OF CANADA AND, AS A RESULT, IT MAY NOT BE POSSIBLE FOR CANADIAN PURCHASERS
TO EFFECT SERVICE OF PROCESS WITHIN CANADA UPON THE CO-ISSUERS OR THOSE PERSONS. ALL OR A
SUBSTANTIAL PORTION OF THE CO-ISSUERS' ASSETS AND THE ASSETS OF THOSE PERSONS MAY BE
LOCATED OUTSIDE OF CANADA AND, AS A RESULT, IT MAY NOT BE POSSIBLE TO SATISFY A JUDGMENT
AGAINST THE CO-ISSUERS OR THOSE PERSONS IN CANADA OR TO ENFORCE A JUDGMENT OBTAINED IN
CANADIAN COURTS AGAINST THE CO-ISSUERS OR THOSE PERSONS OUTSIDE OF CANADA.
TAXATION AND ELIGIBILITY FOR INVESTMENT
CANADIAN PURCHASERS OF SECURITIES SHOULD CONSULT THEIR OWN LEGAL AND TAX ADVISORS WITH
RESPECT TO THE TAX CONSEQUENCES OF AN INVESTMENT IN THE SECURITIES IN THEIR PARTICULAR
CIRCUMSTANCES AND ABOUT THE ELIGIBILITY OF THE SECURITIES FOR INVESTMENT BY THE PURCHASER
UNDER RELEVANT CANADIAN LEGISLATION.
NOTICE TO THE PUBLIC OF CAYMAN ISLANDS
NO INVITATION MAY BE MADE TO THE PUBLIC IN THE CAYMAN ISLANDS TO SUBSCRIBE FOR SECURITIES
OF THE ISSUER, AND THIS DOCUMENT MAY NOT BE ISSUED OR PASSED TO ANY SUCH PERSON.
NOTICE TO RESIDENTS OF FINLAND
THIS DOCUMENT HAS BEEN PREPARED FOR PRIVATE INFORMATION PURPOSES OF INTERESTED INVESTORS
ONLY. IT MAY NOT BE USED FOR AND SHALL NOT BE DEEMED A PUBLIC OFFERING OF THE SECURITIES.
THE FINNISH FINANCIAL SUPERVISION AUTHORITY (RAHOITUSTARKASTUS) HAS NOT APPROVED THIS
DOCUMENT AND HAS NOT AUTHORIZED ANY OFFERING OF THE SUBSCRIPTION OF THE

SECURITIES;
ACCORDINGLY, THE SECURITIES MAY NOT BE OFFERED OR SOLD IN FINLAND OR TO RESIDENTS THEREOF
EXCEPT AS PERMITTED BY FINNISH LAW. THIS DOCUMENT IS STRICTLY FOR PRIVATE USE BY ITS HOLDER
AND MAY NOT BE PASSED ON TO THIRD PARTIES.
NOTICE TO RESIDENTS OF FRANCE
NO PROSPECTUS (INCLUDING ANY AMENDMENT, SUPPLEMENT OR REPLACEMENT THERETO) HAS BEEN
PREPARED IN CONNECTION WITH THE OFFERING OF THE SECURITIES THAT HAS BEEN APPROVED BY THE
AUTORITÉ DES MARCHÉS FINANCIERS OR BY THE COMPETENT AUTHORITY OF ANOTHER STATE THAT IS A
CONTRACTING PARTY TO THE AGREEMENT ON THE EUROPEAN ECONOMIC AREA THAT HAS BEEN
RECOGNIZED IN FRANCE; NO SECURITIES HAVE BEEN OFFERED OR SOLD AND WILL BE OFFERED OR SOLD,
DIRECTLY OR INDIRECTLY, TO THE PUBLIC IN FRANCE EXCEPT TO QUALIFIED INVESTORS (INVESTISSEURS
QUALIFIÉS) AND/OR TO A LIMITED CIRCLE OF INVESTORS (CERCLE RESTREINT D'INVESTISSEURS) ACTING
FOR THEIR OWN ACCOUNT AS DEFINED IN ARTICLE L. 411-2 OF THE FRENCH CODE MONÉTAIRE ET
FINANCIER AND APPLICABLE REGULATIONS THEREUNDER; NONE OF THIS OFFERING MEMORANDUM OR
ANY OTHER MATERIALS RELATED TO THE OFFERING OR INFORMATION CONTAINED THEREIN RELATING TO
THE SECURITIES HAS BEEN RELEASED, ISSUED OR DISTRIBUTED TO THE PUBLIC IN FRANCE EXCEPT TO
QUALIFIED INVESTORS (INVESTISSEURS QUALIFIÉS) AND/OR TO A LIMITED CIRCLE OF INVESTORS (CERCLE
RESTREINT D'INVESTISSEURS) MENTIONED ABOVE; AND THE DIRECT OR INDIRECT RESALE TO THE PUBLIC
IN FRANCE OF ANY SECURITIES ACQUIRED BY ANY QUALIFIED INVESTORS (INVESTISSEURS QUALIFIÉS)
AND/OR ANY INVESTORS BELONGING TO A LIMITED CIRCLE OF INVESTORS (CERCLE RESTREINT
D'INVESTISSEURS) MAY BE MADE ONLY AS PROVIDED BY ARTICLES L. 412-1 AND L. 621-8 OF THE FRENCH
CODE MONÉTAIRE ET FINANCIER AND APPLICABLE REGULATIONS THEREUNDER.
NOTICE TO RESIDENTS OF GERMANY
THE SECURITIES MAY ONLY BE ACQUIRED IN ACCORDANCE WITH THE GERMAN WERTPAPIERPROSPEKTGESETZ (SECURITIES PROSPECTUS ACT) AND THE INVESTMENTGESETZ (INVESTMENT ACT). THE SECURITIES ARE NOT REGISTERED OR AUTHORIZED FOR DISTRIBUTION UNDER
THE INVESTMENT ACT AND MAY NOT BE, AND ARE NOT BEING OFFERED OR ADVERTISED PUBLICLY OR
OFFERED SIMILARLY UNDER THE INVESTMENT ACT OR THE SECURITIES PROSPECTUS ACT. THEREFORE,
THIS OFFER IS ONLY BEING MADE TO RECIPIENTS TO WHOM THIS DOCUMENT IS PERSONALLY ADDRESSED

AND DOES NOT CONSTITUTE AN OFFER OR ADVERTISEMENT TO THE PUBLIC. THE SECURITIES CAN ONLY BE

ACQUIRED FOR A MINIMUM PURCHASE PRICE OF AT LEAST € 50,000 (EXCLUDING COMMISSIONS AND OTHER FEES) PER PERSON. ALL PROSPECTIVE INVESTORS ARE URGED TO SEEK INDEPENDENT TAX ADVICE. NONE OF THE CO-ISSUERS, THE TRUSTEE, THE INVESTMENT MANAGER, THE INITIAL PURCHASER OR ANY OF THEIR RESPECTIVE AFFILIATES GIVES ANY TAX ADVICE.

NOTICE TO RESIDENTS OF GREECE

THIS DOCUMENT AND THE SECURITIES TO WHICH IT RELATES AND ANY OTHER MATERIAL RELATED THERETO MAY NOT BE ADVERTISED, DISTRIBUTED OR OTHERWISE MADE AVAILABLE TO THE PUBLIC IN GREECE. THE GREEK CAPITAL MARKET COMMITTEE HAS NOT AUTHORISED ANY PUBLIC OFFERING OF THE SUBSCRIPTION OF THE SECURITIES. ACCORDINGLY, SECURITIES MAY NOT BE ADVERTISED, DISTRIBUTED OR IN ANY WAY OFFERED OR SOLD IN GREECE OR TO RESIDENTS THEREOF EXCEPT AS PERMITTED BY GREEK LAW.

NOTICE TO RESIDENTS OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION

(A) THE SECURITIES HAVE NOT BEEN OFFERED OR SOLD AND WILL NOT BE OFFERED OR SOLD IN HONG KONG, BY MEANS OF ANY DOCUMENT, OTHER THAN (I) TO PERSONS WHOSE ORDINARY BUSINESS IT IS TO BUY OR SELL SHARES OR DEBENTURES (WHETHER AS PRINCIPAL OR AGENT); (II) TO "PROFESSIONAL INVESTORS" AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE (CAP. 571) OF HONG KONG AND ANY RULES MADE UNDER THAT ORDINANCE; OR (III) IN OTHER CIRCUMSTANCES WHICH DO NOT RESULT IN THE 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 (B) NO ADVERTISEMENT, INVITATION OR DOCUMENT RELATING TO THE SECURITIES HAS BEEN ISSUED OR POSSESSED FOR THE PURPOSES OF ISSUE OR WILL BE ISSUED OR POSSESSED FOR THE PURPOSES OF ISSUE, WHETHER IN HONG KONG OR ELSEWHERE, 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 UNDER THE SECURITIES LAWS OF HONG KONG) OTHER THAN ANY ADVERTISEMENT, INVITATION OR DOCUMENT 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 INDONESIA

THE SECURITIES MAY NOT BE OFFERED AND/OR ONSOLD DIRECTLY OR INDIRECTLY

WITHIN THE
TERRITORY OF INDONESIA OR TO INDONESIAN CITIZENS OR RESIDENTS IN A MANNER WHICH CONSTITUTES
A PUBLIC OFFER UNDER THE LAWS AND REGULATIONS OF INDONESIA.
NOTICE TO RESIDENTS OF ISRAEL
THIS DOCUMENT WILL BE DISTRIBUTED TO ISRAELI RESIDENTS ONLY IN A MANNER THAT WILL NOT
CONSTITUTE AN “OFFER TO THE PUBLIC” IN ACCORDANCE WITH SECTIONS 15 AND 15A OF THE SECURITIES
LAW 1968. SPECIFICALLY, THIS DOCUMENT MAY ONLY BE DISTRIBUTED TO INVESTORS OF THE TYPES
LISTED IN THE FIRST ADDENDUM OF THE SECURITIES LAW 1968 AND IN ADDITION TO NOT MORE THAN 35
OTHER INVESTORS RESIDENT IN ISRAEL DURING ANY GIVEN 12 MONTH PERIOD.
NOTICE TO RESIDENTS OF ITALY
THIS DOCUMENT MAY NOT BE DISTRIBUTED TO MEMBERS OF THE PUBLIC IN ITALY. THE ITALIAN
COMMISSIONE NAZIONALE PER LA SOCIETA E LA BORSA HAS NOT AUTHORIZED ANY OFFERING OF THE
SUBSCRIPTION OF THE SECURITIES; ACCORDINGLY, THE SECURITIES MAY NOT BE OFFERED OR SOLD IN
ITALY OR TO RESIDENTS THEREOF EXCEPT AS PERMITTED BY ITALIAN LAW.
NOTICE TO RESIDENTS OF JAPAN
THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE FINANCIAL INSTRUMENTS
AND EXCHANGE LAW OF JAPAN (THE “FIEL”), AND THE SECURITIES MAY NOT BE OFFERED OR SOLD,
DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT OF, ANY RESIDENT OF JAPAN (INCLUDING
JAPANESE CORPORATIONS) OR TO OTHERS FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN
JAPAN OR TO ANY RESIDENT OF JAPAN, EXCEPT THAT THE OFFER AND SALE OF THE SECURITIES IN JAPAN
MAY BE MADE ONLY THROUGH PRIVATE PLACEMENT SALE IN JAPAN IN ACCORDANCE WITH AN
EXEMPTION AVAILABLE UNDER THE FIEL AND WITH ALL OTHER APPLICABLE LAWS AND REGULATIONS OF
JAPAN. IN THIS CLAUSE, “A RESIDENT/RESIDENTS OF JAPAN” SHALL HAVE THE MEANING AS DEFINED
UNDER THE FOREIGN EXCHANGE AND FOREIGN TRADE LAW OF JAPAN.
NOTICE TO RESIDENTS OF KOREA
THE SECURITIES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN KOREA OR TO ANY
KOREAN RESIDENT, EXCEPT AS PERMITTED BY APPLICABLE KOREAN LAW. WITHOUT AFFECTING THE
GENERALITY OF THE FOREGOING, THE SECURITIES HAVE NOT BEEN OR WILL NOT BE REGISTERED UNDER
THE SECURITIES AND EXCHANGE LAW OF KOREA (“SEL”), THUS ANY OFFER OF, OR INVITATION FOR OFFER

OF, THE SECURITIES MAY NOT BE MADE TO ANY RESIDENT OF KOREA OTHER THAN INSTITUTIONAL
INVESTORS WITHIN THE MEANING OF THE SEL. ANY SECURITY PURCHASED BY ANY KOREAN RESIDENT
THROUGH THE OFFERING MAY NOT BE TRANSFERRED TO ANY KOREAN RESIDENT IN PART DURING THE
ONE YEAR PERIOD FROM THE ISSUE DATE OF THE SECURITIES.

NOTICE TO RESIDENTS OF MALAYSIA

THE SECURITIES MAY NOT BE OFFERED OR SOLD DIRECTLY OR INDIRECTLY NOR MAY ANY DOCUMENT OR
OTHER MATERIAL IN CONNECTION THEREWITH BE DISTRIBUTED IN MALAYSIA.

NOTICE TO RESIDENTS OF NEW ZEALAND

THE SECURITIES HAVE NOT BEEN AND MAY NOT BE OFFERED OR SOLD TO ANY PERSONS IN NEW ZEALAND
WHOSE PRINCIPAL BUSINESS IS NOT THE INVESTMENT OF MONEY OR WHO, IN THE COURSE OF AND FOR
THE PURPOSES OF THEIR BUSINESS, DO NOT HABITUALLY INVEST MONEY, IN EACH CASE WITHIN THE
MEANING OF SECTION 3(2)(A)(III) OF THE SECURITIES ACT 1978.

NOTICE TO RESIDENTS OF OMAN

THE SECURITIES CANNOT BE OFFERED, MARKETED OR SOLD IN THE SULTANATE OF OMAN, WITHOUT THE
APPROVAL OF THE CAPITAL MARKET AUTHORITY, AND SUBJECT TO ANY CONDITIONS OR RESTRICTIONS
THAT MAY BE IMPOSED BY THAT BODY, AND IF OFFERED, MARKETED OR SOLD THROUGH A BANK
LICENSED TO DO INVESTMENT BANKING BUSINESS IN OMAN, THEN WITHOUT THE APPROVAL OF THE
CENTRAL BANK OF OMAN AND THE CAPITAL MARKET AUTHORITY, AND SUBJECT TO ANY CONDITIONS
AND RESTRICTIONS THAT MAY BE IMPOSED BY THOSE BODIES.

NOTICE TO RESIDENTS OF PEOPLE’S REPUBLIC OF CHINA

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES LAW OF THE
PEOPLE’S REPUBLIC OF CHINA (AS THE SAME MAY BE AMENDED FROM TIME TO TIME) AND ARE NOT TO BE
OFFERED OR SOLD TO PERSONS WITHIN THE PEOPLE’S REPUBLIC OF CHINA (EXCLUDING THE HONG KONG
AND MACAU SPECIAL ADMINISTRATIVE REGIONS) UNLESS PERMITTED BY THE LAWS OF THE PEOPLE’S
REPUBLIC OF CHINA.

NOTICE TO RESIDENTS OF THE PHILIPPINES

THE SECURITIES BEING OFFERED OR SOLD HEREIN HAVE NOT BEEN REGISTERED WITH THE PHILIPPINE
SECURITIES AND EXCHANGE COMMISSION (SEC) UNDER THE SECURITIES REGULATION CODE (SRC) AND
ARE BEING OFFERED AND SOLD PURSUANT TO SECTION 10.1(L) OF THE SRC. NO WRITTEN CONFIRMATION
OF EXEMPTION HAS BEEN OBTAINED FROM THE SEC WITH RESPECT TO THIS MATTER. ANY FUTURE OFFER
OR SALE OF THE SECURITIES IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE

SRC UNLESS SUCH
OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.
NOTICE TO RESIDENTS OF QATAR
THE ISSUER IS NOT AN INVESTMENT COMPANY AUTHORISED TO CONDUCT INVESTMENT BUSINESSES IN
THE STATE OF QATAR AS REQUIRED BY QATAR CENTRAL BANK RESOLUTION NO. (15) “SUPERVISION RULES
AND EXECUTIVE INSTRUCTIONS FOR INVESTMENT COMPANIES.” ACCORDINGLY, THE ISSUER WARRANTS
AND REPRESENTS THAT IT HAS NOT MADE AND WILL NOT MAKE ANY INVITATIONS TO THE PUBLIC IN THE
STATE OF QATAR, AND NEITHER THIS OFFERING MEMORANDUM NOR ANY OTHER OFFERING MATERIAL
RELATING TO THE SECURITIES WILL BE ISSUED OR MADE AVAILABLE TO THE PUBLIC GENERALLY.
NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA
THE OFFERING OF THE SECURITIES HAS NOT BEEN APPROVED BY THE MINISTRY OF COMMERCE, THE
MINISTRY OF FINANCE OR THE SAUDI ARABIAN MONETARY AGENCY. ACCORDINGLY, THE SECURITIES
MAY NOT BE OFFERED IN THE KINGDOM OF SAUDI ARABIA. FURTHER, EACH OF THE CO-ISSUERS, THE
INVESTMENT MANAGER AND THE INITIAL PURCHASER REPRESENTS AND WARRANTS THAT IT HAS NOT
MADE AND WILL NOT MAKE ANY INVITATION TO THE PUBLIC OF THE KINGDOM OF SAUDI ARABIA TO
SUBSCRIBE FOR THE SECURITIES AND THAT THIS OFFERING MEMORANDUM WILL NOT BE ISSUED, PASSED
TO, OR MADE AVAILABLE TO THE PUBLIC GENERALLY IN THE KINGDOM OF SAUDI ARABIA.
NOTICE TO RESIDENTS OF SINGAPORE
THIS OFFERING MEMORANDUM HAS NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MONETARY
AUTHORITY OF SINGAPORE. ACCORDINGLY, THIS OFFERING MEMORANDUM AND ANY OTHER DOCUMENT
OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR
PURCHASE, OF THE SECURITIES MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY THE 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, OR ANY PERSON PURSUANT TO SECTION 275(1A), AND IN ACCORDANCE
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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 THE SECURITIES ARE SUBSCRIBED OR PURCHASED UNDER SECTION 275 BY A RELEVANT PERSON
WHICH IS:
(A) A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR) 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
(B) A TRUST (WHERE THE TRUSTEE IS NOT AN ACCREDITED INVESTOR) WHOSE SOLE PURPOSE
IS TO HOLD INVESTMENTS AND EACH BENEFICIARY IS AN ACCREDITED INVESTOR, SHARES,
THEN THE DEBENTURES AND UNITS OF SHARES AND DEBENTURES OF THAT CORPORATION OR THE
BENEFICIARIES' RIGHTS AND INTEREST IN THAT TRUST SHALL NOT BE TRANSFERABLE FOR 6 MONTHS
AFTER THAT CORPORATION OR THAT TRUST HAS ACQUIRED THE SECURITIES UNDER SECTION 275 EXCEPT:
(1) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 274 OF THE SFA OR TO A RELEVANT
PERSON, OR ANY PERSON PURSUANT TO SECTION 275(1A), AND IN ACCORDANCE WITH THE CONDITIONS, SPECIFIED IN SECTION 275 OF THE SFA;
(2) WHERE NO CONSIDERATION IS GIVEN FOR THE TRANSFER; OR
(3) BY OPERATION OF LAW.
NOTICE TO RESIDENTS OF SPAIN
NEITHER THE SECURITIES NOR THIS DOCUMENT HAVE BEEN APPROVED OR REGISTERED IN THE
ADMINISTRATIVE REGISTRIES OF THE SPANISH SECURITIES MARKETS COMMISSION (COMISIÓN NACIONAL
DEL MERCADO DE VALORES). ACCORDINGLY, THE SECURITIES MAY NOT BE OFFERED IN SPAIN EXCEPT IN
CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFER OF SECURITIES IN SPAIN WITHIN THE
MEANING OF ARTICLE 30BIS 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 SWITZERLAND
THIS DOCUMENT HAS BEEN PREPARED FOR PRIVATE INFORMATION PURPOSES OF INTERESTED INVESTORS
ONLY. IT MAY NOT BE USED FOR AND SHALL NOT BE DEEMED A PUBLIC OFFERING OF THE SECURITIES. NO
APPLICATION HAS BEEN MADE UNDER SWISS LAW TO PUBLICLY MARKET THE SECURITIES IN OR FROM
SWITZERLAND. THEREFORE, NO PUBLIC OFFER OF THE SECURITIES OR PUBLIC DISTRIBUTION OF THIS
DOCUMENT MAY BE MADE IN OR FROM SWITZERLAND. THIS DOCUMENT IS STRICTLY FOR PRIVATE USE BY

ITS HOLDER AND MAY NOT BE PASSED ON TO THIRD PARTIES.
NOTICE TO RESIDENTS OF TAIWAN
THE SECURITIES MAY NOT BE SOLD, ISSUED OR PUBLICLY OFFERED IN TAIWAN AND MAY ONLY BE MADE
AVAILABLE TO TAIWAN INVESTORS ON A PRIVATE PLACEMENT BASIS OUTSIDE TAIWAN. NO PERSON OR
ENTITY IN TAIWAN HAS BEEN AUTHORISED TO OFFER, SELL, GIVE ADVICE REGARDING OR OTHERWISE
INTERMEDIATE THE OFFERING AND SALE OF THE SECURITIES.
NOTICE TO RESIDENTS OF THAILAND
THE SECURITIES MAY NOT BE OFFERED OR SOLD IN THAILAND OTHER THAN TO PERSONS WHO
CONSTITUTE COMMERCIAL BANKS WITHIN THE MEANING OF THE COMMERCIAL BANKING ACT OF
THAILAND 1962 AND ACCORDINGLY NO TRANSFER OF ANY SECURITIES TO PERSONS WHO ARE NOT
COMMERCIAL BANKS WILL BE REGISTERED, RECORDED OR OTHERWISE RECOGNISED BY THE ISSUER OR
REGISTRAR.
NOTICE TO RESIDENTS OF TURKEY
THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED WITH THE SERMAYE PIYASASI KURULU
(CAPITAL MARKETS BOARD) UNDER THE CAPITAL MARKETS LAW NO. 2499, AS AMENDED, AND RELATED
COMMUNIQUES OF THE REPUBLIC OF TURKEY. THE SECURITIES MAY NOT BE OFFERED OR DISTRIBUTED IN
A MANNER THAT WOULD CONSTITUTE A PUBLIC OR PRIVATE OFFERING IN TURKEY, AND NEITHER THIS
OFFERING MEMORANDUM NOR ANY OTHER OFFERING MATERIAL RELATING TO THE SECURITIES MAY BE
DISTRIBUTED IN CONNECTION WITH ANY SUCH OFFERING OR DISTRIBUTION. THE SECURITIES MAY BE
ACQUIRED BY RESIDENTS OF TURKEY ONLY PURSUANT TO ARTICLE 15 OF DECREE NO. 32 ON THE
PROTECTION OF THE VALUE OF THE TURKISH CURRENCY.

NOTICE TO RESIDENTS OF UNITED ARAB EMIRATES
THE OFFERING OF THE SECURITIES HAS NOT BEEN APPROVED BY THE UAE CENTRAL BANK AND
ACCORDINGLY THE SECURITIES MAY NOT BE OFFERED IN THE UNITED ARAB EMIRATES. EACH OF THE COISSUERS,
THE INVESTMENT MANAGER AND THE INITIAL PURCHASER REPRESENTS AND WARRANTS THAT THE SECURITIES MAY NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED TO THE PUBLIC IN THE
UNITED ARAB EMIRATES. FURTHER, THIS OFFERING MEMORANDUM IS ADDRESSED ONLY TO THE
RECIPIENT PARTY AND MAY NOT BE TRANSFERRED THEREAFTER.
NOTICE TO RESIDENTS OF THE UNITED KINGDOM
THIS DOCUMENT IS ONLY BEING DISTRIBUTED TO AND IS ONLY DIRECTED AT (I) PERSONS WHO ARE
OUTSIDE THE UNITED KINGDOM, (II) TO INVESTMENT PROFESSIONALS FALLING WITHIN ARTICLE 19(5) OF
THE FINANCIAL SERVICES AND MARKETS ACT OF 2000 (“FSMA”) (FINANCIAL PROMOTION) ORDER 2005 (THE
“ORDER”) OR (III) HIGH NET WORTH ENTITIES, AND OTHER PERSONS TO WHOM IT MAY LAWFULLY BE
COMMUNICATED, FALLING WITHIN ARTICLE 49(2) (A) TO (D) OF THE ORDER (ALL SUCH PERSONS TOGETHER
BEING REFERRED TO AS “RELEVANT PERSONS”). THE SECURITIES ARE ONLY AVAILABLE AND ANY
INVITATION, OFFER, INDUCEMENT OR AGREEMENT TO SUBSCRIBE, PURCHASE OR OTHERWISE ACQUIRE
SUCH SECURITIES WILL BE ENGAGED IN ONLY WITH, RELEVANT PERSONS. ANY PERSON WHO IS NOT A
RELEVANT PERSON SHOULD NOT ACT OR RELY ON THIS DOCUMENT OR ANY OF ITS CONTENTS.
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 detailed information appearing elsewhere in this Offering Memorandum and related documents referred to herein.

Offered Securities ..... The Notes will be issued pursuant to the Indenture in the aggregate principal amounts set forth below:

Class	Principal Amount (U.S.$)
Class A–1 Notes	260,000,000
Class A–2 Notes	38,000,000
Class B Notes	34,000,000
Class C Notes	20,000,000
Class D Notes	16,500,000
Subordinated Notes	4,220,000

The Issuer will issue 36,780 Preferred Shares pursuant to its Memorandum and Articles of Association (as amended from time to time, the "Memorandum and Articles") and subject to the terms of the Fiscal Agency Agreement.

The allocation between the Subordinated Notes and Preferred Shares may change prior to the Closing Date.

With respect to any exercise of Voting Rights, any Class A Notes that are entitled to vote on a matter will vote together as a single class except as specified, and any Subordinated Securities that are entitled to vote on a matter will vote together as a single class.

The Class D Notes and the Subordinated Notes (collectively, the "Issuer Only Notes") will be limited recourse debt obligations of the Issuer, and the Senior Notes will be limited recourse debt obligations of the Co-Issuers. The Preferred Shares will be equity interests of the Issuer.

The Collateral will be the only source of funds for payments on the Securities. Payment priorities with respect to the Collateral will be in accordance with the Priority of Payments. Following realization of the Collateral and distribution of the proceeds, any claims of a holder of the Securities against the Issuer will be extinguished.

Issuer ..... ING IM CLO 2011-1, Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands for the sole purpose of acquiring Collateral Obligations, issuing the Securities and engaging in certain related transactions. See "Issuer and Co-Issuer."

Co-Issuer..... ING IM CLO 2011-1 LLC, a Delaware limited liability company

established for the sole purpose of co-issuing the Senior Notes and engaging in certain related transactions. The Co-Issuer will not have any assets other than nominal capital and will not pledge any assets to secure the Notes. The membership interests of the Co-Issuer will be wholly-owned by the Issuer.

Initial Purchaser ..... Credit Suisse Securities (USA) LLC, in its capacity as Initial Purchaser.

Trustee and Fiscal Agent ..... The Bank of New York Mellon Trust Company, National Association (the “Bank”), in its capacity as Trustee and Fiscal Agent, respectively.

Investment Manager ..... ING Alternative Asset Management LLC (the “Investment Manager” or “ING”).
The Investment Manager will perform certain advisory, administrative and monitoring functions with respect to the Collateral. See “Investment Management Agreement.”
On the Closing Date, the Investment Manager and/or one or more of its Affiliates are expected to purchase approximately $2.2 million of the Subordinated Notes and may purchase other Classes of Securities.
Closing Date ..... June 22, 2011.
Distribution Dates ..... Distribution Dates will occur on the 22nd of March, June, September and December of each year, commencing in December 2011 and any Liquidation Distribution Date (or if any such date is not a Business Day, the next Business Day). The last Distribution Date for any Class of Notes will be the earliest of (a) its Redemption Date, (b) the Stated Maturity, (c) with respect to any Class of Rated Notes, the Distribution Date on which the principal of such Note is paid in full and (d) the last Liquidation Distribution Date. With respect to any Distribution Date, the “Determination Date” will be the seventh Business Day prior to such Distribution Date.
Reinvestment Period ..... The period from the Closing Date and ending on the earliest of (a) the Business Day immediately preceding the Determination Date relating to the Distribution Date in June 2014, (b) the date after the Non-Call Period specified by the Investment Manager in a notice to the Trustee that investments in additional Collateral Obligations within the foreseeable future would be either impractical or not beneficial, (c) the last day of the Due Period prior to any Rated Notes Redemption Date and (d) the date on which all unpaid amounts payable on the Notes in accordance with the Indenture are accelerated and become due and payable.
Stated Maturity of the Notes ..... June 22, 2021 (or, if such date is not a Business Day, the next Business Day). Any Preferred Shares Outstanding on the Stated Maturity will be redeemed.
Priority of Payments ..... On each Distribution Date, Interest Proceeds and Principal Proceeds will be payable as described under “Description of Certain Terms of the Securities — Priority of Payments.”
Distributions of Interest ..... On each Distribution Date, subject to the Priority of Post-Acceleration Payments, each holder of Rated Notes on the Record Date will be entitled to receive interest on the Aggregate Outstanding Amount in arrears at the rate per annum specified below, in each case in accordance with the Priority of Payments (each such interest rate, an “Interest Rate”):
Class of Notes
Class A–1 Notes
Class A–2 Notes
Class B Notes

Class C Notes
Class D Notes
Interest Rate
LIBOR plus 1.25%
LIBOR plus 1.90%
LIBOR plus 2.75%
LIBOR plus 3.30%
LIBOR plus 4.50%
On each Distribution Date, the Subordinated Securities will be entitled to receive any Excess Interest in accordance with the Priority of
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Payments. If on any Distribution Date funds are not available to pay interest on a Deferrable Class in accordance with the Priority of Payments, that interest will be deferred. Such a deferral will not constitute an Event of Default. Each of the Class B Notes, the Class C Notes and the Class D Notes will be a "Deferrable Class" until it becomes the Controlling Class.

On each Distribution Date, Interest Proceeds will be diverted, in accordance with the Priority of Payments, to (a) purchase additional Collateral Obligations, during the Reinvestment Agency Confirmation; Period (i) if an (ii) if the Effective Date Ratings Confirmation Failure has occurred, to the extent necessary to obtain Rating Supplemental Diversion Test is not satisfied as of the related Determination Date, to the extent necessary to satisfy such test as of the Determination Date; and (iii) to the extent of Designated Proceeds and (b) pay principal on Rated Notes if (i) any Coverage Test is not satisfied on the related Determination Date, to the extent necessary to satisfy such test or (ii) a Continuing Effective Date Ratings Confirmation Failure has occurred and is continuing, to the extent necessary to obtain Rating Agency Confirmation.

Payments of interest on each Class will be subordinated to certain payments on each Higher Ranking Class (including in the case of the Subordinated Securities, to certain payments on the Rated Notes) and to payment of certain fees and expenses.

Distributions of Principal ..... On the Stated Maturity, the Outstanding Rated Notes will mature at par (and the final payment of principal will be made on such date) and the Outstanding Subordinated Securities will be entitled to receive Principal Proceeds (if any) remaining after payment of principal of all of the Rated Notes and all fees and expenses.

Principal payments will be made on Outstanding Rated Notes in accordance with the Priority of Payments on:

- any Distribution Date in the event that a Continuing Effective Date Ratings Confirmation Failure has occurred and is continuing, to the extent required to obtain Rating Agency Confirmation;
- any Distribution Date if any Coverage Test is not satisfied as of the related Determination Date, to the extent required to come into compliance with that test;
- any Distribution Date after the Non-Call Period on which a Special Redemption occurs;
- any Distribution Date after the Reinvestment Period, until the Rated Notes are retired;
- any Redemption Date; and

• the Stated Maturity.

Distributions Post-Acceleration

If any Event of Default has occurred and has not been cured or waived and acceleration occurs in accordance with the Indenture, payments on each Lower Ranking Class will be subordinated to payments on each Higher Ranking Class in accordance with the Priority of PostAcceleration Payments.

Legal Provisions Applicable to
Payments on the Preferred Shares ..... Any dividends paid by the Fiscal Agent to holders of the Preferred
Shares will be payable in accordance with applicable law out of distributable profits of the Issuer and/or out of the Issuer's share premium account.
No payments may be made to Shareholders
(including redemption payments) if the Issuer (as determined by its board of directors) is not able to pay its debts as they fall due in the ordinary course of business immediately following such payment.
Optional Redemption .....
Subject to the satisfaction of conditions described herein, (i) on any Distribution Date after the end of the Non–Call Period or (ii) upon and during the continuance of a Tax Event on any Distribution Date, at the direction of the Required Redemption Percentage, the Issuer will cause (a) a redemption of each Class of Rated Notes, (b) a Refinancing of one or more Classes of Rated Notes, or (c) on any Distribution Date on or after the Rated Notes are redeemed or paid in full, the redemption of the Subordinated Securities.
The "Non-Call Period" is the period from the Closing Date to, but excluding, the Determination Date relating to the Distribution Date in June 2013.
Special Redemption .....
If, at any time during the Reinvestment Period, the Investment Manager, at its discretion, notifies the Trustee that it has been unable using commercially reasonable efforts for a period of at
least 30
consecutive days to invest in Collateral Obligations, on the next Distribution Date, the amount of Principal Proceeds designated by the Investment Manager (the "Special Redemption Amount") will be applied to pay principal of the Rated Notes in accordance with the Priority of Payments (each, a "Special Redemption").
Use of Proceeds ..... The net proceeds on the Closing Date will be used by the Issuer to
purchase a diversified portfolio of Collateral Obligations meeting the diversification, rating and other requirements described herein. On the Closing Date, the Investment Manager currently expects to use at least 37% of the net proceeds to purchase Collateral Obligations and redeem notes issued to the Pre-Closing Parties to finance the Issuer's preclosing acquisition of loans. By the Closing Date, the Issuer will have purchased or entered into agreements to purchase Collateral Obligations with an aggregate principal balance of approximately $260 million. The Investment Manager expects to purchase (and enter into agreements to purchase) additional Collateral Obligations by the Effective Date.
On or before the first Determination Date, any
remaining net proceeds from the Closing Date will be treated as Principal Proceeds or, in an amount not exceeding $3 million, as Interest Proceeds as directed by the Investment Manager. See "Security for the Notes – Collateral Obligations" and "Use of Proceeds."
Security for the Notes ..... The Collateral

pledged by the Issuer to the Trustee under the Indenture for the benefit of the secured parties will consist of Collateral Obligations; Eligible Investments; any securities or assets issued in exchange for Collateral Obligations that do not themselves constitute Collateral Obligations; certain accounts of the Issuer; the rights of the Issuer under any Hedge Agreements, the Investment Management Agreement, the Administration Agreement, the Registered Office Agreement, the Fiscal Agency Agreement, the Collateral Administration Agreement and any Securities Lending Agreements; and the proceeds of

each of the foregoing. Holders of Preferred Shares will not be secured parties under the Indenture.

The Collateral Obligations will consist primarily of senior secured floating rate leveraged loans made to corporate and other business entities ("Leveraged Loans") of below investment grade credit quality. See "Risk Factors."

The Issuer may lend Collateral Obligations to Securities Lending Counterparties that satisfy the requirements described herein. See "Risk Factors" and "Security for the Notes — Securities Lending."

Ratings ..... It is a condition to the issuance of the Notes 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 and that the Class D Notes be rated at least "BB(sf)" by S&P. The Subordinated Securities will not be rated.

In connection with the Effective Date, the Investment Manager (on behalf of the Issuer) will request Rating Agency Confirmation from S&P and, unless the Effective Date Moody's Condition is satisfied, Moody's.

Governing Law ..... The Notes, the Fiscal Agency Agreement and the Indenture will be governed by, and construed in accordance with, the laws of the State of New York. The terms and conditions of the Preferred Shares will be governed by the laws of the Cayman Islands.

Offer and Transfer Restrictions ..... The Securities have not been and will not be registered under the Securities Act, and none of the Issuer, the Co-Issuer or the pool of Collateral is or will be registered under the Investment Company Act, in reliance on the exemption provided by Section 3(c)(7) thereof. Accordingly, such Securities may not be offered or sold within the United States to, or for the account or benefit of, "U.S. persons" (as such terms are defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the Investment Company Act. The Securities may only be offered or sold to (A) Qualified Institutional Buyers that are also Qualified Purchasers and, in the case of the Subordinated Securities, Accredited Investors that are also (i) Qualified Purchasers or (ii) in the case of Subordinated Securities, Knowledgeable Employees in reliance on an exemption under the Securities Act or (B) non-U.S. persons in accordance with the requirements of Regulation S and (C) in accordance with any other applicable law.

Transfer of the Securities is subject to certain restrictions. Each purchaser (including transferees) will be required to make (or will be deemed to have made) certain representations and agreements. For a

description of such representations and agreements and restrictions on resale or transfer of interests in the Securities, see “Transfer and Exchange” and “ERISA Considerations.”

Listing and Trading ..... Application has been made to the Central Bank under the Prospectus Directive, for the Prospectus to be approved. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. The Indenture does

not require, and there can be no assurance that, such a listing will be obtained or that any such listing will be maintained. See “Listing and General Information.” The Preferred Shares will not be listed. There is currently no secondary market for the Securities and none may develop.

Tax Considerations ..... See “Certain Income Tax Considerations.”

ERISA Considerations ..... See “ERISA Considerations.”

For a discussion of certain factors that should be considered by prospective investors in connection with an investment in the Securities, see “Risk Factors.”

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.

Risk Factors 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 Notes will be limited recourse debt obligations of the Issuer, and the Senior Notes will be limited recourse debt obligations of the Co-Issuers, in each case, payable solely from the Collateral pursuant to the Indenture. The Preferred Shares are equity of the Issuer. The Securities do not represent interests in or obligations of, and are not guaranteed, insured or secured by any rating agency, any Transaction Party (other than the Issuer or, in the case of the Senior Notes, 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 Senior Notes, 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, or in the case of the Senior Notes, 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.

regulatory requirements may restrict a potential investor’s ability to purchase Securities or make such an investment unattractive to them. See “– Tax Considerations” and “– Risk Factors Relating to Regulatory and other Legal Considerations – Recent Legal and Regulatory Developments.”

Furthermore, various

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 Higher Ranking Class (including in the case of the Subordinated Securities, subordinated to any required payments on the Rated Notes) and certain fees and expenses. Payments on the Preferred Shares are also subordinated to any payments in respect of the claims of any other creditors of the Issuer, secured or unsecured.

If any Coverage Test is not satisfied as of any Determination Date or if a Continuing Effective Date Ratings Confirmation Failure has occurred and is continuing, cash flows otherwise payable to Lower Ranking Classes of Securities will be diverted to the payment of principal on Higher Ranking Classes of Rated Notes as set forth in the Priority of Payments. Interest Proceeds will be diverted, in accordance with the Priority of Payments, to purchase additional Collateral Obligations, during the Reinvestment Period (a) if an Effective Date Ratings Confirmation Failure has occurred, to the extent necessary to obtain Rating Agency Confirmation; (b) if the Supplemental Diversion Test is not satisfied as of the related Determination Date, to the extent necessary to satisfy such test as of the Determination Date; and (c) to the extent of Designated Proceeds.

If an Event of Default has occurred and has not been cured or waived and acceleration has occurred, Interest Proceeds and Principal Proceeds will be applied to pay both principal of and interest on each Higher Ranking Class until each such Class is paid in full before any further payment or distribution will be made on any Lower Ranking Class. See “The Indenture and the Fiscal Agency Agreement— Payments after an Acceleration of Maturity.” As a result, Lower Ranking Classes will not receive interest payments until each Higher Ranking Class has been paid principal and interest, Lower Ranking Classes may not receive partial or full payment of principal and further distributions may not be made in respect of the Subordinated Securities.

None of the Transaction Parties (other than the Issuer or, in the case of the Senior Notes, the Co-Issuers) or any Affiliates of the Issuer or Co-Issuer or of any other Transaction Party or any other person or entity (other than the Issuer or, in the case of the Senior Notes, the Co-Issuers) will be obligated to make payments on the Securities. To the extent any losses are suffered by any holders of the Securities, such losses will be borne by the holders of the Securities, beginning with the Subordinated Securities as the most junior Classes.

Equity Status of Preferred Shares. The Preferred Shares will be equity interests in the Issuer and are not secured by the Collateral. Accordingly, Shareholders will rank behind all creditors, whether secured or unsecured and known or unknown, of the Issuer, including, without limitation, the holders of the Notes and any Hedge Counterparties.

Except with respect to the obligations of the Issuer to pay the amounts in accordance with the Priority of Payments, the Issuer does not expect to have any creditors. The Issuer is also subject to limitations with respect to the business that it may undertake. See “Issuer and Co-Issuer – General.” Dividends on the Preferred Shares will be payable in accordance with applicable law out of distributable profits of the Issuer and/or out of the Issuer’s share premium account. No payments (including redemption payments) may be paid to the Shareholders if the Issuer (as determined by its board of directors) is not able to pay its debts as they fall due in the ordinary course of business at the time of and immediately following such payment.

Leveraged Credit Risk. The Issuer will utilize a high degree of investment leverage. The use of leverage is a speculative investment technique that increases the risk to holders of the Securities, particularly holders of the Subordinated Securities.

In certain scenarios, the Rated Notes may not be paid in full and the Subordinated Securities may be subject to up to 100% loss of invested capital. The Subordinated Securities represent the most junior Classes 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 holders of the Subordinated Securities. In addition, the use of leverage can magnify the effects on the Subordinated Securities 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 of any Coverage Test or the existence of a Continuing Effective Date Ratings Confirmation Failure will result in cash flows (if any) otherwise available for interest payments

being applied to make principal payments on
Higher Ranking Classes of Rated Notes.
Interest Proceeds will be diverted, in accordance with the Priority of
Payments, to purchase additional Collateral Obligations, during the
Reinvestment Period (a) if an Effective Date
Ratings Confirmation Failure has occurred, to the extent necessary to obtain
Rating Agency Confirmation; (b) if the
Supplemental Diversion Test is not satisfied as of the related Determination
Date, to the extent necessary to satisfy
such test as of the Determination Date; or (c) to the extent of Designated
Proceeds. In addition, if an Event of
Default has occurred and has not been cured or waived and acceleration has
occurred, Interest Proceeds and
Principal Proceeds will be applied to pay both principal of and interest on
each Higher Ranking Class until each
such Class is paid in full before any further payment or distribution will
be made on any Lower Ranking Class. This
will likely reduce returns on the Subordinated Securities and cause a
temporary or permanent suspension of
payments on the Subordinated Securities.
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 reduce the Issuer’s
level of investment leverage. This would likely adversely affect returns on
the Subordinated Securities. In addition,
certain expenses (including the Investment Management Fees) are generally
based on a percentage of the Portfolio
Principal Balance, which includes the Collateral obtained through the use of
leverage.
Accordingly, expenses
attributable to the Subordinated Securities will be higher because such
expenses will be based on the Portfolio
Principal Balance.
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, Excess Interest will be paid to the
holders of the Subordinated Securities,
rather than being invested in additional Collateral Obligations. Therefore,
it is highly likely that after payments of
the Rated Notes and the other amounts payable prior to the Subordinated
Securities under the Priority of Payments,
Principal Proceeds will be insufficient to return the initial investment
made in the Subordinated Securities.
Therefore, over the passage of time, holders of Subordinated Securities will
have to rely on Excess Interest for their

ultimate return.
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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 reduced amounts available for distributions on the Securities, in particular the Subordinated Securities. This will likely reduce the amount of Interest Proceeds that would otherwise be available to distribute to the holders of the Subordinated Securities, particularly on the first Distribution Date.

On the Closing Date, the Issuer is expected to have significant uninvested proceeds. If the Issuer issues additional securities after the Closing Date, the Issuer would likely 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 Distribution Dates with respect to the Securities. Accordingly, interest that has accrued on Collateral Obligations during a Due Period may not be received by the Issuer during such Due Period, which may adversely affect the Issuer's ability to make payments and distributions on the Securities, particularly the Subordinated Securities, on any particular Distribution Date.

Calculation of Overcollateralization Tests. If any Coverage Test is not satisfied as of any Determination Date, cash flows otherwise payable to Lower Ranking Classes of Securities will be diverted to the payment of principal of Higher Ranking Classes of Rated Notes as set forth in the Priority of Payments. Calculation of the Principal Balance of Collateral Obligations for purposes of the Overcollateralization Tests applies certain reductions to the par amount of Collateral Obligations as set forth in the definition of Principal Balance. For example, for purposes of this calculation, a Defaulted Obligation will have a Principal Balance that is the lesser of its Market Value or Recovery Rate and the excess of Collateral Obligations with an S&P Rating of "CCC+" or lower or a Moody's Obligation Rating of "Caa1" or lower exceed certain levels will have a Principal Balance equal to their Market Value. See clause (d) of the definition of Principal Balance. Such reductions may increase the likelihood that one or more Overcollateralization Tests is not satisfied and cash flows otherwise payable to Lower Ranking Classes of Securities will be diverted to the payment of principal of Higher Ranking

Classes of Rated Notes.
Valuation Information; Limited Information. Neither the Issuer nor any other 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 Co-Issuers, Trustee, or Investment Manager will be required to provide any information other than what is required in the Indenture. 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.
Control of Remedies. The Controlling Party 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 Party could be adverse to the interests of holders of other Classes of Securities. For example, the Controlling Party could vote to direct the Trustee to liquidate the Collateral to facilitate payment of amounts due in respect of the Notes of the Controlling Class 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 Notes. Such amendments could be adverse to certain owners of Notes. See “The Indenture and the Fiscal Agency Agreement—Amendments of the Indenture.”
Average Life and Prepayment Considerations. The average life of the Rated Notes is expected to be shorter than the number of years remaining to the Stated Maturity. The average life of the Rated Notes will be affected by a number of factors, including any Optional Redemption, any Special Redemption or acceleration described herein, the amount and frequency of principal payments as a result of the failure of Coverage Tests or a Continuing Effective Date Ratings Confirmation Failure, 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 the Reinvestment Period, 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 Rated Notes may adversely affect returns on the Subordinated Securities.

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 sales and purchases of Collateral Obligations.

The Issuer will cause the redemption (in whole but not in part) of all Classes of the Notes, as described under, and subject to the conditions described in, “Description of Certain Terms of the Securities – Optional Redemption.” In addition, the Notes may be accelerated upon the occurrence of an Event of Default, as described under “The Indenture and the Fiscal Agency Agreement – Events of Default; Acceleration.” There can be no assurance that, upon any Rated Notes Redemption, the proceeds realized would permit any payment on the Subordinated Securities 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 Rated Notes in full and permit any payment on the Subordinated Securities. In particular, the market prices of the Collateral Obligations and any payment due to Hedge Counterparties will affect returns on the Subordinated Securities. In addition, a Rated Notes Redemption 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.

Notes Surrendered by Holders Will be Cancelled. Notes may at any time be tendered by a holder for no payment to the Trustee for cancellation (“Surrendered Notes”). Surrendered Notes will be cancelled and no longer deemed Outstanding for certain purposes under the Indenture such as the exercise of voting rights. However, for purposes of the Overcollateralization Ratio and the Event of Default Par Ratio, any such Surrendered Notes will be deemed to (i) remain Outstanding and thus will not affect the calculation of the Overcollateralization Tests or the Event of Default Par Ratio, until all Notes of the applicable Class and each Higher Ranking

Class have been retired or redeemed and
(ii) have an Aggregate Outstanding Amount equal to the Aggregate Outstanding Amount as of the date of surrender,
reduced proportionately with, and to the extent of, any payments of principal on Notes of the same Class thereafter.
See “Description of Certain Terms of the Securities—Surrender of Notes.”
Tax Considerations. An investment in the Securities involves complex tax issues.
See “Certain Income Tax
Considerations,” below, 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 (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, 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.
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 only acquire a particular
Collateral Obligation 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. Similarly, the
Issuer may generally only enter into a Securities Lending Agreement in respect of any Collateral Obligations if the
substitute interest payments received thereunder are not subject to withholding tax or the counterparty 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, securities lending fees, facility fees, and other similar fees, as well as with
respect to substitute dividend payments, interest and disposition proceeds in respect of Collateral Obligations not

outstanding prior to March 19, 2012 (as discussed in more detail below, and such withholding or gross income taxes
may not be grossed up).
In addition, 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. If the Issuer owns a
Pre-Funded Letter of Credit and withholding tax is not being withheld with respect to the Pre-Funded Letter of
Credit fee, the amount required to cover the full amount of withholding tax that would have been withheld with
respect to such fee if it had been determined that such fee were subject to withholding tax at the time of such
payment (the “Pre-Funded Letter of Credit Reserve Amount”) is required to be deposited into the Pre-Funded Letter
of Credit Reserve Account. Such amounts will be unavailable for distribution as Interest Proceeds under the Priority
of Payments until such time as no Notes rated by any Rating Agency remain Outstanding or the Issuer or the
Investment Manager (on behalf of the Issuer) has received an opinion of nationally recognized tax counsel that such
payments are not subject to withholding or a public pronouncement or ruling to that effect has been made by the
relevant tax authority.
A U.S. law enacted in 2010 imposes a withholding tax of 30% on certain payments made to the Issuer after
December 31, 2012, including potentially all interest paid on, and proceeds of sale of, U.S. Collateral Obligations
not outstanding prior to March 19, 2012, unless the Issuer enters into and complies with an agreement with the IRS
to collect and provide to the U.S. tax authorities substantial information regarding direct and indirect holders of the
Securities. In some cases, the ability to avoid such withholding tax will depend on factors outside of the Issuer’s
control.
In addition, the law may subject payments on a particular Security (including principal payments) to a
withholding tax of 30% unless (i) each foreign financial intermediary through which such Security is held enters into
such an information reporting agreement; and (ii) the direct and indirect holders thereof supply the Issuer and each
foreign financial intermediary through which such Security is held, if any, with information necessary to comply
with such information reporting agreements. The Issuer intends to enter into an appropriate information reporting

agreement with the IRS as discussed above. Each holder of Securities will be required to provide the Issuer and the Trustee with information necessary to comply with such information reporting agreements as discussed above, and holders that do not supply required information 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 holders of the Securities will not be subject to the noted withholding taxes. The imposition of such taxes could materially affect the Issuer's financial ability to make payments on the Securities or could reduce such payments.

The Issuer also expects that payments on the Securities ordinarily will not be subject to any withholding tax (other than United States backup withholding tax).

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 taxes of any nature whatsoever from payments on the Securities is required by law in any jurisdiction, the Issuer will be under no obligation to make any additional payments to the holders of the Securities in respect of such withholding or deduction.

Upon the occurrence of a Tax Event, whether during or after the Non-Call Period, if directed by the Required Redemption Percentage, the Issuer shall cause a redemption of the Rated Notes (and, if directed, a redemption of the Subordinated Securities) or a Refinancing of one or more Classes of Rated Notes in accordance with the procedures described under "Description of Certain Terms of the Securities – Optional Redemption."

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 Securities may be subject to adverse tax consequences unless it elects to treat the Issuer as a qualified electing fund and to recognize currently its proportionate share of the Issuer's income.

In addition, depending on the overall ownership of the Subordinated Securities, a U.S. holder of more than 10% of the Subordinated Securities 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. 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
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discharges its debt at a discount. A holder that makes a qualified electing fund election will be required to include in current income its pro rata share of such earnings, income or amounts whether or not the Issuer actually makes any payments to such holder.

Considerations Relating to the Investment Manager; Dependence on Key Personnel. 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 or other contractual arrangements between such individuals and the Investment Manager may exist, but the Issuer is not a direct beneficiary of such arrangements, which arrangements are in any event 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.

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 Notes or undertaking credit rating surveillance of the 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 Notes ("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 Notes.

Issuance of an Unsolicited Rating lower than the ratings assigned by the Rating Agencies on the Notes could adversely affect the value and liquidity of the Notes and, for certain investors, could affect the status of the Notes as a legal investment or the capital treatment of the Notes.

Investors in the Notes should monitor whether an Unsolicited Rating has been issued and should consult with their legal counsel 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 the Notes, which could adversely affect the market value of the Notes or limit the ability of a holder to sell its Notes.

Risk Factors Relating to the Collateral

Recent Developments in the Leveraged Loan Market. 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 price at which assets can be sold by the Issuer will have deteriorated from their effective purchase price and (ii) the illiquidity of the Securities, as there may be no secondary trading in 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. 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. 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.
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.
leveraged and may not have available to them more traditional methods of financing.
In addition, obligors of below investment grade debt obligations may be highly
During an economic
downturn, a sustained period of rising interest rates, or a period of fluctuating exchange rates (in respect of those
obligors 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 meet specific projected business forecasts or
the unavailability of financing.
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 holders of the
Securities, beginning with the Subordinated Securities as the most junior Classes. See "—Defaults; Market and
Credit Spread Volatility."
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 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 Securities, as the most junior Classes.
Because the value of the
obligations of any single obligor or industry sector will represent a higher percentage of the Aggregate Outstanding
Amount of the Subordinated Securities (or any other junior Classes of Notes)

than it represents in relation to the aggregate principal amount of the total portfolio, there can be no assurance that the diversification guidelines of the Indenture will be effective in minimizing losses on the junior Classes, particularly the Subordinated Securities.

Interest Rate Risk. There will be a rate mismatch between the Floating Rate Notes and a portion of the underlying Collateral Obligations. 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 Floating Rate Notes. The percentage of 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 Collateral Obligations actually held by the Issuer at that time.

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 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 or notional balance mismatch will be borne by the holders of the Securities, beginning with the Subordinated Securities as the most junior Classes.

Changes in LIBOR applicable to the Floating Rate Notes may adversely affect returns on the Subordinated Securities.

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 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 the 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
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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.

In addition, many participation agreements that provide voting rights to the holder of the Participation further provide that if the holder does not vote in favor of amendments, modifications or waivers, the selling lender may repurchase such Participation at par.

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 in organized markets but are traded by banks and other institutional investors engaged in syndications and loan participations, respectively. 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 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 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 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.

Investing in Non-U.S. Assets. A portion of the Collateral is expected to 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 will have purchased or entered into agreements to purchase Collateral Obligations with an aggregate principal balance of approximately $260 million. 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 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 Limits and the Effective Date Target Par prior to the Effective Date. Delays in reaching the Effective Date Target Par may adversely affect the timing and amount of payments received by the holders of Securities and the yield to maturity of the Rated Notes and the distributions on the Subordinated Securities.

Under the Indenture, the Investment Manager may direct the disposition of (a) Defaulted Obligations and Equity Securities at any time, and (b) subject to certain restrictions in the event of a downgrade of the ratings on the Rated Notes, (i) Credit Risk Obligations and Appreciated Obligations and (ii) other Collateral Obligations 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 Reinvestment Requirements. 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 securityholders.

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 Reinvestment Requirements. 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 Reinvestment Requirements and acceptable to the Investment Manager, and market

conditions related to below investment grade obligations in general.
The need to satisfy the Reinvestment
Requirements 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 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
Securities. There can be no assurance that in the
event Collateral Obligations are sold, prepaid, called, or mature, 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
Reinvestment Requirements, 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 Lower Ranking 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 obligors with no, or limited, penalty or premium.
generally prepay more frequently than other corporate obligations of the
same obligor.
As a result, Leveraged Loans
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 holders of the Securities, beginning with the Subordinated
Securities as the most junior Classes.
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 may from time to time experience significant volatility.

During certain periods, this market has experienced significant volatility with respect to market prices, including as a result of recent deterioration of the subprime mortgage industry in the U.S. and asset-backed securities backed by U.S. mortgage collateral, a significant increase in issues trading at distressed levels, a significant increase in default rates, and a significant decrease in recovery rates. 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 Collateral Obligations 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 Securities as the most junior Classes.

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.

Securities Lending. The Collateral Obligations may be loaned to counterparties such as banks, broker-dealers or other financial institutions. In the event that the related counterparty defaults on its obligation to return loaned Collateral Obligations, because of insolvency or otherwise, the Trustee could experience delays and costs in gaining access to any collateral posted by the counterparty. The realized value of such collateral could be less than the amount required to purchase the loaned Collateral Obligations in the open market. Either Rating Agency may downgrade the Rated Notes if the Issuer is no longer in compliance with the securities lending counterparty guidelines described herein. The loaned Collateral Obligations will not be available to fund payments on the Securities. The Initial Purchaser, the Investment Manager and/or any of their respective Affiliates may borrow Collateral Obligations from the Issuer.

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.

Risk Factors Relating to the Issuer and its Service Providers

Certain Conflicts of Interest Related to the Investment Manager. On the Closing Date, the Investment Manager and/or one or more of its Affiliates are expected to purchase approximately $2.2 million of the Subordinated Notes. Such Subordinated Notes 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, which will be in the form of a discount on the purchase price. 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).

The Investment Manager has provided and, prior to the Closing Date, will continue to provide financing to the Issuer for the purchase of Collateral Obligations for which it is being paid a financing fee. See "—Pre-Closing Collateral Accumulation."

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 Collateral. 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 securities are included in the Collateral, and may own, directly or through other funds that they manage, equity or debt securities issued by obligors of obligations included in the Collateral. The Investment Manager and its Affiliates may also provide certain services for a negotiated fee to companies whose obligations are pledged by the Issuer as Collateral. 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 bank 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 Collateral that otherwise might have been initiated or prevented from liquidating a position. 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.

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.

Alternatively, the Investment Manager and its Affiliates may 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 possible under the prevailing facts and circumstances.

Further, the Investment
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Manager will be prohibited under the terms of the Investment Management Agreement from directing the acquisition of Collateral from, or disposition of Collateral 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 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 Advisers Act.

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 secured bank 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. Depending upon market conditions, the aggregation of orders may result in a higher or lower average price paid or received by a client. There is no assurance that any CDO Vehicle or other client with strategies or investment objectives similar to the Issuer will hold the same assets or perform in a similar manner.

On each Distribution Date, 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 Collateral than the Issuer would otherwise make in order to increase the likelihood that the holders of the Subordinated Securities receive the specified Internal Rate of Return for the Investment Manager to 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 Collateral and may have provided and may provide in the future, advisory and other services to obligors of Collateral. The Investment Manager and/or its Affiliates may from time to time purchase and hold Securities.

While the Investment Manager may interact with potential investors in the Securities and may provide information regarding the portfolio of investments of the Issuer, the Investment Manager has the sole authority to select and

manage the portfolio of Collateral. Upon request, 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. ING Group has adopted a formal restructuring plan that was approved by the European Commission in November 2009 under which the ING life insurance businesses, including the retirement services and investment management businesses, which include the Investment Manager, would be divested by ING Group by the end of 2013. To achieve this goal, ING Group announced in November 2010 that it plans to pursue two separate initial public offerings: one a U.S. focused offering that would include U.S. based insurance, retirement services, and investment management operations, and the other a European based offering for European and Asian based insurance and investment management operations. There can be no assurance that the restructuring plan will be carried out through two offerings or at all.

The restructuring plan and the uncertainty about its implementation, whether implemented through the planned initial public offerings or through other means, in whole or in part, may be disruptive to the business of the Investment Manager, including, among other things, an interruption of or reduction in the Investment Manager's 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 on favorable terms could have a material adverse impact on the operations of the Investment Manager. The restructuring plan may result in the Investment Manager's loss of access to services and resources of ING Group and it other subsidiaries, which could adversely affect its businesses and profitability. Currently, the Investment Manager does not anticipate 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 this Indenture.

Certain Other Conflicts of Interest. The Initial Purchaser or its Affiliates 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 be providing investment banking services and other services to obligors of certain Collateral Obligations. In addition, the Initial Purchaser and its Affiliates, and clients of its Affiliates, may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, Collateral Obligations. It is expected that from time to time the Investment Manager will purchase from or sell Collateral Obligations through or to the Initial Purchaser or its Affiliates (including a significant portion of the Collateral Obligations to be purchased on or prior to the Closing Date) and that one or more Affiliates of the Initial Purchaser may act as the selling institution with respect to Participations, a counterparty under a Hedge Agreement and/or a counterparty with respect to securities lending transactions (if any). The Initial Purchaser and its Affiliates may act as placement agent and/or initial purchaser 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 Initial Purchaser does not disclose specific trading positions or its hedging strategy, including whether it is in a long or short position in any Security or obligation referred to in this Offering Memorandum. Nonetheless, in the ordinary course of business, the Initial Purchaser and its Affiliates and employees or customers of the Initial Purchaser and its Affiliates may actively trade in the Securities, Collateral Obligations and Eligible Investments for their own accounts and for the accounts of their customers. Accordingly, the Initial Purchaser and its Affiliates and employees or customers of the Initial Purchaser and its Affiliates may at any time hold a long or short position in such Securities and obligations, but are not required to do so. The Initial Purchaser and its Affiliates 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 it sells or buys credit protection with respect to such Securities and obligations. An Affiliate of the Initial Purchaser has provided and, prior to the Closing Date, will continue to provide financing to the Issuer for the purchase of Collateral Obligations for which it is being paid a financing fee. See "—Pre-Closing Collateral Accumulation."

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, it will have no responsibility to consider the interests of any other holders of Securities in actions it takes or refrains from taking in such capacity.

The Trustee, the Initial Purchaser 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.

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 International ("CSI"), 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 CSI. 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 any net losses (as well as net gains) after repayment of financing costs, 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 hereof and on or prior to the

Closing Date, including changes in
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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 holders of the Securities, beginning with the Lowest Ranking Classes.

No Operating History. The Co-Issuers are recently incorporated 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 ("CDO Vehicles") advised by the Investment Manager should not be relied upon as an indication or prediction of the performance of the Collateral.

Such other CDO 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 as described in "Description of Certain Terms of the Securities—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, Trustee, Collateral the Investment Manager and/or 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 and any Tax Subsidiary 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 or any Tax Subsidiary were to exercise control or significant influence over a company's direction. 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 Rating Agency Confirmation be obtained 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 Rating Agency 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 Rating Agency Confirmation with respect to that Rating Agency will not apply.

Risk Factors 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 United States 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, 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 holders of 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 holders 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 holders of Securities, particularly the Subordinated Securities. Furthermore, no assurance can be made that the United States federal government or any U.S. regulatory body (or other authority or regulatory body) will not continue to take further legislative or regulatory action in response to the economic crisis or otherwise, and the effect of such actions, if any, cannot be known or predicted.

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 trust fund 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 European Union 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 under a new Article 122a of the Banking Consolidation Directive ("Article 122a"). Article 122a applies to credit institutions in the European Union (for example, banks) that invest in or hold positions in securitizations (including CLO transactions). Among other provisions, Article 122a restricts investments by EU-regulated

credit institutions (and, in some cases, consolidated group entities) 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. The Issuer has not taken, and does not intend to take, any steps to comply with the requirements of Article 122a. The fact that the offering of the Securities has not been structured to comply with Article 122a is likely to limit the ability of EU-regulated credit institutions to purchase Securities, which may adversely affect the liquidity of the Securities in the secondary market.

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 would 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 holders of the Securities). To the extent that any such payments are recaptured from the Issuer, the resulting loss will be borne by the holders of the Securities beginning with the Subordinated Securities as the most junior Classes. A court in a bankruptcy or insolvency proceeding would be able to direct the recapture of payments from a holder of Securities only to the extent that it has jurisdiction over the holder or its assets.

Moreover, it is likely that avoidable payments could not be recaptured directly from a holder 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 a holder 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 a Collateral Obligation obligor 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 exemption from registration and no-action positions available for non-U.S. obligors (a) whose outstanding securities owned by U.S. persons 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 Co-Issuer.

ISSUER AND CO-ISSUER

General

The Issuer was incorporated in the Cayman Islands on February 16, 2011. It is an exempted company incorporated with limited liability subject to the Companies Law. The registration number of the Issuer is MC-252149. The principal office of the Issuer is at the office of the Administrator (telephone 345-945-7099). As of the Closing Date, the authorized share capital of the Issuer will consist of 250 Ordinary Shares, U.S.$1.00 par value per share, all of which have been issued and are held by the Share Trustee pursuant to a declaration of trust and 80,000 Preferred Shares, of which 36,780 are expected to be issued on the Closing Date, adjusted to reflect any change in the allocation between the Subordinated Notes and Preferred Shares prior to the Closing Date.

The Issuer has been established as a special purpose company for the purpose of issuing the Securities and the Ordinary Shares and the management of the Collateral and other related transactions. Other than those activities incidental to its incorporation and the acquisition of Collateral Obligations in anticipation of the Closing Date and activities incidental thereto, the Issuer has not previously carried on any business activities. The Issuer will receive payments of interest as the principal source of its income.

The Co-Issuer was formed in the State of Delaware on June 2, 2011 under the Delaware Limited Liability Company Act, and its operations will be governed by that statute. The principal office of the Co-Issuer will be c/o CICS, LLC, 225 West Washington Street, Suite 2200, Chicago, IL 60606 (telephone 312-775-1007). The Delaware file number of the Co-Issuer is 4991333. The Co-Issuer will not have any assets other than nominal equity capital and will not pledge any assets to secure the Notes. The Co-Issuer has no prior operating experience. The Co-Issuer has been established as a special purpose company for the purpose of issuing the Senior Notes.

Neither the Issuer nor the Co-Issuer will have any subsidiaries or employees, except that the Issuer will hold all membership interests in the Co-Issuer and the Indenture permits the Issuer to form Tax Subsidiaries in connection with certain workout activities.

Directors; Manager. The directors of the Issuer are Betsy Mortel and Richard Gordon, each of whom is an employee of the Administrator. The directors of the Issuer serve as directors of and provide services to other CDO Vehicles and perform other duties for the Administrator. They may be contacted at the address of the Administrator.

The independent manager of the Co-Issuer will be Melissa Stark, who provides administrative services for Delaware entities. Ms. Stark may be contacted at the principal office of the Co-

Issuer.
Administrator and Share Registrar. MaplesFS Limited (a Cayman Islands company) and any successor thereto will act as the administrator of the Issuer (the “Administrator”) and will maintain the Issuer’s share register (“Share Register”) in its capacity as “Share Registrar.”
Its office will serve as the general business office of the Issuer. Through this office and pursuant to the terms of the Administration Agreement, the Administrator will perform various administrative functions on behalf of the Issuer and the provision of certain clerical and other services until termination of the Administration Agreement. The Issuer and MaplesFS Limited will also enter into a registered office agreement (the “Registered Office Agreement”) for the provision of registered office facilities to the Issuer.
In consideration of the foregoing, the Administrator and registered office provider will receive various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses and will be entitled to indemnification for any loss, liability or expense incurred without fraud or willful default, arising out of or in connection with its role as Administrator or registered office provider, as applicable.
The activities of the Administrator under the Administration Agreement will be subject to the oversight of the Issuer’s board of directors.
The terms of the Administration Agreement and the Registered Office Agreement provide that either party may terminate such agreements upon the occurrence of any 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 provided that, in the case of the termination of the Administration Agreement, a replacement administrator has been appointed on similar terms.
The Issuer and the Administrator may be contacted at the office of the Administrator.

Process Agent. The Issuer will initially appoint National Corporate Research, Ltd., 10 East 40th Street, 10th Floor, New York, NY 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

The initial proposed capitalization and indebtedness of the Issuer as of the Closing Date after giving effect to the issuance of the Securities and the Ordinary Shares (before deducting expenses of the Offering and original issue discounts) is as set forth below.

Source	Amount (U.S.$)
Class A–1 Notes	260,000,000
Class A–2 Notes	38,000,000
Class B Notes	34,000,000
Class C Notes	20,000,000
Class D Notes	16,500,000
Subordinated Notes*	4,220,000
Total Debt	372,720,000
Preferred Shares*	36,780,000
Issuer Ordinary Shares	250
Total Equity	36,780,250
Total Capitalization	409,500,250

* The allocation between the Subordinated Notes and Preferred Shares may change prior to the Closing Date.

The Issuer Only Notes are obligations of the Issuer and the Senior Notes are obligations of the Co-Issuers and do not represent obligations of any other Transaction Party or any of their respective Affiliates, or any directors or officers of the Issuer. The Preferred Shares will be equity interests of the Issuer.

Available Information

Upon request, the Issuer will furnish to holders and prospective purchasers of the Securities information that is required by subsection (d)(4)(i) of Rule 144A.

USE OF PROCEEDS

The net proceeds from the issuance of the Securities on the Closing Date, after payment of certain fees, organizational and other fees and expenses, funding of the Closing Date Interest Deposit and original issue

discounts, are expected to be approximately U.S.$398.5 million and will be used by the Issuer to purchase Collateral Obligations meeting the diversification, rating and other requirements described herein. On the Closing Date, the Investment Manager currently expects to use at least 37% of the net proceeds to purchase Collateral Obligations and redeem notes issued to the Pre-Closing Parties to finance the Issuer's pre-closing acquisition of loans. By the Closing Date, the Issuer will have purchased or entered into agreements to purchase Collateral Obligations with an aggregate principal balance of approximately $260 million. The Investment Manager expects to purchase (and enter into agreements to purchase) additional Collateral Obligations by the Effective Date. On or before the first Determination Date, any remaining net proceeds from the Closing Date will be treated as Principal Proceeds or, in an amount not exceeding $3 million, as Interest Proceeds as directed by the Investment Manager.

SECURITY FOR THE NOTES
The “Collateral” for the Notes pledged by the Issuer to the Trustee under the Indenture will consist of Collateral Obligations; Eligible Investments; any securities or assets issued in exchange for Collateral Obligations that do not themselves constitute Collateral Obligations; certain accounts of the Issuer; the rights of the Issuer under any Hedge Agreements, the Investment Management Agreement, the Collateral Administration Agreement, the Account Agreement, the Administration Agreement, the Registered Office Agreement, the Fiscal Agency Agreement and any Securities Lending Agreements; and the proceeds of each of the foregoing.
Collateral Obligations
Collateral Obligations will consist primarily of Leveraged Loans. The Issuer may also invest on a limited basis in certain Senior Secured Notes. Collateral Obligations may include a limited amount of Credit Facilities that require future payments by the Issuer provided that the Issuer maintains reserves to the extent required to meet any Unfunded Amount of Credit Facilities.
The Issuer will only invest in U.S. dollar denominated obligations. dollar denominated obligations of non-United States obligors (other than Excepted Companies).
It may invest up to 20% of its assets in U.S. Investments in Collateral Obligations will be subject to certain diversification, minimum spread and coupon, rating, maturity and other requirements. The Issuer may sell obligations and reinvest proceeds, subject to certain conditions described herein.
Collateral Obligations are eligible for purchase by the Issuer in accordance with the requirements set forth in the Indenture, as summarized below. A “Collateral Obligation” is an obligation that:
(a) at the time of the Issuer’s commitment to purchase is:
(i) a Senior Secured Note; or
an assignment of a Senior Secured Loan or Second Lien Loan; or
(iii) a Participation in a Senior Secured Loan or Second Lien Loan; and
(ii)
(b) at the time of the Issuer’s commitment to purchase:
(i) provides for periodic payments in cash no less frequently than semi-annually (provided that it may provide that such periodic payments be deferred and capitalized);
(ii) is an obligation of (A) an obligor organized in a Recovery Approved Country or (B) an Excepted Company;

(iii) provides for payment of a fixed amount of principal in cash or final cash payment by the
maturity or scheduled expiration thereof;
(iv) does not require future advances to be made to the obligor in accordance with its
Underlying Instrument unless it is a Credit Facility;
(v)
(vi)
definition thereof);
(vii)
is eligible to be sold, assigned or participated to the Issuer and pledged to the Trustee;
is not a Defaulted Obligation or a Credit Risk Obligation (as described in clause (a) of the
is Registered and has payments (other than commitment and similar fees or Pre-Funded
Letter of Credit fees) that are not subject to U.S. or non-U.S. withholding tax unless the obligor thereof is
required to make “gross-up” payments that cover the full amount of any such withholding tax;

(viii) as to which the Investment Manager has not determined, in its reasonable business judgment, that it is subject to substantial non-credit related risk with respect to repayment;
(ix) has an S&P Rating and does not have an “f,” “p,” “pi,” “q,” “r” or a “t” subscript appended to its long term rating from S&P;
(x) is not a lease other than a Finance Lease;
(xi) (A) provides for payment in U.S. Dollars and (B) cannot be converted at the option of the obligor thereof to payment in a different currency;
(xii) is not an obligation that would cause the Issuer (or the Investment Manager acting on behalf of the Issuer) to be deemed for U.S. federal income tax purposes to have engaged in a primary loan origination;
(xiii) is not an obligation that is directly or indirectly secured by Margin Stock or the purchase or holding of which would cause the Issuer or the Trustee to violate applicable U.S. margin regulations;
(xiv) does not provide for conversion into or exchange for an Equity Security;
(xv) if it is a PIK Security, is not deferring interest payments and, in the reasonable business judgment of the Investment Manager, no deferred interest will be outstanding as of the next scheduled payment distribution date for such obligation;
(xvi) has a Moody’s Rating and, if it is a Caa Collateral Obligation, has a Moody’s Rating that is not lower than “Caa2”; and if it is a CCC Collateral Obligation, has an S&P Rating that is not lower than “CCC”;
(xvii) bears interest at a floating rate;
(xviii) is not a High-Yield Bond;
(xix) does not have a stated maturity after the Stated Maturity of the Notes;
(xx) is not a Synthetic Security or a Structured Finance Obligation; and
(xxi) does not have an interest rate that steps-up or steps-down solely because of the passage of time.

In addition, on and after the Effective Date, the Issuer’s commitment to purchase Collateral Obligations will not
result in a violation of any of the following “Concentration Limits”:
(a)
table below:
Minimum
Collateral Type
(i) Senior Secured Loans (assuming for
purposes of these calculations that Eligible
Principal Investments are Senior Secured Loans)
(ii) Senior Secured Notes and Second Lien
Loans, collectively
(iii) PIK Securities and Partial PIK Securities,
collectively
(iv)
DIP Loans
(v) the Commitment Amount of Revolving
Credit Facilities and the Unfunded Amount of
Delayed Funding Loans, collectively
(vi) Participations
(vii) Caa/CCC Collateral Obligations (other than
Permissible Replacement Collateral Obligations)
(viii) 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
(ix) obligations of any one obligor (together
with affiliated obligors)
(x) obligations issued by obligors in any one
industry determined by the S&P’s CDO Monitor
Asset Classifications
(% of the
Portfolio
Principal
Balance)
95
5
5
7.5
5
5
7.5
5
no more than 2.5% in PIK
Securities
Maximum
(% of the
Portfolio
Principal

Balance)
Exceptions and Additional
Requirements
the minimum and maximum limitations (and exceptions and additional
requirements) listed in the
2
8
up to five obligors may each
constitute up to 2.5%
obligors in any two such
industries may each comprise
up to 12%
27

Minimum
Collateral Type
(xi) Country and Excepted Company limitations
(A) United States (including its
territories and possessions)
(B) countries together other than the
United States, Canada, the United Kingdom or
the Netherlands (excluding Excepted Companies)
(C)
(D)
Canada
United Kingdom
(E) Australia and the Netherlands,
collectively
(F) Denmark, France and Germany,
collectively
(G) Austria, Belgium, Finland, Iceland,
Ireland, Liechtenstein, Luxembourg, New
Zealand, Norway, Spain, Sweden and
Switzerland, collectively
(H)
Excepted Companies
(I) any one Tax Jurisdiction
(xii) (A) Bridge Loans and (B) Finance Leases,
individually
(xiii) obligations with terms that provide for the
payment of interest less frequently than quarterly
(xiv) Discount Obligations
(xv) Current Pay Obligations
(xvi) obligations (other than additional issuances
of obligations by an obligor to a previous issue of
obligations) that are part of an issue (which, with
respect to Loans, shall mean all tranches under a
single credit facility) with an original issuance
amount of less than $100,000,000
(xvii) Cov-Lite Loans
5
3
5
5
15
2.5
10
none less than $50 million
15
12.5
10
7.5
5
(% of the
Portfolio

Principal
Balance)
80
10
Maximum
(% of the
Portfolio
Principal
Balance)
Exceptions and Additional
Requirements
obligors of Eligible Principal
Investments (other than those
described in clauses (v) and
(viii)
of the definition
Eligible Investments) will be
assumed to be organized in the
United States, and each
Excepted Company shall also
be included
in calculations
with respect to (A) the
Recovery Approved Country
from
which the
greatest
portion of its revenue is
derived and
(B) the Tax
Jurisdiction in which it is
incorporated or formed
of
40
(xviii) Pre-Funded Letters of Credit
2
(b)
the total number of different Hedge Counterparties, Securities Lending
Counterparties and Selling
Institutions currently involved in transactions with the Issuer will not
exceed 15.
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Sales of Collateral Obligations
So long as no Event of Default has occurred and is continuing, the Investment Manager may direct the Trustee to sell:
(a) any Defaulted Obligation;
(b) any Equity Security, including Margin Stock;
(c) any Credit Risk Obligation;
(d) any Appreciated Obligation; and
(e) any Collateral Obligation (other than one being sold pursuant to clauses (a) through (d) above);
provided that (i) after the Effective Date, the Aggregate Principal Balance of the Collateral Obligations sold pursuant to this clause (e) shall not exceed the Discretionary Sale Percentage of the Portfolio Principal Balance (which calculation shall be based on the Portfolio Principal Balance on the first day of each calendar year or, in the case of the calendar year in which the Effective Date occurs, the Effective Date) (each, a "Discretionary Sale") and (ii) the Restricted Trading Condition does not apply. For purposes of this clause (e), "Discretionary Sale Percentage" shall mean, in the case of (a) the calendar year in which the Effective Date occurs, the percentage calculated by multiplying 20% by a ratio, the numerator of which is the number of partial and full calendar months in such year after the Effective Date and the denominator of which is 12, and (b) in each calendar year thereafter, 20%.
During the Reinvestment Period, if Sale Proceeds of Defaulted Obligations, Equity Securities or Credit Risk Obligations are used to purchase Collateral Obligations, the Investment Manager will use commercially reasonable efforts to purchase Collateral Obligations with a Principal Balance at least equal to such Sale Proceeds, unless, at the time of the sale, the Effective Date Overcollateralization Ratio is satisfied.
During the Reinvestment Period, the sale of an Appreciated Obligation or a Discretionary Sale will be permitted only if the Investment Manager believes, in its reasonable business judgment, that after giving effect to such sale and the related purchase of one or more Collateral Obligations, (a) the Effective Date Overcollateralization Ratio will be satisfied, or (b) the Principal Balance of the purchased Collateral Obligations will equal or exceed the Principal Balance of the Collateral Obligation sold.
On behalf of the Issuer, the Investment Manager will without regard to whether an Event of Default has occurred
(a) use commercially reasonable efforts to sell:

• each Defaulted Obligation within 36 months of its becoming a Defaulted Obligation; and
• each Equity Security or Collateral Obligation that constitutes Margin Stock not later than 45 days after the later of (x) the date of the Issuer's acquisition thereof or (y) the date such Equity Security or Collateral Obligation became Margin Stock; and

(b) transfer to a Tax Subsidiary the ownership, as determined for United States federal income tax purposes, of any Collateral Obligation or portion thereof with respect to which the Issuer will receive an Equity Workout Security prior to the receipt of such Equity Workout Security. The Investment Manager will, on behalf of the Issuer, provide notice to each Rating Agency and the Trustee prior to formation of a Tax Subsidiary. The Issuer will not be required to continue to hold in a Tax Subsidiary (and may instead hold directly) a security that ceases to be considered an Equity Workout Security, as determined by the Investment Manager based on written advice of nationally recognized counsel to the effect that the Issuer can hold such security directly without causing the Issuer to be treated as engaged in a trade or business in the United States for U.S. federal income tax purposes. For reporting purposes only and for no other purpose, the Issuer will be deemed to own an Equity Security with the attributes of the Equity Workout Security or Collateral Obligation held by a Tax Subsidiary rather than its interest in that Tax Subsidiary. For purposes of the definition of Interest Proceeds, each Equity Workout Security will be treated as a Defaulted Obligation until the aggregate amounts received by the Issuer in connection with such Equity

Workout Security equal the par amount of the Collateral Obligation with respect to which the Issuer received the Equity Workout Security (such par amount determined as of the time such Equity Workout Security is received).

For the avoidance of doubt, the Tax Subsidiary may not directly hold real property or obtain a controlling interest in any entity that owns real property.

During the Reinvestment Period it is expected that the Investment Manager will reinvest Principal Proceeds, to the extent permitted or required as described above, in Collateral Obligations following such sale. After the Reinvestment Period, the Investment Manager may use Unscheduled Principal Payments and Sale Proceeds of Credit Risk Obligations to reinvest in Collateral Obligations.

Investments on a temporary basis, pending investment in Collateral Obligations.

Principal Proceeds may be invested in Eligible With respect to each sale of a Collateral Obligation and the related purchase of Collateral Obligations, the Investment Manager shall use commercially reasonable efforts to effect each such purchase within any time periods specified in the Indenture.

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 regard to the foregoing limitations. In addition in the event of a Rated Notes Redemption or an Equity Redemption, the Investment Manager will direct the Trustee to sell the Collateral Obligations without regard to the foregoing limitations. See “Description of Certain Terms of the Securities — Optional Redemption.”

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.

An “Unsaleable Asset” is (a) any Defaulted Obligation, Equity Security, obligation received in connection with an Offer, in a 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 Collateral, 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.
The Trustee will provide notice to the holders (and, for so long as any Notes rated by S&P are Outstanding, S&P) 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 shall use commercially reasonable efforts to effect delivery of such interests.
(D)
If no such holder provides delivery instructions to the Trustee, the Trustee will
If the Investment Manager declines such offer, the Trustee will take
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promptly notify the Investment Manager and offer to deliver (at no cost) the Unsaleable Asset to the Investment Manager.

such action as directed by the Investment Manager (on behalf of the Issuer) to dispose of the
Unsaleable Asset, which may be by donation to a charity, abandonment or other means.
The Investment Manager, on behalf of the Issuer, may consent to solicitations by issuers of Collateral Obligations to
extend the maturity of such Collateral Obligations except that with respect to any such solicitation, the Investment
Manager may not consent to any such solicitation unless, after giving effect to such amendment, the Weighted
Average Life Test will be satisfied; provided, however, that if the Investment Manager does not consent to a
solicitation due to the foregoing limitation, the Investment Manager may not, following execution of such
amendment, accept an Offer exercisable at the option of the Issuer to exchange the related Collateral Obligation for
the amended obligation; provided, further, that the Investment Manager may exchange the related Collateral
Obligation for the amended obligation if such exchange is automatic upon execution of such amendment or at the
option of the obligor.
Reinvestment Requirements
The Investment Manager may use available Principal Proceeds during the Reinvestment Period or, after the
Reinvestment Period, Unscheduled Principal Payments and Sale Proceeds of Credit Risk Obligations, to purchase
Collateral Obligations and Interest Proceeds to purchase accrued interest, so long as, at the time of the Issuer's
commitment to purchase after giving effect to such purchase, the following "Reinvestment Requirements" are
satisfied:
(i) during or after the Reinvestment Period:
(A) the Collateral Obligation is eligible for purchase by the Issuer and will not result
in the failure of any Concentration Limit or, if failed immediately prior to such purchase, such
limit must be maintained or improved after giving effect to such purchase;
(B) if the purchase is made after a Determination Date but prior to the related
Distribution Date, the purchase will not be made with funds designated for distribution under the
Priority of Principal Proceeds on such Distribution Date; and
(C) the Class A-1 Reinvestment Test is satisfied;
(ii) during the Reinvestment Period:
(A) after the Effective Date, each Collateral Quality Test (other than the S&P CDO
Monitor Test) is satisfied or, if not satisfied, is maintained or improved;

(B) after the Effective Date, each Coverage Test is satisfied or, if not satisfied, is
maintained or improved; provided, that, if the purchase is made with proceeds received upon the
scheduled maturity of a Collateral Obligation or the sale of a Defaulted Obligation, each Coverage
Test is satisfied; and
(C)
other than with respect to a purchase that is made with Sale Proceeds of a Defaulted Obligation, Equity Security or Credit Risk Obligation, from and after the date on which
the Investment Manager receives the S&P CDO Monitor from S&P, after giving effect to such
purchase, the S&P CDO Monitor Test is satisfied or, if not satisfied, is maintained or improved;
(iii)
after the Reinvestment Period:
(A) the Restrictive Trading Condition is not in effect;
(B) each Coverage Test is satisfied;
(C)
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the maturity of the purchased Collateral Obligation is no later than the maturity
of the Collateral Obligation that was prepaid or the Credit Risk Obligation that was sold;

(D) such Unscheduled Principal Payments and Sale Proceeds of Credit Risk Obligations are reinvested by the last Business Day of the Due Period following the Due Period in
which such amounts were received;
(E)
the S&P rating of the purchased Collateral Obligation is no lower than the S&P
rating of the Collateral Obligation that was prepaid or the Credit Risk Obligation that was sold;
(F)
the purchase price of the purchased Collateral Obligation is no lower than 60%
of its par amount;
(G) no Event of Default has occurred and is continuing;
(H) each Collateral Quality Test is satisfied, except that if the Diversity Test or the
S&P CDO Monitor Test is not satisfied, it is maintained or improved;
(I)
(J)
7.5% of the Portfolio Principal Balance.
For purposes of calculating compliance with the Reinvestment Requirements and certain requirements with respect
to sales of Appreciated Obligations and Discretionary Sales during the Reinvestment Period, each proposed
investment will be calculated on a pro forma basis after giving effect to all sales and purchases, based on
outstanding Issuer orders, confirmations or executed assignments; 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 two Business Days period 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; (iii) the Aggregate Principal Amount 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 Reinvestment Requirements will be satisfied on an aggregate basis for such identified
reinvestments and (v) if the Reinvestment Requirements are not satisfied with respect to any such identified
reinvestment, notice will be provided to each Rating Agency and the Issuer shall get Rating Agency Confirmation
from S&P for each subsequent reliance on this proviso until a subsequent use of this proviso (for which Rating
Agency Confirmation from S&P was obtained) is successfully completed.
The Coverage Tests. The Coverage Tests will include an interest coverage test and an overcollateralization test with
respect to each Class of Rated Notes. The Coverage Tests will be used

primarily to determine whether and to what
extent Interest Proceeds may be used to pay interest on any Deferrable Class
and distributions on the Subordinated
Securities and certain expenses (including the Subordinated Investment
Management Fee), and whether Principal
Proceeds may be reinvested in Collateral Obligations, or whether Principal
Proceeds, Interest Proceeds and funds
which would otherwise be used to pay interest on any Deferrable Class and
distributions on the Subordinated
Securities, and to pay certain expenses (including the Subordinated
Investment Management Fee) must instead be
used to pay principal on the Rated Notes, to the extent necessary to cause
the Coverage Tests to be met.
The Collateral Quality Tests. The “Collateral Quality Tests” will be used
primarily as the criteria for purchasing
Collateral Obligations. The Collateral Quality Tests will consist of the
“Diversity Test,” the “Weighted Average
Rating Factor Test,” the “Minimum Weighted Average Spread Test,” the
“Weighted Average Recovery Rate Test,”
the “Weighted Average Life Test,” and from and after the date on which the
Investment Manager and the Collateral
Administrator receive from S&P the S&P CDO Monitor, the S&P CDO Monitor
Test. Measurement of the degree
of compliance with the Collateral Quality Tests will be required as of each
Measurement Date.
Securities Lending
The Investment Manager may from time to time, so long as no Event of Default
has occurred and is continuing,
instruct the Trustee to lend Collateral Obligations to a Securities Lending
Counterparty. The number of different
Securities Lending Counterparties when added to the number of Hedge
Counterparties and Selling Institutions
currently involved in transactions with the Issuer, may not exceed 15.
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the Effective Date Overcollateralization Ratio is satisfied; and
the Aggregate Principal Balance of Caa Collateral Obligations does not exceed

No more than 20% of the Aggregate Principal Balance of Collateral Obligations may be subject to Securities Lending Agreements at any one time. The term of Securities Lending Agreements may not extend beyond the Stated Maturity of the Notes and shall be 90 days or less; provided that any such agreements may be renewable. A Securities Lending Counterparty is required to pledge cash or direct Registered debt obligations of the United States with a maturity not greater than five years or, if shorter, the Stated Maturity of the Notes to secure its obligation to return the Collateral Obligations ("Securities Lending Collateral"). Such Securities Lending Collateral will be maintained at all times with the Trustee in an amount required under the applicable Securities Lending Agreement.

If cash collateral is received by the Trustee, it will be invested in investments of the type described in the definition of "Eligible Investments" in accordance with the Securities Lending Agreement (as directed by the Investment Manager) and the Issuer will be entitled to a portion of the interest on any such investments. Alternatively, if securities are delivered to the Trustee as security for the obligations of the Securities Lending Counterparty under the related Securities Lending Agreement, the Investment Manager on behalf of the Issuer will negotiate with the Securities Lending Counterparty a rate for the loan fee to be paid to the Issuer for lending the loaned Collateral Obligations.

If either Rating Agency downgrades a Securities Lending Counterparty such that each related Securities Lending Agreement is no longer in compliance with the rating requirements applicable to the Securities Lending Counterparty, then the Issuer, within 10 Business Days thereof, will take one of the following actions:

- terminate each Securities Lending Agreement with such Securities Lending Counterparty;
- require the Securities Lending Counterparty (at such counterparty's expense) to obtain a guarantor (satisfying applicable Rating Agency criteria on guarantees and guarantors) for its obligations under the given Securities Lending Agreement or Agreements;
- reduce the percentage of the Collateral Obligations loaned to the affected Securities Lending Counterparty so that each such Securities Lending Agreement, together with all other Securities Lending Agreements, is in compliance with the requirements relating to the credit ratings of Securities Lending Counterparties;
- take such other steps as each Rating Agency that has reduced its rating of such Securities Lending Counterparty may require to cause such Securities Lending Counterparty's obligations under each

Securities Lending Agreement to be treated by such Rating Agency as if such obligations were owed by a counterparty having a rating at least equivalent to the rating that was assigned by such Rating Agency to the affected Securities Lending Counterparty immediately prior to its rating being reduced; or

- take any other action for which Rating Agency Confirmation is obtained.

Each Rating Agency may downgrade any of the Notes if a Securities Lending Counterparty or, if applicable, the entity guaranteeing the performance of such Securities Lending Counterparty has been downgraded by such Rating Agency such that the Issuer is no longer in compliance with the securities lending counterparty guidelines provided above.

Securities Lending Collateral will not be included as Collateral Obligations for purposes of making any determination based on the composition or Aggregate Principal Balance of the Collateral Obligations nor will such funds be available to make payments on the Notes until the occurrence of an "event of default" (as defined in the Securities Lending Agreement), at which time the Collateral Obligations loaned pursuant to such agreement will be treated as having a principal balance equal to the principal balance of the related Securities Lending Collateral.

INVESTMENT MANAGER

The information appearing in this section has been prepared by the Investment Manager and has not been independently verified by the Initial Purchaser or either of the Co-Issuers. Neither the Initial Purchaser nor the Co-Issuers assume any responsibility for the accuracy, completeness or applicability of such information.

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 Collateral pursuant to an agreement to be entered into between the Issuer and the Investment Manager (the "Investment Management Agreement").
In accordance with the Concentration Limits, the Reinvestment Requirements 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 approximately $2.2 million of the Subordinated Notes and 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, which will be in the form of a discount on the purchase price. 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). The Investment Manager has provided and, prior to the Closing Date, will continue to provide financing to the Issuer for the purchase of Collateral Obligations for which it is being paid a financing fee.
See "Risk Factors – Risk Factors Relating to the Issuer and its Service Providers – Pre-Closing Collateral Accumulation."
Various potential and actual conflicts of interest may arise from the various activities of the Investment Manager and related parties.
See "Risk Factors – Risk Factors Relating to the Issuer and its Service Providers – Certain

Conflicts of Interest Related to the Investment Manager."

ING Alternative Asset Management LLC

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

The Investment Manager is an indirect, wholly owned subsidiary of ING Group N.V. ("ING Group"), one of the world's largest financial services companies. ING Group is actively engaged in banking, life insurance, retirement services and investment management, and as of December 31, 2010 employed over 100,000 employees across 40 countries.

The Investment Manager is a part of ING Investment Management, the investment management arm of ING Group.

The ING Group subsidiaries that comprise ING Investment Management employ over 800 investment professionals worldwide and have offices in over 30 countries with over $500 billion in total assets under management.

ING Investment Management worldwide is organized into three regions, and the Investment Manager is part of ING Investment Management Americas, whose constituent companies, as of December 31, 2010, employed over 250 investment professionals who provide investment advisory services to a wide range of customers, including mutual funds, insurance companies, pension plans and individuals.

numerous investment strategies, including equity, fixed income and alternative investments strategies.

December 31, 2010, ING Investment Management Americas had over $220 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 26 investment

ING Investment Management Americas offers

As of

professionals and 19 support staff. The ING Senior Loan Group currently manages over $9 billion in assets that are substantially similar to the Collateral Obligations and Eligible Investments that it will manage for the Issuer across 16 portfolios, including nine 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 has adopted a formal restructuring plan that was approved by the European Commission in November 2009 under which the ING life insurance businesses, including the retirement services and investment management businesses, which include the Investment Manager, would be divested by ING Group by the end of 2013. To achieve this goal, ING Group announced in November 2010 that it plans to pursue two separate initial public offerings: one a U.S. focused offering that would include U.S. based insurance, retirement services, and investment management operations, and the other a European based offering for European and Asian based insurance and investment management operations. There can be no assurance that the restructuring plan will be carried out through two offerings or at all.

The restructuring plan and the uncertainty about its implementation, whether implemented through the planned initial public offerings or through other means, in whole or in part, may be disruptive to the business of the Investment Manager, including, among other things, an interruption of or reduction in the Investment Manager's 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 on favorable terms could have a material adverse impact on the operations of the Investment Manager. The restructuring plan may result in the Investment Manager's loss of access to services and resources of ING Group and it other subsidiaries, which could adversely affect its businesses and profitability. Currently, the Investment Manager does not anticipate 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 this Indenture.

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

Fundamental credit analysis of a company is an in-depth, independent analysis focused on free cash flow generation, liquidity and adequacy of collateral coverage.

investments with respect to both the individual company and the deal structure.

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 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 – Senior Vice President, Group Head

Mr. Norman is a Senior Vice President 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 and the Loan Valuation 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 – Senior Vice President, Group Head

Mr. Bakalar is a Senior Vice President 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 and the Loan Valuation 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 reports to the Chief Credit Officer and serves as a member of the Group's Investment Committee and the Loan Valuation 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

Marc Boatwright – Vice President, Portfolio Manager, Team Leader

Mr. Boatwright is a Vice President, Portfolio Manager and Team Leader in the ING Senior Loan Group and leads the group's Alternative Credit efforts. Mr. Boatwright 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. Boatwright serves as the lead portfolio manager for ING Investment Management CLO IV, Phoenix CLO I, Phoenix CLO II, Phoenix CLO III and the Issuer. Mr. Boatwright joined ING in 2007 to organize the ING Senior Loan Group's alternative credit business. From 2003-2007, Mr. Boatwright managed special situation assets for Providence Capital, a hedge fund in Minneapolis, Minnesota. From 2001-2003, Mr. Boatwright served as the Chief Operating Officer of Andes Industries, Inc. where he engineered the successful turnaround and sale of the company. From 1998 to 2001, he was the Managing Director of VillagePhone, LLC, a wireless telecommunications company in emerging markets. He also worked as a management consultant from 1994 to 2001. Mr. Boatwright was a research fellow at Harvard Business School in 1993 and began his career as an attorney with Katten, Muchin & Zavis in Chicago, Illinois from 1990 to 1992. Mr. Boatwright is a 1990 graduate of Harvard Law School, and received his B.A. from Wheaton College in 1987.

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

Mr. Haak is a 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 – Director, Portfolio Manager, Team Leader
Mr. Struben is a Director, Portfolio Manager and Team Leader in the ING Senior Loan Group. 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.

DESCRIPTION OF CERTAIN TERMS OF THE SECURITIES

Co-Issuers will issue U.S.$260,000,000 Class A–1 Notes, U.S.$38,000,000 Class A–2 Notes, U.S.$34,000,000 Class B Notes, U.S.$20,000,000 Class C Notes, U.S.$16,500,000 Class D Notes and U.S.$4,220,000 Subordinated Notes pursuant to the Indenture. The Issuer will issue 36,780 Preferred Shares pursuant to the Memorandum and Articles, subject to the terms of the Fiscal Agency Agreement. The allocation between the Subordinated Notes and Preferred Shares may change prior to the Closing Date.

It is a condition to the issuance of the Notes 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 and that the Class D Notes be rated at least "BB(sf)" by S&P. The Subordinated Securities will not be rated.

The following statements briefly summarize some of the terms of the Securities, the Indenture and the Fiscal Agency Agreement. Such statements do not purport to be complete and are qualified in their entirety by reference to the forms of Securities, the Fiscal Agency Agreement and the Indenture.

Status and Security

The Issuer Only Notes will be limited recourse debt obligations of the Issuer, and the Senior Notes will be limited recourse debt obligations of the Co-Issuers, in each case, payable solely from the Collateral pursuant to the Indenture.

The Notes will be secured by the Collateral that will be pledged by the Issuer to the Trustee to secure the Issuer's obligations under the Notes and certain other obligations. The Preferred Shares represent an equity interest in the Issuer and will not have the benefit of the security interest in the Collateral. Holders of Securities will have the right to receive payment, and to vote, as described further herein. Payment priorities with respect to the Collateral will be determined in accordance with the Priority of Payments.

Payments will be made solely from the proceeds of the Collateral, as described under the Priority of Payments in accordance with the Indenture and, in the case of the Preferred Shares, the Memorandum and Articles and the Fiscal Agency Agreement. To the extent these amounts are insufficient to meet payments due in respect of the Securities and fees and expenses following realization of all of the Collateral, the obligation of the Issuer in the case of the Issuer Only Notes or, in the case of the Senior Notes, the Co-Issuers to pay such deficiency will be extinguished.

Additional Issuance of Securities

The Co-Issuers may, with the consent of the Investment Manager and the Controlling Party, issue and sell additional securities (which may include one or more classes of combination securities,

subordinated notes or preferred shares)
at any time on or before the last day of the Reinvestment Period and use the proceeds to purchase additional
Collateral Obligations and Eligible Investments, pay issuance expenses and, if applicable, enter into Hedge
Agreements, provided the following conditions are met:

- the terms of any additional securities that are Notes (other than the issue price, the date of issuance
and the date from which interest accrues, as applicable) issued are identical to the terms of
previously issued securities of the Class of which such securities are a part;
- the purchase price of the additional securities is paid in cash;
- Rating Agency Confirmation is obtained;
- the ratings on no Class of Rated Notes have been downgraded or withdrawn from the original
ratings assigned on the Closing Date;
- for so long as any Class of Securities is listed on a stock exchange, confirmation has been received
that the additional securities of such Class have been approved for listing;
- for so long as any Class A-1 Notes are Outstanding, the holders of the Class A-1 Notes are notified
in writing 10 Business Days prior to such issuance and are afforded an opportunity to purchase the

most senior class of additional securities being issued on the same terms offered to investors
generally;
• the holders of the Subordinated Securities are notified in writing 30 days prior to such issuance
and are afforded an opportunity to purchase the most junior class of additional securities on the
same terms offered to investors generally;
• an opinion of counsel is delivered to the effect that none of the Issuer, Co-Issuer or the pool of
Collateral will be required to register under the Investment Company Act as a result of such
issuances; and
• an opinion of counsel is delivered to the effect that, for U.S. federal income tax purposes: (i) such
issuance will not adversely affect the tax characterization as debt of any Outstanding Class of
Notes that was characterized as debt at the time of issuance and (ii) such issuance will not result in
the Issuer being treated as engaged in a trade or business within the United States.
At any time, the Issuer may, with the consent of the Investment Manager and a Majority of the Subordinated
Securities, issue additional Subordinated Securities without issuing additional Notes (an "Additional Equity
Issuance"); provided that (x) the Issuer shall comply with the conditions set forth in the Indenture; (y) the purchase
price is paid in cash and (z) the holders and beneficial owners of the Subordinated Securities are notified in writing
30 days prior to such issuance and are afforded an opportunity to purchase additional Subordinated Securities. The
proceeds of an Additional Equity Issuance will be treated as Interest Proceeds and/or Principal Proceeds at the
discretion of the Investment Manager (on behalf of the Issuer). Subordinated Notes issued in connection with an
Additional Equity Issuance will be issued pursuant to a supplemental indenture.
The Co-Issuers may issue Replacement Notes in connection with a Refinancing.
Surrendered Notes
Notes may be tendered without payment by a holder to the Issuer or Trustee. Surrendered Notes will be submitted
to the Trustee for cancellation. For purposes of the Overcollateralization Ratio and the Event of Default Par Ratio,
any such Surrendered Notes will be deemed to (i) remain Outstanding and thus will not affect the calculation of the
Overcollateralization Tests or the Event of Default Par Ratio, until all Notes of the applicable Class and each Higher
Ranking Class have been retired or redeemed and (ii) have an Aggregate Outstanding Amount equal to the
Aggregate Outstanding Amount as of the date of surrender, reduced proportionately with, and to the extent of, any

payments of principal on Notes of the same Class thereafter.

Optional Redemption

Subject to the satisfaction of conditions described herein, at the direction of the Required Redemption Percentage to the Issuer (with a copy to the Trustee), the Issuer will redeem the Notes (other than the Subordinated Notes) at their respective Redemption Prices on any (i) Distribution Date after the end of the Non-Call Period or (ii) Distribution Date during or after the end of the Non-Call Period upon the occurrence and during the continuance of a Tax Event.

The redemption direction may specify a “Refinancing,” which will be a redemption of one or more specified Classes of Rated Notes with Refinancing Proceeds or, if a Refinancing is not specified, the Issuer will redeem each Class of Rated Notes (in whole but not in part) (a “Rated Notes Redemption”). On any Distribution Date on or after the Rated Notes have been redeemed or paid in full, the Subordinated Securities will be redeemed (in whole but not in part) (an “Equity Redemption”) at the direction of a Majority of the Subordinated Securities to the Issuer (with a copy to the Trustee). Each such Rated Notes Redemption, Equity Redemption and Refinancing is referred to as an “Optional Redemption.”

Within five Business Days after receipt by the Trustee and the Issuer of notice from any holder of Subordinated Securities holding less than the Required Redemption Percentage that it wishes to direct an Optional Redemption, the Trustee shall notify the other holders of Subordinated Securities that any such holder may join in directing an Optional Redemption by notifying the Issuer and the Trustee by the date specified therein (but in no case less than five Business Days after the date of such Trustee’s notice).

Rated Notes Redemption.
In the case of a Rated Notes Redemption, the Investment Manager will direct the disposition of the Collateral to the extent necessary to fund such redemption; provided that the Investment Manager (on behalf of the Issuer), with the consent of a Majority of the Subordinated Securities, may, in lieu of directing the disposition of all or a portion of the Collateral, obtain a loan, credit or similar facility from one or more financial institutions or purchasers (collectively, "Redemption Financing"). The Issuer will provide notice to each Rating Agency at least 10 Business Days prior to the execution of Redemption Financing and shall enter into a supplemental indenture to facilitate Redemption Financing (including, without limitation, to grant a security interest to the Redemption Financing lender).
The Rated Notes Redemption may not occur unless the Investment Manager certifies to the Trustee that in its reasonable business judgment the expected proceeds of the sale of Collateral Obligations, any Redemption Financing and other funds available for distribution on the proposed Redemption Date would be at least sufficient to pay the Redemption Price on all of the Rated Notes, all Administrative Expenses and other fees and expenses payable under the Priority of Payments (including, without limitation, any Dissolution Expenses, any accrued and unpaid Investment Management Fees and any amounts due to the Hedge Counterparties).
Equity Redemption. In the case of an Equity Redemption, the Investment Manager will direct the disposition of any remaining Collateral; provided that the Investment Manager (on behalf of the Issuer), with the consent of a Majority of the Subordinated Securities, may, in lieu of directing the disposition of all or a portion of the Collateral, obtain Redemption Financing in an amount equal to the Market Value of such Collateral determined by (x) the Investment Manager or (y) an independent party that regularly provides valuation of obligations similar to the remaining Collateral retained by the Issuer (or the Investment Manager on the Issuer's behalf). The Equity Redemption may not occur unless the expected proceeds available for distribution on the proposed Redemption Date would be at least sufficient to pay all Administrative Expenses and other fees and expenses payable under the Priority of Payments (including, without limitation, any Dissolution Expenses, any accrued and unpaid Investment Management Fees and any amounts due to the Hedge Counterparties).
Refinancing. In the case of a Refinancing, the Issuer will issue Notes (the "Replacement Notes") with the terms, priorities and conditions set forth in a supplemental indenture and will redeem one or more designated Classes of

Rated Notes (“Redeemed Notes”) from the proceeds of the issuance of the Replacement Notes. No Refinancing will occur unless (a) the Investment Manager has consented, (b) the Replacement Notes are issued pursuant to a supplemental indenture, and (c) the related proceeds are sufficient to pay the Redemption Prices of each Class of Redeemed Notes. In addition, if one or more Classes of Rated Notes will be Outstanding after such Refinancing, the following additional conditions must be satisfied:

- the Aggregate Outstanding Amount of each Class of Replacement Notes equals the Aggregate Outstanding Amount of the corresponding proposed Class of Redeemed Notes except that where the Class of Redeemed Notes is the Lowest Ranking Class of Rated Notes the Aggregate Outstanding Amount of the Replacement Notes for that Class of Redeemed Notes may exceed the Aggregate Outstanding Amount of that Class of Redeemed Notes;
- the stated maturity of the Replacement Notes is not earlier than the Stated Maturity of the corresponding proposed Class of Redeemed Notes;
- no class of Replacement Notes has a higher priority of right of payment than the corresponding proposed Class of Redeemed Notes;
- the Voting Rights of each class of Replacement Notes are the same as the Voting Rights of the corresponding proposed Class of Redeemed Notes;
- Rating Agency Confirmation has been obtained in respect of each Class of Rated Notes that is not redeemed; and
- the Trustee receives an opinion of counsel to the effect that the Refinancing will not alter the U.S. federal income tax characterization, as expressed at the time of issuance, of each Class of Rated Notes that will be Outstanding after such Refinancing.

Expenses of the offering of the Replacement Notes will be paid from the offering proceeds and, if insufficient, as Administrative Expenses.

Cancellation. An Optional Redemption may be cancelled no later than six Business Days prior to the related Redemption Date by the same percentage of noteholders that were required to direct it, so long as no irrevocable steps have been taken with respect to liquidation of the Collateral Obligations. In addition, if the Trustee does not receive the required certification from the Investment Manager under the Indenture, the Optional Redemption shall not occur and the Trustee shall withdraw the notice of optional redemption no later than six Business Days prior to a Redemption Date.

Optional Redemption Notices. Notice of redemption will be given by the Trustee to the holders of the Securities not less than 10 days prior to the applicable Redemption Date. All notices of redemption will state: (i) the Redemption Date; (ii) the aggregate outstanding principal amount and Redemption Price of each Class of Notes being redeemed and, if applicable, the estimated Redemption Price of the Subordinated Securities; (iii) that the amount payable in respect of the redeemed Securities will be limited to the related Redemption Price; (iv) that the redemption may be cancelled; and (v) the place or places where the Definitive Securities subject to Optional Redemption are to be surrendered for payment.

Special Redemption

If, at any time during the Reinvestment Period, the Investment Manager, at its discretion, notifies the Trustee that it has been unable using commercially reasonable efforts for a period of at least 30 consecutive days to invest in Collateral Obligations, on the next Distribution Date, a Special Redemption will occur and Principal Proceeds equal to the Special Redemption Amount will be applied to pay principal of the Rated Notes in accordance with the Priority of Principal Proceeds.

Interest Payments

On each Distribution Date, subject to the Priority of Post-Acceleration Payments, the holders of the Rated Notes as of the related Record Date will be entitled to receive interest in arrears (based on the Aggregate Outstanding Amount of the Notes on the first day of the relevant Interest Period after giving effect to any payments of principal on or before that first day of such Interest Period) at the per annum Interest Rate specified in the “Summary of Terms.” Interest on the Floating Rate Notes will be calculated on the basis of the actual number of days elapsed in the relevant Interest Period divided by 360. On each Distribution Date, the Subordinated Securities will be entitled to receive Excess Interest (if any) in accordance with the Priority of Payments and, in the case of Preferred Shares, the Fiscal Agency Agreement and the Memorandum and Articles.

Payments of interest on each Class will be subordinated to certain payments

on each Higher Ranking Class
(including in the case of the Subordinated Securities, to certain payments
on the Rated Notes) and to payment of
certain fees and expenses.
If funds are not available to pay interest on any Deferrable Class on any
Distribution Date, then such interest will be
deferred ("Deferred Interest") and such deferral will not constitute an
Event of Default.
Deferred Interest will be
added to the principal amount of such Notes and will bear interest at the
Interest Rate for the applicable Class of
Notes. "Defaulted Interest" means interest due and payable in respect of any
Class A Note, so long as any Class A
Notes are Outstanding, and then any Note of the Controlling Class (other
than a Subordinated Note) that is not
punctually paid or duly provided for on the applicable Distribution Date or
at the Stated Maturity and which remains
unpaid. Defaulted Interest will bear interest at the interest rate for the
applicable Class of Rated Notes.
On each Distribution Date that any Coverage Test is not satisfied as of the
related Determination Date, Interest
Proceeds otherwise payable on Lower Ranking Classes will be diverted to pay
principal on the Rated Notes in
accordance with the Principal Payment Sequence to the extent necessary to
satisfy each such Coverage Test as of the
Determination Date. In addition, Interest Proceeds will be diverted to make
principal payments on Rated Notes in
accordance with the Principal Payment Sequence if a Continuing Effective
Date Ratings Confirmation Failure has
occurred and is continuing, to the extent necessary to obtain Rating Agency
Confirmation.
Interest Proceeds will be diverted, in accordance with the Priority of
Payments, during the Reinvestment Period, to
purchase additional Collateral Obligations (i) if an Effective Date Ratings
Confirmation Failure has occurred, to the
extent necessary to obtain Rating Agency Confirmation; (ii) if the
Supplemental Diversion Test is not satisfied as of

the related Determination Date, to the extent necessary to satisfy such test as of the Determination Date; and (iii) to the extent of Designated Proceeds.

The establishment of LIBOR on each LIBOR Determination Date by the Calculation Agent and its calculation of the rates of interest applicable to the Notes for the related Interest Period will (in the absence of manifest error) be final and binding on the Co-Issuers, the Trustee, the paying agents, the Investment Manager and all owners of an interest in the Securities. The Calculation Agent will not be held liable for any loss, liability or expense incurred without gross negligence, willful misconduct or bad faith on its part arising out of or in connection with the performance of its obligations under the Indenture. The Trustee will cause notice of the rates of interest and the interest amounts with respect to the Notes for each Interest Period and the relevant Distribution Date to be provided to the Co-Issuers, the Investment Manager, DTC, Euroclear, Clearstream, and the paying agents as soon as possible after each LIBOR Determination Date but in no event later than the first day of the Interest Period.

Principal Payments

Outstanding Rated Notes will mature at par at the Stated Maturity and the final payment of principal will occur on such date. At Stated Maturity, Outstanding Subordinated Securities will be entitled to receive Principal Proceeds (if any) remaining after payment of principal of all of the Rated Notes and all fees and expenses, in accordance with the Priority of Payments.

Principal payments will be made on the Outstanding Rated Notes in accordance with the Priority of Payments on:

- any Distribution Date in the event that a Continuing Effective Date Ratings Confirmation Failure has occurred and is continuing, to the extent required to obtain Rating Agency Confirmation;
- any Distribution Date if any Coverage Test is not satisfied as of the related Determination Date, to the extent required to come into compliance with that test;
- any Distribution Date after the Non-Call Period on which a Special Redemption occurs;
- any Distribution Date after the Reinvestment Period, until the Rated Notes are retired;
- any Redemption Date; and
- the Stated Maturity.

Post-Acceleration Payments

If any Event of Default has occurred and has not been cured or waived and acceleration occurs in accordance with the Indenture, payments on each Lower Ranking Class will be subordinated to payments on each Higher Ranking Class in accordance with the Priority of Post-Acceleration Payments.

Legal Provisions Applicable to the Payment on the Preferred Shares

Dividends on the Preferred Shares will be payable in accordance with applicable law out of distributable profits of the Issuer and/or out of the Issuer's share premium account. No payments (including redemption payments) may be paid on the Preferred Shares if the Issuer (as determined by its board of directors) is not able to pay its debts as they fall due in the ordinary course of business at the time of and immediately following such payment. Dividends on the Preferred Shares are not cumulative. The Fiscal Agent will, pursuant to the Fiscal Agency Agreement, pay (at the direction of the Issuer) amounts received for payments on the Preferred Shares that it is not permitted to pay on a given Distribution Date (but is instead required to escrow or otherwise retain) on the first such date when the Issuer can legally pay such amounts. Funds paid by the Trustee to the Fiscal Agent, on behalf of the Issuer, for payment to Shareholders will be paid on a pro rata basis according to the number of Preferred Shares held by each Shareholder as of the Record Date for such Distribution Date.

Priority of Payments
On each Distribution Date, the Issuer will distribute available Interest Proceeds and Principal Proceeds in accordance with the priorities described below (collectively, the “Priority of Payments”).
(a) On each Distribution Date (other than as provided in clause (c) below), Interest Proceeds will be distributed in the following order of priority (the “Priority of Interest Proceeds”):
(i) To the payment of the taxes (including any stamp taxes), governmental fees (including annual fees), and registered office fees payable by the Co-Issuers (as certified by an Authorized Officer of the Issuer to the Trustee and the Investment Manager), if any.
(ii) To the payment of accrued and unpaid Administrative Expenses (in the order specified in the definition thereof); provided that such payments (together with any amounts distributed pursuant to the Indenture since the immediately preceding Distribution Date) will not exceed on any Distribution Date the Administrative Expense Senior Cap.
(iii) To the deposit to the expense reserve account, at the Investment Manager’s discretion, an amount equal to the lesser of (x) the Ongoing Expense Reserve Ceiling and (y) the Ongoing Expense Excess Amount.
(iv) To the payment of (A) the Senior Investment Management Fee for such Distribution Date minus any Deferred Senior Fee; and then (B) any unpaid Deferred Senior Fee that the Investment Manager has elected to be paid.
(v) To the payment to any Hedge Counterparty under any Hedge Agreement of (A) any amounts (other than termination payments), including any such amounts not paid on an earlier Distribution Date, together with interest thereon at the rate set forth in the applicable Hedge Agreement; and then (B) any termination payments where the Issuer is the sole defaulting party or the sole affected party.
(vi) To the payment of interest (including any Defaulted Interest and interest thereon) on (A) the Class A-1 Notes and then (B) the Class A-2 Notes.
(vii) If any Class A Coverage Test is not satisfied as of the related Determination Date, to the payment of principal on the Class A Notes in accordance with the Principal Payment Sequence until each such test is satisfied as of such Determination Date.
(viii) To the payment of (A) interest on the Class B Notes, including any Defaulted Interest and interest thereon and interest on Deferred Interest, and then (B) Deferred Interest on the Class B Notes.

(ix) If any Class B Coverage Test is not satisfied as of the related Determination Date, to the
payment of principal on the Class A Notes and the Class B Notes in accordance with the Principal Payment
Sequence, until each such test is satisfied as of such Determination Date.
(x) To the payment of (A) interest on the Class C Notes, including any Defaulted Interest and
interest thereon and interest on Deferred Interest, and then (B) Deferred Interest on the Class C Notes.
(xi) If any Class C Coverage Test is not satisfied as of the related Determination Date, to the
payment of principal on the Senior Notes in accordance with the Principal Payment Sequence, until each
such test is satisfied as of such Determination Date.
(xii) To the payment of (A) interest on the Class D Notes, including any Defaulted Interest and
interest thereon and interest on Deferred Interest, and then (B) Deferred Interest on the Class D Notes.

(xiii) If any Class D Coverage Test is not satisfied as of the related Determination Date, to the payment of principal on the Rated Notes in accordance with the Principal Payment Sequence until each such test is satisfied as of such Determination Date.

(xiv) In the event that (A) an Effective Date Ratings Confirmation Failure has occurred and is continuing on the first Distribution Date, to the purchase of Collateral Obligations, until Rating Agency Confirmation is obtained and (B) such Effective Date Ratings Confirmation Failure is continuing on any Distribution Date thereafter (any failure described in this clause (B), a "Continuing Effective Date Ratings Confirmation Failure"), to the payment of principal on the Rated Notes, in accordance with the Principal Payment Sequence, in each case until Rating Agency Confirmation is obtained or, if earlier, until each such Class is paid in full.

(xv) If, during the Reinvestment Period, the Supplemental Diversion Test is not satisfied as of the related Determination Date, then an amount equal to the lesser of (x) 50% of the remaining Interest Proceeds and (y) the amount necessary to satisfy such test, to the Collection Account as Principal Proceeds for the purchase of Collateral Obligations.

(xvi) To the payment of any amounts required to be paid to any Hedge Counterparty in respect of the complete or partial termination of the related Hedge Agreement (where the Issuer is not the sole affected party or the sole defaulting party).

(xvii) To the payment of accrued Administrative Expenses (in the order specified in the definition thereof), to the extent not paid under clause (ii) above.

(xviii) To the payment of (A) the Subordinated Investment Management Fee for such Distribution Date, minus any Deferred Subordinated Fee; then (B) any Subordinated Investment Management Fee due on an earlier Distribution Date that was not paid because funds were not available in accordance with the Priority of Payments; and then (C) any unpaid Deferred Subordinated Fee (plus any interest thereon) that the Investment Manager has elected to be paid.

(xix) On the Stated Maturity of the Notes and any Rated Notes Redemption Date, to the payment of the items set forth under clause (iv) or (vi), as applicable, under the Priority of Principal Proceeds, to the extent not paid from Principal Proceeds on such Distribution Date.

(xx) During the Reinvestment Period, to the Collection Account as Principal Proceeds, as directed by the Investment Manager (in its sole discretion), an amount not

exceeding $3 million in the
aggregate for any four consecutive Distribution Dates or an aggregate amount for all applicable
Distribution Dates of $6 million (any such amount, “Designated Proceeds”).
(xxi) Until the Target Return has been achieved, to the Subordinated Securities, the payment of
any remaining Interest Proceeds, allocated in accordance with the Subordinated Securities Allocation.
(xxii) If the Target Return has been achieved (on or prior to such Distribution Date), (A) 80%
of the remaining Interest Proceeds to the Subordinated Securities (allocated in accordance with the
Subordinated Securities Allocation), and (B) 20% of the remaining proceeds to the Investment Manager in
respect of the Investment Manager Incentive Fee Amount.
(b) On each Distribution Date (other than as provided in clause (c) below), Principal Proceeds will be
distributed in the following order of priority (the “Priority of Principal Proceeds”):
(i) To the payment, to the extent not paid from Interest Proceeds on such Distribution Date,
of (A) the items described under clauses (i) through (vii) under the Priority of Interest Proceeds, in the
specified order of priority, and then (B) to the payment of the amount referred to in the following clauses of
the Priority of Interest Payments (in the order set forth therein): (1) clause (viii) (only if the Class B Notes
are the Controlling Class), (2) clause (ix), (3) clause (x) (only if the Class C Notes are the Controlling

Class), (4) clause (xi), (5) clause (xii) (only if the Class D Notes are the Controlling Class), and (6) clause
(xiii).
(ii)
In the event of an Effective Date Ratings Confirmation Failure, to the purchase of
Collateral Obligations, until Rating Agency Confirmation is obtained.
(iii) If a Special Redemption is directed by the Investment Manager, to the payment of
principal of each Class of Rated Notes in accordance with the Principal Payment Sequence in an amount
equal to the Special Redemption Amount.
(iv) On any Rated Notes Redemption Date, to the payment of (A) the Redemption Price for
the Rated Notes in accordance with the Principal Payment Sequence; then (B) the items described under
clauses (xvi) through (xviii) under the Priority of Interest Proceeds to the extent not paid from Interest
Proceeds on such Distribution Date; then (C) until the Target Return has been achieved, any remaining
Principal Proceeds to the Subordinated Securities (allocated in accordance with the Subordinated Securities
Allocation); and then (D) if the Target Return has been achieved (on or prior to such Distribution Date),
(x) 80% of the remaining Principal Proceeds to the Subordinated Securities (allocated in accordance with
the Subordinated Securities Allocation) and (y) 20% of the remaining Principal Proceeds to the Investment
Manager in respect of the Investment Manager Incentive Fee Amount.
(v) (A) During the Reinvestment Period any remaining Principal Proceeds or (B) after the
Reinvestment Period at the option of the Investment Manager, Unscheduled Principal Proceeds and Sale
Proceeds of Credit Risk Obligations, to the Collection Account for the purchase of Collateral Obligations
(or Eligible Investments pending purchase of Collateral Obligations).
(vi) After the Reinvestment Period, to the payment of (A) principal of the Rated Notes in
accordance with the Principal Payment Sequence; then (B) the items described under clauses (xvi) through
(xviii) under the Priority of Interest Proceeds to the extent not paid from Interest Proceeds on such
Distribution Date; then (C) until the Target Return has been achieved, any remaining Principal Proceeds to
the Subordinated Securities (allocated in accordance with the Subordinated Securities Allocation); and then
(D) if the Target Return has been achieved (on or prior to such Distribution Date), (x) 80% of the
remaining Principal Proceeds to the Subordinated Securities (allocated in accordance with the Subordinated
Securities Allocation) and (y) 20% of the remaining Principal Proceeds to

the Investment Manager in
respect of the Investment Manager Incentive Fee Amount.
Payment Sequence”):
(c)
Payments of principal of Classes of Rated Notes will be paid in the
following order of priority (“Principal
(a) first, on the Class A-1 Notes; (b) after the Class A-1 Notes are
retired, the Class A-2
Notes; (c) after the Class A Notes are retired, the Class B Notes; (d) after
the Class B Notes are retired, the Class C
Notes; and (e) after the Class C Notes are retired, the Class D Notes.
If any Event of Default has occurred and has not been cured or waived and
acceleration occurs in
accordance with the Indenture, then on each Distribution Date, Interest
Proceeds and Principal Proceeds will be
distributed in the following order of priority (the “Priority of Post-
Acceleration Payments”):
(i) To the payment of the taxes (including any stamp taxes), governmental
fees (including
annual fees) and registered office fees payable by the Co-Issuers (as
certified by an Authorized Officer of
the Issuer to the Trustee and the Investment Manager), if any.
(ii) To the payment of accrued and unpaid Administrative Expenses (in the
order specified in
the definition thereof); provided that such payments (together with any
amounts distributed pursuant to the
Indenture since the immediately preceding Distribution Date) will not exceed
on any Distribution Date the
Administrative Expense Senior Cap.
(iii) To the payment of (A) the Senior Investment Management Fee for such
Distribution Date
minus any Deferred Senior Fee; and then (B) any unpaid Deferred Senior Fee
that the Investment Manager
has elected to be paid.

(iv) To the payment to any Hedge Counterparty under any Hedge Agreement of (A) any
amounts (other than termination payments), including any such amounts not paid on an earlier Distribution
Date, together with interest thereon at the rate set forth in the applicable Hedge Agreement; and then (B)
any termination payments where the Issuer is the sole defaulting party or the sole affected party.
(v) To the payment of (A) interest on the Class A-1 Notes, including any Defaulted Interest
and interest thereon and then (B) principal on the Class A-1 Notes until such Class A-1 Notes are paid in
full.
(vi) To the payment of (A) interest on the Class A-2 Notes, including any Defaulted Interest
and interest thereon and then (B) principal on the Class A-2 Notes until such Class A-2 Notes are paid in
full.
(vii) To the payment of (A) interest on the Class B Notes, including any Defaulted Interest and
interest thereon and interest on Deferred Interest, then (B) Deferred Interest on the Class B Notes and then
(C) principal on the Class B Notes until such Class B Notes are paid in full.
(viii) To the payment of (A) interest on the Class C Notes, including any Defaulted Interest and
interest thereon and interest on Deferred Interest, then (B) Deferred Interest on the Class C Notes and then
(C) principal on the Class C Notes until such Class C Notes are paid in full.
(ix) To the payment of (A) interest on the Class D Notes, including any Defaulted Interest and
interest thereon and interest on Deferred Interest, then (B) Deferred Interest on the Class D Notes and then
(C) principal on the Class D Notes until such Class D Notes are paid in full.
(x) To the payment of any amounts required to be paid to any Hedge Counterparty in respect
of the complete or partial termination of the related Hedge Agreement (where the Issuer is not the sole
affected party or the sole defaulting party).
(xi) To the payment of accrued Administrative Expenses (in the order specified in the
definition thereof), to the extent not paid under clause (ii) above.
(xii) To the payment of (A) the Subordinated Investment Management Fee for such
Distribution Date, minus any Deferred Subordinated Fee;
then (B) any Subordinated Investment
Management Fee due on an earlier Distribution Date that was not paid because funds were not available in
accordance with the Priority of Payments; and then (C) any unpaid Deferred Subordinated Fee (plus any
interest thereon) that the Investment Manager has elected to be paid.
(xiii) Until the Target Return has been achieved, to the Subordinated

Securities, the payment of
any remaining proceeds, allocated in accordance with the Subordinated
Securities Allocation.
(xiv) If the Target Return has been achieved, (A) 80% of the remaining
proceeds to the
Subordinated Securities (allocated in accordance with the Subordinated
Securities Allocation) and (B) 20%
of the remaining amount to the Investment Manager in respect of the
Investment Manager Incentive Fee
Amount.
Interest Proceeds or Principal Proceeds paid in accordance with the
“Subordinated Securities Allocation” will be
paid to the holders of Subordinated Notes and the Fiscal Agent (for payment
to Shareholders in accordance with the
Fiscal Agency Agreement) in the proportion that the initial Aggregate
Outstanding Amount of the Subordinated
Notes or Preferred Shares, as the case may be, bears to the initial
Aggregate Outstanding Amount of the
Subordinated Securities.
In addition, in connection with a Refinancing, the proceeds from the
issuance of the Replacement Notes will be used
to pay the Redemption Price of each Class of Redeemed Notes and any related
expenses, and any remaining
proceeds from the Refinancing of (x) each Class of Rated Notes or (y) the
Lowest Ranking Class of Rated Notes
will be distributed to the Subordinated Securities allocated in accordance
with the Subordinated Securities
Allocation.

In the event the Issuer instructs the Fiscal Agent not to pay all or part of a distribution to Shareholders, the Fiscal Agent will be required to retain the funds in an account established under the Fiscal Agency Agreement and to pay such amounts as soon as practical after being instructed to do so by the Issuer.

HEDGE AGREEMENTS

The Issuer may enter into one or more interest rate or cash flow swaps, caps or timing agreements or other interest rate or protection agreements (each, a "Hedge Agreement") with a counterparty (each, a "Hedge Counterparty") (or its guarantor) that satisfies the Hedge Counterparty Ratings. Any such Hedge Agreement must permit the Issuer to terminate the agreement (with the Hedge Counterparty bearing the costs of any replacement Hedge Agreement) if the Hedge Counterparty ceases to meet the Hedge Counterparty Ratings, except in certain circumstances where the Hedge Counterparty provides credit support.

The Trustee will apply any proceeds from termination of a Hedge Agreement to enter into a replacement Hedge Agreement (as directed by the Investment Manager) on substantially identical terms or such other terms as to which Rating Agency Confirmation is obtained; provided, that the Investment Manager may determine not to enter into a replacement Hedge Agreement if Rating Agency Confirmation is obtained. Subject to the foregoing proviso, the Investment Manager (on behalf of the Issuer) will use reasonable best efforts to cause the termination of a Hedge Agreement to become effective simultaneously with the entry into a replacement Hedge Agreement.

INVESTMENT MANAGEMENT AGREEMENT

General

The Investment Manager will perform certain investment management functions, including directing the purchase and sale of Collateral 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) instruct the Trustee with respect to any disposition or tender of a Collateral Obligation or Eligible Investment by the Issuer, and (iv) assist the Issuer in the preparation of reports, orders and other documents to the extent required pursuant to the Indenture.

The Investment Manager will use 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 or the holders of the Securities for any loss incurred as a result of the acts or omissions taken by or recommended by the Investment Manager under the Investment Management Agreement or the Indenture, except by reason of acts 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 Loans by the Issuer as advised by the Investment Manager prior to the Closing Date. 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 legal or other expenses, relating to the issuance of the Securities, the transactions contemplated by 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.

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.

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 collateral management duties) under the Investment Management Agreement subject to the following requirements, and subject to certain conditions in the Investment Management Agreement:

- with (except as set forth in the next bullet point) Rating Agency Confirmation and the consent in writing of a Majority of the Subordinated Securities (excluding any Manager Securities); provided that neither the Controlling Party nor the holders of at least 66 2/3% of the Aggregate Outstanding Amount of the Rated Notes (voting together as single class) (in each case, excluding any Manager Securities) have objected within 15 days after notice of such proposed assignment or delegation; or
- without obtaining consent of any securityholder or Rating Agency Confirmation, 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, and
- immediately after the assignment, employs either (a) the principal personnel performing the duties required under the Investment Management Agreement or (b) unless the Controlling Party 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.

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 any securityholder and without obtaining Rating Agency Confirmation.

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.

Consent of securityholders will be obtained for an assignment or delegation to the extent required under the

Advisers Act, even if such consent is not required under the Investment Management Agreement.

The Investment Manager may be removed for cause by the Issuer, acting at the direction of a Majority of the Subordinated Securities or the Controlling Party (in each case, excluding Manager Securities) upon 10 days' prior written notice to the Investment Manager and upon written notice to the securityholders 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:

- 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, the Supplemental Diversion Test or any Collateral Quality Test is not such a breach) that has a material adverse effect on any Class of securityholders or the Issuer and fails within 45 days of receiving notice of the occurrence of such breach to demonstrate 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;

• the Investment Manager willfully violates or willfully breaches any provision of the Investment Management Agreement or the Indenture applicable to it;
• 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 securityholders 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);
• certain events of bankruptcy, administration, insolvency, conservatorship, or receivership in respect of the Investment Manager;
• 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
• 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 Investment Management Agreement provides that if the Investment Manager is terminated for cause, the Investment Manager will not direct the Trustee to effect any sale or disposition of any Collateral Obligation other than a Credit Risk Obligation, Defaulted Obligation or Equity Security without the prior written consent of the Controlling Party; provided, however, that the Controlling Party will be deemed to have consented if it has not objected to such sale within five Business Days after having received written notice of such sale or purchase together with all information reasonably necessary to enable the Controlling Party to make an informed decision.

In addition, the Issuer, at the direction of (x) a Majority of the Subordinated Securities or (y) the Controlling Party (in each case, excluding any Manager Securities), may 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” shall mean any individual selected by the Investment Manager
and proposed by the Investment Manager by written notice to the holders of the Subordinated Securities; provided
that a Majority of the Subordinated Securities (excluding any Manager Securities) has not objected to such
individual within 30 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 Securities) 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).
Notwithstanding anything to the contrary set forth above, no resignation or removal of the Investment Manager shall
become effective until Rating Agency Confirmation is obtained from S&P with respect to a successor manager,
selected by the Issuer at the direction of a Majority of the Subordinated Securities; provided that neither the
Controlling Party nor the holders of 66 2/3% or more of the Aggregate Outstanding Amount of the Rated Notes
(voting as a single class) object within 15 days after notice of such proposed action. If a successor manager is not
approved within 180 days of notice of resignation or removal, the Issuer will appoint any successor manager
selected by the Controlling Party.
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 Collateral
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.
As compensation for the performance of its obligations under the Investment Management Agreement,
the
Investment Manager will receive a fee, payable in arrears on each Distribution Date, subject to the Priority of
Payments, consisting of a senior management fee of 0.15% per annum (the "Senior Investment Management Fee")
and a subordinated management fee of 0.35% per annum (the "Subordinated Investment Management Fee") of the
Fee Balance. The "Fee Balance" for each Distribution Date will be the Portfolio Principal Balance on the first day
of the related Due Period.
Payments are insufficient to pay the Investment Management Fee, then the shortfall will be deferred. Any such
amounts will be payable on subsequent Distribution Dates on which funds are available therefor according to 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 Securities of certain returns, as described in the next
paragraph.
So long as ING or any of its Affiliates is the Investment Manager, on each Distribution Date, commencing on the
Distribution Date on which the Target Return has been achieved, the Investment Manager is entitled to receive an
amount (the "Investment Manager Incentive Fee Amount") as set forth in the Priority of Payments. "Target Return"
means, with respect to any Distribution Date, the amount that, together with all amounts paid to the holders of the
Subordinated Securities pursuant to the Priority of Payments prior to such Distribution Date, would cause the
holders of the Subordinated Securities to first achieve an Internal Rate of Return of 13% on the Aggregate
Outstanding Amount of Subordinated Securities issued on the Closing Date.
On any Distribution Date, the Investment Manager may, in its sole discretion, waive or defer all or a portion of its
Investment Management Fees.
Any Senior Investment Management Fee deferred, together with any Senior Investment Management Fee that was not paid because funds were not available in accordance with the Priority of
Payments on a Distribution Date, are referred to as the "Deferred Senior Fee" and any Subordinated Investment
Management Fee deferred is referred to as the "Deferred Subordinated Fee."

Collectively such amounts are referred to as the “Deferred Fees.” The amount of any Deferred Senior Fee payable on any Distribution Date will be the lesser of (a) the amount elected by the Investment Manager and (b) the amount available for distribution in excess of (x) the amounts payable pursuant to clauses (a)(i) through (a)(v) (without regard to clause (a)(iv)(B)) of the Priority of Interest Proceeds plus (y) the current interest payments on the Class A Notes or if no Class A Notes are Outstanding, the Controlling Class. Any Deferred Subordinated Fee will accrue interest (in arrears) for the period commencing on the Distribution Date on which it was deferred to (but excluding) the Distribution Date on which it is repaid (at the election of the Investment Manager) at the LIBOR rate applicable to the Notes for each Interest Period that such amount is unpaid.

Investment Management Fees and interest on any Deferred Subordinated Fee will be calculated on the basis of the actual number of days elapsed in the applicable period divided by 360.

The Investment Management Agreement may be amended:

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

provided, in each case, that notice has been given to the Trustee and Moody’s, and Rating Agency Confirmation has been obtained from S&P.

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 Collateral. In the event that, in light of market conditions and investment objectives, the

If amounts distributable on any Distribution Date in accordance with the Priority of

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.

TRUSTEE, FISCAL AGENT AND INDENTURE REGISTRAR

The Bank will be the Trustee under the Indenture and will maintain the register of Notes (the "Indenture Register") under the Indenture as "Indenture Registrar." The Issuer and the Investment Manager and their respective Affiliates may maintain other business relationships in the ordinary course of business with the Bank and its Affiliates.

The payment of fees and expenses of the Trustee under the Indenture is solely the obligation of the Issuer, payable in accordance with the Priority of Payments.

connection with the Trustee's investment of trust assets in certain Eligible Investments as provided in the Indenture.

The Indenture contains provisions for the indemnification of the Trustee 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 Indenture.

The Indenture provides that the Trustee may be removed at any time by a Majority of each Class or, at any time when an Event of Default shall have occurred and be continuing, by the Controlling Party. The Issuer will promptly appoint a successor trustee meeting the requirements specified in the Indenture. The appointment of the successor trustee will become effective 10 days after notice of such appointment has been given to each holder of any Securities unless the Controlling Party has objected in writing to such appointment. The Bank will also act as the Collateral Administrator. If the Collateral Administrator resigns or is removed, the Issuer will appoint a successor.

The Bank will act as the Fiscal Agent under the Fiscal Agency Agreement (together with any successor thereunder, the "Fiscal Agent"). The payment of the fees and expenses of the Fiscal Agent relating to the Preferred Shares is solely the obligation of the Issuer, payable in accordance with the Priority of Payments.

The Fiscal Agency Agreement contains provisions for the indemnification of the Fiscal Agent for any loss, liability or expense incurred without gross negligence, willful misconduct or bad faith on its part, arising out of or in connection with the acceptance or administration of the Fiscal Agency

Agreement. The Fiscal Agent may resign at
any time by providing written notice. No resignation of the Fiscal Agent
will become effective until the acceptance
of the appointment of the successor.

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) only to
Qualified Institutional Buyers that are also Qualified Purchasers and, in
the case of the Subordinated Securities, to
Accredited Investors that are also either (i) Qualified Purchasers or (ii)
in the case of the Subordinated Securities,
Knowledgeable Employees in reliance on an exemption under the Securities Act
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 Trustee or its Affiliates or both may receive compensation in

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 Notes, otherwise than in conformity with the provisions of S.I. No. 60 of 2007, European Communities (Markets in Financial Instruments) Regulations 2007, including, without limitation, Parts 6, 7 and 12 thereof or any codes of conduct issued in connection therewith and the provisions of the Investor Compensation Act 1998;

(ii) it has not and will not underwrite the issue of, or place, any Notes, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 to 1998 (as amended) and any codes of conduct rules made under Section 117(1) thereof;

(iii) it has not and will not underwrite the issue of, or place, or do anything in Ireland in respect of any Notes otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 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 Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 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 Notes 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)
in (or in Germany, where the offer starts within) the period beginning on the date of
publication of a prospectus in relation to those Securities which has been approved by the competent
authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State
and notified to the competent authority in that Relevant Member State, all in accordance with the
Prospectus Directive and ending on the date which is 12 months after the date of such publication;
(ii)
(iii)
to any legal entity which is a qualified investor as defined in the Prospectus Directive;
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
(iv)
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
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at any time in any other circumstances falling within Article 3(2) of the Prospectus

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 United States Securities Act of 1933, or to contribute to payments it may be required to make in respect thereof.

The Initial Purchaser or its Affiliates 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 be providing investment banking services and other services to obligors of certain Collateral Obligations. In addition, the Initial Purchaser and its Affiliates, and clients of its Affiliates, may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, Collateral Obligations.

It is expected that from time to time the Investment Manager will purchase from or sell Collateral Obligations through or to the Initial Purchaser or its Affiliates (including a significant portion of the Collateral Obligations to be purchased on or prior to the Closing Date) and that one or more Affiliates of the Initial Purchaser may act as the selling institution with respect to Participations, a counterparty under a Hedge Agreement and/or a counterparty with respect to securities lending transactions (if any). The Initial Purchaser and its Affiliates may act as placement agent and/or initial purchaser 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 Initial Purchaser does not disclose specific trading positions or its hedging strategy, including whether it is in a long or short position in any Security or obligation referred to in this Offering Memorandum. Nonetheless, in the ordinary course of business, the Initial Purchaser and its Affiliates and employees or customers of the Initial Purchaser and its Affiliates may actively trade in the Securities, Collateral Obligations and Eligible Investments for their own accounts and for the accounts of their customers. Accordingly, the Initial Purchaser and its Affiliates and employees or customers of the Initial Purchaser and its Affiliates may at any time hold a long or short position in such Securities and obligations, but are not required to do so. The Initial Purchaser and its Affiliates 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 it sells or buys credit protection with respect to such Securities and obligations.

An Affiliate of the Initial Purchaser has provided and, prior to the Closing Date, will continue to provide financing to the Issuer for the purchase of Collateral Obligations for which it is being paid a financing fee. See “Risk Factors – Risk Factors Relating to the Issuer and its Service Provider – Pre-Closing Collateral Accumulation.”

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, it will have no responsibility to consider the interests of any other holders of Securities in actions it takes or refrains from taking in such capacity.

The Initial Purchaser or any of its 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.

THE INDENTURE AND THE FISCAL AGENCY AGREEMENT

Events of Default; Acceleration

Events of Default

Each of the following events constitutes an “Event of Default” under the Indenture:

(a)

(b)

a default in the payment of any interest on the Class A Notes (so long as the Class A Notes are Outstanding), and thereafter interest on any Rated Notes of the Controlling Class, in each case, when due and payable and such default continues for five Business Days;

a default in the payment of principal on (i) any Class of Rated Notes when due and payable at Stated Maturity or on any Rated Notes Redemption Date or (ii) the Subordinated Notes at Stated Maturity; provided, that in the case of any default resulting from an administrative error or omission, only to the extent that such default continues for five days;

(c)

the Issuer does not perform or comply with any one or more of its other obligations under the Indenture (other than (i) a covenant or agreement, a default in the performance of which is addressed in other Events of Default or in certain other provisions of the Indenture or (ii) any failure to meet any of the Collateral Quality Tests, Supplemental Diversion Test, Reinvestment Requirements or Coverage Tests), or any representation or warranty of either of the Co-Issuers under the Indenture fails to be correct in any respect when made, which default or failure has a material adverse effect on the holders of the Notes and is incapable of remedy or, if capable of remedy, is not remedied within 30 days after notice of such default or failure has been given to the Issuer by the Trustee or by holders of at least 25% of the Aggregate Outstanding Amount of

any Class of Notes;
(d)
(e)
the Event of Default Par Ratio is less than 102.5% as of any Measurement Date;
either of the Co-Issuers or the pool of Collateral becomes an investment company required to be
registered under the Investment Company Act; or
(f)
Acceleration of Maturity
If an Event of Default occurs and is continuing, the Trustee may, with the consent of the Controlling Party, and
shall, upon written direction of the Controlling Party, by notice to the Issuer (with a copy to the Investment
Manager, each holder of Securities and any Hedge Counterparty) declare the principal of all of the Notes to be
immediately due and payable. Upon any such declaration, such principal, together with all accrued and unpaid
interest thereon and any other amounts payable in respect thereof, shall become immediately due and payable
(except that in the case of an Event of Default resulting from bankruptcy or insolvency, such an acceleration will
occur automatically) and upon such declaration, the Reinvestment Period will terminate. Any declaration of
acceleration may under certain circumstances be rescinded by the Controlling Party.
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either of the Co-Issuers becomes subject to certain events of bankruptcy or insolvency.

If an Event of Default has occurred (and has not been cured or waived) and acceleration occurs (and is not
rescinded), each Higher Ranking Class (including any accrued and unpaid interest thereon) will be paid in full
before any further payment or distribution is made on any Lower Ranking Class.
If an Event of Default occurs and is continuing, the Trustee will not sell or liquidate any Collateral (provided,
however, that Credit Risk Obligations with respect to which at least one Credit Risk Criteria applies, Defaulted
Obligations, Margin Stock and Equity Securities may continue to be sold by the Issuer pursuant to the Indenture),
will collect all payments in respect of the Collateral and will make payments in accordance with the Priority of
Payments (subject to the subordination provisions described in the preceding paragraph), unless either:
(i)
the Trustee, in consultation with the Investment Manager, determines that the anticipated
proceeds of a sale or liquidation of the Collateral would be sufficient to discharge in full the amounts then
due on the Rated Notes (including Deferred Interest and Defaulted Interest) and all amounts payable prior
to payments on the Rated Notes (including the accrued and unpaid Investment Management Fees
(including any Deferred Fees) and all Administrative Expenses) and all amounts due to any Hedge
Counterparty, in each case in accordance with the Priority of Payments, and the Controlling Party agrees
with such determination; or
(ii)
the sale and liquidation of the Collateral is directed by
(A)
the Controlling Party if such Event of Default
is of a type described under
clauses (a), (b) or (d) in the definition of Event of Default, without regard to whether another
Event of Default has occurred prior or subsequent to such Event of Default,
(B) a Majority of the Aggregate Outstanding Amount of each Class of Rated Notes
(voting as separate classes) if such Event of Default is of a type described under clauses (c), (e) or
(f) in the definition of Event of Default, or
(C) if only Subordinated Securities are then Outstanding, a Majority of the Subordinated Securities;
provided, however, that the Investment Manager may direct the Trustee to deliver assets in connection with a
contractual arrangement executed prior to an Event of Default or to accept any offer or tender offer made to all
holders of any Collateral Obligation in accordance with the Indenture and provided, further, that the Issuer must

continue to hold funds on deposit in the Credit Facility Reserve Account to the extent required to meet the Issuer's obligations for future payments on any Credit Facility.

The Controlling Party will have the right to cause the institution of and direct the time, method and place of conducting any proceedings for any remedy available to the Trustee, but only if (i) such direction will not conflict with any applicable rule of law or the Indenture (including the limitations described in the immediately preceding paragraph), and (ii) the Trustee determines that such action will not involve it in liability (unless the Trustee has received indemnity reasonably satisfactory to it against any such liability). The Controlling Party may also, in certain cases, waive any default with respect to the Notes, except (x) an interest or principal payment default, (y) in respect of a covenant or provision of the Indenture that cannot be modified or amended without consent of each holder of Securities of any Class, or (z) as a result of bankruptcy or insolvency of either of the Co-Issuers.

No holder of Securities 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) except as otherwise provided in the Indenture, the holders of at least 25% of the Aggregate Outstanding Amount of the Notes of the Controlling Class have made a written request upon the Trustee to institute such proceedings and such holders have offered the Trustee an indemnity reasonably satisfactory to it, (iii) the Trustee has for 30 days 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 the Controlling Party. No holder of Securities may seek to commence a bankruptcy proceeding against or cause either of the Co-Issuers to petition for bankruptcy or pass a resolution for its winding up 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.

In determining whether the holders of the requisite percentage of Securities have given any direction, notice or consent, Securities owned by the Issuer or any Affiliate (as defined in the Indenture) thereof will be disregarded and deemed not to be outstanding.

Each registered holder of a Security or Certifying Person will have the right, only after the occurrence and during the continuance of an Event of Default or other default under the Indenture and upon five Business Days' prior written notice to the Trustee, to obtain a complete list of the registered holders of the Securities (and any Certifying Persons); provided, however, that each owner of an interest in a Security agrees by acceptance of such list that it will use the list for no purpose other than the exercise of its rights under the Indenture.

At any other time, a securityholder or Certifying Person may request that the Trustee forward a notice to the other securityholders and Certifying Persons on its behalf.

Payments after an Acceleration of Maturity

If an Event of Default has occurred but no acceleration has occurred, payments will be made on each Distribution Date in accordance with the Priority of Interest Proceeds and Priority of Principal Proceeds. If an Event of Default has occurred and has not been cured or waived and acceleration has occurred, but the Trustee has not received a direction to liquidate the Collateral, payments will be made on each Distribution Date in accordance with the Priority of Post-Acceleration Payments. Upon receipt of a direction to liquidate the Collateral, the Trustee shall suspend all payments pursuant to this Indenture until the date or dates designated by the Trustee for distribution (the "Liquidation Distribution Date"). The application of any money thereafter collected by the Trustee (net of any sale expenses) pursuant to this the Indenture and any funds that may then be held or thereafter received by the Trustee shall be applied on each Liquidation Distribution Date, in accordance with the Priority of Post-Acceleration Payments.

Amendments of the Indenture

The Issuer, the Co-Issuer and the Trustee may, but will not be required to, amend the Indenture or the Notes:

(a) without the consent of any holder of Securities, but subject to Rating Agency Confirmation from S&P (other than under clause (ix) below with respect to achieving FATCA Compliance) for the following purposes:

(i)

(ii) evidencing the succession of another person as Issuer, Co-Issuer or Trustee;

adding to the covenants of either of the Co-Issuers or the Trustee, for the

benefit of the
holders of Securities, or surrendering any right of either of the Co-Issuers;
(iii)
(iv) providing for a successor Trustee;
(v)
to convey, transfer, assign, mortgage or pledge any property to or with the
Trustee;
correcting or amplifying the description of any property at any time subject
to the lien of
the Indenture;
(vi) modifying restrictions on transfer of the Securities in accordance with
applicable law or
enabling the Co-Issuers to rely on any less restrictive exemption from
registration under the Securities Act,
the Investment Company Act or other applicable law;
(vii) correcting any inconsistency or typographical or other error; curing
any defect or
ambiguity; or conforming the Indenture to the final offering memorandum of
the Co-Issuers; provided that,
so long as the Class A-1 Notes are Outstanding, if holders of at least 25%
of the Aggregate Outstanding
Amount of the Class A-1 Notes
have provided written notice of its objection to the Trustee within 15
Business Days of notice of such proposed amendment setting out reasonable
basis for such holders'
determination that such amendment would have a material and adverse effect
on the interests of the Class
A-1 Notes, such amendment must be proposed pursuant to clause (f); provided,
however, that if additional
Class A-1 Notes have been issued after the Closing Date, the threshold for
objection will be the percentage
determined by multiplying 25% by the ratio (expressed as a percentage)
obtained by dividing (A) the

Aggregate Outstanding Amount of Class A-1 Notes issued on the Closing Date by (B) the Aggregate Outstanding Amount of Class A-1 Notes as of the date of determination);
(viii) providing for and/or facilitating the issuance of additional securities (including any Additional Equity Issuance) in accordance with the Indenture;
(ix) taking any action necessary or advisable (A) to prevent either of the Co-Issuers, the Trustee or any paying agent from being subject to withholding or other taxes, fees or assessments including by achieving FATCA Compliance or (B) to prevent the Issuer from being treated as engaged in a United States trade or business or otherwise being subjected to income tax in any jurisdiction outside its jurisdiction of incorporation;
(x) making any change required by the stock exchange on which any Class of Securities is listed (or proposed to be listed), if any, in order to permit or maintain such listing or to facilitate the delisting of any Class from an exchange;
(xi) evidencing or implementing any changes thereto required by applicable law and related regulations (including, without limitation, the USA PATRIOT Act) to the extent that they are applicable to the Issuer;
(xii) facilitating the delivery and maintenance of the Notes in accordance with the requirements of DTC, Euroclear or Clearstream;
(xiii) reducing the Authorized Denominations of any Class subject to applicable law; provided that such reduction does not result in additional requirements in connection with listing the Securities on any stock exchange;
(xiv) providing for and/or facilitating a Redemption Financing in accordance with the Indenture;
(xv) effect securities lending in accordance with the Indenture; or
(xvi) amending the Indenture or the Notes in any manner which the Issuer may determine will not materially and adversely affect the interest of any holder of Securities or any Hedge Counterparty (other than any Class and/or any Hedge Counterparty that has given any required consent as described below to such supplemental indenture); provided that, so long as the Class A-1 Notes are Outstanding, a Majority of the Class A-1 Notes has not provided written notice of its objection to the Trustee within 15 Business Days of notice of such proposed amendment based upon such Majority's determination that such amendment would have a material and adverse effect on the interests of the

Class A-1 Notes (provided that,
if objection is made, the objecting holders will provide the basis for such
determination);
(b)
with the consent of a Majority of the Subordinated Securities and the
Investment Manager and
without Rating Agency Confirmation, in order to modify the Investment
Manager Incentive Fee Amount;
(c)
with the consent of the Controlling Party (only so long as the Class A-1
Notes are Outstanding)
and the Investment Manager and Rating Agency Confirmation, in order to (i)
modify the Collateral Quality Tests
and definitions related thereto (including the Collateral Matrix) or (ii)
incorporate changes in the methodology of a
Rating Agency (excluding any changes to a Coverage Test or definitions
related thereto);
(d)
without the consent of any holder of Securities but with Rating Agency
Confirmation from (x)
Moody's, in order to modify the Moody's Rating Schedule or related
definitions, or (y) S&P, in order to modify the
S&P Rating Schedule or related definitions; provided that, so long as the
Class A-1 Notes are Outstanding, if
holders of at least 25% of the Aggregate Outstanding Amount of the Class A-1
Notes have provided written notice
of its objection to the Trustee within 15 Business Days of notice of such
proposed amendment setting out reasonable
basis for such holders' determination that such amendment would have a
material and adverse effect on the interests
of the Class A-1 Notes, such amendment must be proposed pursuant to clause
(f); provided, however, that if
additional Class A-1 Notes have been issued after the Closing Date, the
threshold for objection will be the

percentage determined by multiplying 25% by the ratio (expressed as a percentage) obtained by dividing (A) the
Aggregate Outstanding Amount of Class A-1 Notes issued on the Closing Date by (B) the Aggregate Outstanding
Amount of Class A-1 Notes as of the date of determination);
(e) with the consent of the Required Redemption Percentage, to issue Replacement Notes in
connection with a Refinancing; and
(f)
with Rating Agency Confirmation from S&P and the consent of each Hedge Counterparty
materially and adversely affected thereby and a Majority of each Class materially and adversely affected thereby, 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 such Class or such Hedge Counterparty under the Indenture; provided, however,
that Rating Agency Confirmation from S&P and the consent of 100% of each Class and any Hedge Counterparty, in
each case materially and adversely affected thereby, will be required for any amendment that would:
(i)
with respect to the Securities (including, as applicable, the Preferred Shares): (i) change
the Stated Maturity or the due date of any installment of interest; (ii) reduce the principal amount, the
Interest Rate or the Redemption Price; (iii) change (A) the earliest possible Redemption Date for such
Class, (B) provisions of the Indenture relating to the application of proceeds of any Collateral to payments,
or (C) any place where, or the currency in which, any payment is made; or (iv) impair the right to institute
suit for the enforcement of any such payment on or after the Stated Maturity (or, in the case of redemption,
on or after the applicable Redemption Date);
(ii)
(iii)
reduce the percentage of the Aggregate Outstanding Amount of Securities of each Class
whose consent is required for any action under the Indenture or modify certain other requirements with
respect to amendments requiring consent;
impair or adversely affect the Collateral held on the date of such supplemental indenture,
except as otherwise expressly permitted in the Indenture;
(iv) 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 Collateral, terminate the lien of the Indenture on any property
subject thereto or deprive the secured parties under the Indenture of the security afforded by the lien

thereof, except as expressly permitted under the Indenture;
(v) modify the definition of Outstanding; or
(vi) modify the Priority of Payments.
No later than 15 Business Days prior to the execution of any proposed supplemental indenture (except to the extent any such person agrees to a shorter period or waives such notice), the Trustee, at the expense of the Co-Issuers, shall provide to the Investment Manager, the holders, any Hedge Counterparty, and each Rating Agency a copy of such supplemental indenture (or a description of the substance thereof).
If the required percentage of holders of each Class from which consent is required for a supplemental indenture has consented, such notice requirement (to provide the holders a copy of the proposed supplemental indenture (or a description of the substance thereof)) shall be deemed to be satisfied.
Unless the Investment Manager has consented in writing, the Investment Manager shall not be bound by any amendment or supplement to the Indenture that affects the rights or obligations of the Investment Manager in any respect.
All Manager Securities will be excluded for purposes of determining whether the required Aggregate Outstanding Amount of Securities has consented to any supplemental indenture that would increase the amount or priority of payment of the fees payable to the Investment Manager or reduce the obligations of the Investment Manager under the Indenture.

Amendments of the Fiscal Agency Agreement

The Issuer, the Fiscal Agent and the Share Registrar may amend the Fiscal Agency Agreement without obtaining the consent of Shareholders, (x) if such amendment would have no material adverse effect on the Preferred Shares or (y) for any of the following purposes:

- to evidence the succession of another person to the Issuer and the related assumption of obligations by such successor;
- to add to the covenants of any party for the benefit of the Shareholders;
- to evidence and provide for the acceptance of appointment by a successor Fiscal Agent;
- to reduce the permitted Authorized Denomination;
- to take any action necessary or advisable to prevent the Issuer from being subject to withholding or other taxes, fees or assessments or to prevent the Issuer from being treated as engaged in a United States trade or business or otherwise being subjected to United States federal, state or local income tax on a net income tax basis;
- to take any action necessary or advisable to prevent the Issuer or the pool of Collateral from being required to register under the Investment Company Act;
- to modify the Fiscal Agency Agreement to conform with applicable law;
- otherwise to correct any ambiguities, errors or inconsistencies in the Fiscal Agency Agreement or between any provision of the Fiscal Agency Agreement and the final Offering Memorandum;
- to modify the transfer restrictions in accordance with any change in any applicable law or regulation (or the interpretation thereof) or to enable the Issuer to rely upon any less restrictive exemption from registration under the Securities Act, the Investment Company Act or other applicable law; or
- to accommodate the issuance of the Preferred Shares in book-entry form through the facilities of DTC, Euroclear or Clearstream.

The Issuer, the Fiscal Agent and the Share Registrar may amend the Fiscal Agency Agreement with the consent of a Majority of the Preferred Shares if such amendment would have a material adverse effect on the Preferred Shares; provided, however, the consent of each Shareholder is required for any amendment of the Fiscal Agency Agreement that would:

- change the payment terms of the Preferred Shares (including the date, location or currency of such payment);
- modify any of the provisions of the Fiscal Agency Agreement relating to when Shareholder consent is required, except to increase any such percentage or to provide that certain

other provisions of the Fiscal
Agency Agreement cannot be modified or waived without the consent of each
Shareholder materially and
adversely affected thereby;

- impose any restrictions on the transfer of the Preferred Shares other than such restrictions to reflect any
changes in applicable law or regulation or simply describe the way in which such transfer is to be executed;
or
- impose any liability of a Shareholder to any third party other than such liabilities described in the Fiscal
Agency Agreement.

Method of Payment

Payments on the Securities will be payable in U.S. dollars. The “Record Date” with respect to any Distribution Date will be the fifteenth day prior to such Distribution Date; provided, however, that if such fifteenth day is not a Business Day, the Record Date will be the preceding Business Day. Payments will be made in immediately available funds or, if appropriate instructions are not received at least 15 Business Days prior to the relevant Distribution Date, by check delivered by first class mail to the address of the registered holder (which in the case of Global Securities will be DTC) specified in the Indenture Register or the Share Register, as applicable, at the close of business on the relevant Record Date. Final payments with respect to any Definitive Security will be made upon presentation and surrender of the Security at the office designated for such purposes under the Indenture or the Fiscal Agency Agreement, as applicable.

Any funds deposited with the Trustee or any paying agent in trust for the payment on any Security and remaining unclaimed for two years after such payment has become due and payable will be paid to the Issuer; and the holder of such Security will thereafter, as an unsecured general creditor, look only to the Issuer for payment of such amounts and all liability of the Trustee or such paying agent with respect to such funds (but only to the extent of the amounts so paid to the Issuer) will thereupon cease.

The Trustee will act as paying agent under the Indenture and the Fiscal Agent will act as paying agent under the Fiscal Agency Agreement, and the Co-Issuers will have the right to appoint additional paying agents.

Notices

Except as otherwise specified in the Indenture, notices to securityholders will be given by first-class mail, postage prepaid, to each registered holder (which, in the case of Global Securities, will be DTC) at its address appearing in the Indenture Register or the Share Register, as applicable. In addition, for so long as Notes are listed on the Irish Stock Exchange and the guidelines of the Irish Stock Exchange so require, notice will be provided to the Irish Stock Exchange. Notice will be deemed to have been given on the date of its mailing.

Voting Rights

The Indenture will provide that, with respect to any exercise of Voting Rights (including with respect to remedies, supplemental indentures and Optional Redemption), a Certifying Person will be permitted to direct the Trustee as if it were the registered holder of the related Global Securities. The Trustee will not be required to take any action that it determines might involve it in liability unless it has been provided with indemnity reasonably satisfactory to it.

“Certifying Person” means any beneficial owner that provides certification of ownership in the form required under the Indenture, which certification will (x) include a representation that the registered holder has not acted on its behalf with respect to the same action and (y) permit such owner to request confidential treatment of its identity.

Holders of Preferred Shares will have no voting rights, either general or special, in respect of the Issuer, except as set forth in the Memorandum and Articles, the Indenture, the Investment Management Agreement, the Fiscal Agency Agreement or as described herein. Notwithstanding the foregoing, Shareholders will be able to direct a redemption of the Notes pursuant to the Indenture and have certain other voting rights under the Indenture, the Investment Management Agreement and the Fiscal Agency Agreement, as more completely described herein.

Holder Meetings Under the Indenture

The Issuer, at the request and expense of a holder or beneficial owner of interests in Securities, may call a meeting (which may be through a telephone conference call, video conference or similar means) of the owners of interests in Securities. Notice of the meeting will be given, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting not less than 30 nor more than 60 days prior to the meeting date. The persons entitled to vote a Majority of the Notes will constitute a quorum. The Issuer may make such reasonable regulations as it will deem advisable for any meeting.

Governing Law; Jurisdiction

The Notes, the Fiscal Agency Agreement and the Indenture will be governed by, and construed in accordance with, the laws of the State of New York. All parties to the Indenture will submit to the non-exclusive jurisdiction of the United States District Court for the Southern District of New York and any court of the State of New York located in the City and County of New York, and any appellate court from any court thereof, in any action, suit or proceeding brought against it, arising out of or relating to the Indenture, the Securities or the transactions contemplated thereby. The Preferred Shares will be governed by the laws of the Cayman Islands.

Form of Securities

Securities sold to Qualified Institutional Buyers in reliance on Rule 144A will initially be issued either (i) in the form of Definitive Securities or (ii) in the form of Rule 144A Global Securities to be deposited with the Trustee as custodian for DTC, and registered in the name of DTC or its nominee for credit to the accounts of DTC's Participants and Indirect Participants. Securities sold to non-"U.S. persons" (as defined in Regulation S) in reliance on Regulation S will initially be issued either (i) in the form of Definitive Securities or (ii) in the form of Temporary Global Securities (or, in the case of the Issuer Only Notes, Regulation S Global Securities) to be deposited with the Trustee as custodian for DTC. The Temporary Global Securities will be registered in the name of DTC or its nominee for the respective accounts of Euroclear and Clearstream. 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 a Definitive 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 and Exchange." 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 DTC or its nominee 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.
ERISA Limited Securities held by Benefit Plan Investors or, except with respect to ERISA Limited Securities
purchased by a Controlling Person on the Closing Date, Controlling Persons and Subordinated Securities held by
Accredited Investors must be held in the form of Definitive Securities.
An interest in a Regulation S Global Security may not be held at any time by a “U.S. person” (as defined in
Regulation S). By its acquisition of a beneficial interest in a Regulation S Global Security, its purchaser will be
deemed to represent that it is not a U.S. person and that it will transfer such interest only to a person whom it
reasonably believes not to be a U.S. person or to a person who takes delivery in the form of an interest in a Rule
144A Global Security or a Definitive Security in accordance with the provisions of the Indenture (or, in the case of
the Preferred Shares, the Fiscal Agency Agreement).
Securities may be sold in the United States only to Qualified Institutional Buyers that are also Qualified Purchasers for their own account or, in the case of Securities sold in the
form of Rule 144A Global Securities, for the account of a Qualified Institutional Buyer that is also a Qualified
Purchaser; provided that Subordinated Securities in the form of Definitive Securities may be sold in the United
States to Accredited Investors who are also either (i) Qualified Purchasers or (ii) in the case of Subordinated
Securities, Knowledgeable Employees.
restrictions as described in “Transfer and Exchange” and “ERISA Considerations.”
Securities will bear a restrictive legend and are subject to transfer
In addition, transfers of
beneficial interests in Global Securities are subject to the applicable rules and procedures of DTC and its
Participants or Indirect Participants (including, if applicable, those of Euroclear and Clearstream), which may
change from time to time.
Depositary Procedures
The following description of the operations and procedures of DTC, Euroclear and Clearstream is provided solely as
a matter of convenience. These operations and procedures are solely within the control of the respective settlement

systems and are subject to changes by them. The Co-Issuers take no responsibility for these operations and procedures and urge investors to contact the systems or their participants directly to discuss these matters.

DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the "Participants") and facilitate the clearance and settlement of transactions in those securities between Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the Initial Purchaser), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "Indirect Participants"). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through Participants or Indirect Participants. DTC has no knowledge of the identity of beneficial owners of securities held by or on behalf of DTC. DTC's records reflect only the identity of Participants to whose accounts securities are credited. The ownership interests and transfer of ownership interests of each beneficial owner of each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

Pursuant to procedures established by DTC:

- upon deposit of the Global Securities, DTC will credit the accounts of Participants designated by the Initial Purchaser with portions of the Aggregate Outstanding Amount of the Global Securities; and
- ownership of such interests in the Global Securities will be maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interests in the Global Securities).

Investors in the Global Securities may hold their interests therein directly through DTC, if they are Participants in such system, or indirectly through organizations (including Euroclear and Clearstream) that are Participants or Indirect Participants in such system. Euroclear and Clearstream will hold interests in the Securities on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries, which are Euroclear Bank, S.A./N.V., as operator of Euroclear, and Citibank, N.A., as operator of Clearstream. The depositaries, in turn, will hold interests in the Securities in customers' securities accounts in the depositaries' names on the books of DTC.

All interests in a Global Security, including those held through Euroclear

or Clearstream, will be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream will also be subject to the procedures and requirements of these systems. The laws of some states require that certain persons take physical delivery of certificates evidencing securities they own. Consequently, the ability to transfer beneficial interests in a Global Security to such persons will be limited to that extent. Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants, the ability of beneficial owners of interests in a Global Security to pledge such interests to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests. For certain other restrictions on the transferability of the Securities, see “Transfer and Exchange” and “ERISA Considerations.”

Except as described below, owners of interests in the Global Securities will not have Securities registered in their names, will not receive physical delivery of Securities in certificated form and will not be considered the registered owners or holders thereof under the Indenture for any purpose.

Payments in respect of a Global Security registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered holder of such Securities. The Co-Issuers and the Trustee will treat the persons in whose names the Securities, including the Global Securities, are registered as the owners thereof for the purpose of receiving such payments and for any and all other purposes whatsoever. Consequently, none of the Co-Issuers, the Trustee or any agent of the Co-Issuers or the Trustee has or will have any responsibility or liability for:

- any aspect of DTC’s records or any Participant’s or Indirect Participant’s records relating to or payments made on account of beneficial ownership interests in the Global Securities, or for maintaining, supervising or reviewing any of DTC’s records or any Participant’s or Indirect Participant’s records relating to the beneficial ownership interests in the Global Securities; or

• any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants.

DTC has advised the Co-Issuers that its current practice, upon receipt of any payment in respect of securities such as the Securities (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date in amounts proportionate to their respective holdings in the principal amount of the relevant security as shown on the records of DTC, unless DTC has reason to believe it will not receive payment on such payment date. Payments by the Participants and the Indirect Participants to the beneficial owners of Securities will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the Trustee or the Co-Issuers. Neither the CoIssuers nor the Trustee will be liable for any delay by DTC or any of its Participants in identifying the beneficial owners of the Securities, and the Co-Issuers and the Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Except for trades involving only Euroclear and Clearstream participants, interests in the Global Securities are expected to be eligible to trade in DTC’s Same-Day Funds Settlement System and secondary market trading activity in such interests will therefore settle in immediately available funds, subject in all cases to the rules and procedures of DTC and its Participants.

Subject to the transfer restrictions described herein, transfers between Participants in DTC will be effected in accordance with DTC’s procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Subject to the transfer restrictions described herein, cross-market transfers between Participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC’s rules on behalf of Euroclear or Clearstream, as the case may be, by their depositaries.

Cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in that system in accordance with the rules and procedures and within the established deadlines (Brussels time) of that system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositaries to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Security in DTC, and making or

receiving payment in accordance with
normal procedures for same-day funds settlement applicable to DTC. Euroclear
and Clearstream participants may
not deliver instructions directly to the depositaries for Euroclear or
Clearstream.
Because of time zone differences, the securities account of a Euroclear or
Clearstream participant purchasing an
interest in a Global Security from a Participant in DTC will be credited and
reported to the relevant Euroclear or
Clearstream participant, during the securities settlement processing day
(which must be a business day for Euroclear
and Clearstream) immediately following the settlement date of DTC. DTC has
advised the Co-Issuers that cash
received in Euroclear or Clearstream as a result of sales of interests in a
Global Security by or through a Euroclear or
Clearstream participant to a Participant in DTC will be received with value
on the settlement date of DTC but will
be available in the relevant Euroclear or Clearstream cash account only as
of the business day for Euroclear or
Clearstream following DTC’s settlement date.
DTC has advised the Co-Issuers that it will take any action permitted to be
taken by a holder of Securities only at the
direction of one or more Participants to whose account with DTC interests in
the Global Securities are credited and
only in respect of such portion of the aggregate principal amount of the
Securities as to which such Participant or
Participants has or have given such direction.
Although DTC, Euroclear and Clearstream have agreed to the foregoing
procedures to facilitate transfers of interests
in the Global Securities among participants in DTC, Euroclear and
Clearstream, they are under no obligation to
perform or to continue to perform such procedures, and the procedures may be
discontinued at any time. Neither the
Co-Issuers nor the Trustee will have any responsibility for the performance
by DTC, Euroclear or Clearstream or
their respective Participants or Indirect Participants of their respective
obligations under the rules and procedures
governing their operations.

The information in this section concerning DTC, Euroclear and Clearstream and their book-entry systems has been obtained from sources that the Co-Issuers believe to be reliable, but the Co-Issuers take no responsibility for the accuracy thereof.

Replacement of Certificates

In case any Definitive Security becomes mutilated, defaced, destroyed, lost or stolen, the Issuer (and, in the case of the Senior Notes, the Co-Issuers) will execute, and, upon its written request, the Trustee will authenticate (in the case of the Notes) and the Trustee or the Fiscal Agent, as applicable, shall deliver a new certificate of like tenor (including the same date of issuance and of the same Class) and equal principal amount or number of shares, as applicable, registered in the same manner, dated the date of its authentication or execution in exchange and substitution for the certificate (upon surrender and cancellation thereof) or in lieu of and in substitution for such certificate. If such substituted certificate represents a Rated Note, such Rated Note shall bear interest from the date to which interest has been paid on the applicable Class of Rated Notes. In case of any destroyed, lost or stolen certificate, the applicant for a substituted certificate must furnish to the Issuer (and, in the case of the Senior Notes, the Co-Issuers), the Trustee or the Fiscal Agent, as applicable, the Indenture Registrar or the Share Registrar, as applicable, and any transfer agent such security or indemnity as may be required by them to save each of them and any agent of them harmless, and, in every case of destruction, loss or theft of any certificate, the applicant must also furnish to the Issuer, or the Co-Issuers, as applicable, the Trustee, the Indenture Registrar or the Share Registrar, as applicable, and any such transfer agent satisfactory evidence of the destruction, loss or theft of such certificate and of the ownership thereof. Upon the issuance of any substituted certificate, the Issuer (and, in the case of the Senior Notes, the Co-Issuers), may require the payment by the registered holder thereof of a sum sufficient to cover fees and expenses connected therewith.

Compulsory Sales

The Issuer has the right to compel any Ineligible Holder to sell its interest in the Notes or may sell such interest in the Notes on behalf of such Ineligible Holder. In addition, if a holder fails for any reason to provide to 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, or such information or documentation is not accurate or complete, the Issuer will have the right, to compel such holder to (x) sell its interest in such Note, (y) sell

such interest on such holder’s behalf, and/or
(z) assign to such Note a separate CUSIP or CUSIPs.
Issuer Accounts
The Trustee will establish a number of segregated trust accounts for the benefit of the secured parties under the
Indenture, including an interest collection account, a principal collection account, a payment account, an expense
reserve account, the Credit Facility Reserve Account and the Pre-Funded Letter of Credit Reserve Account.
Amounts retained in any of the accounts will be invested in Eligible Investments (as directed by the Investment
Manager) pending further disposition in accordance with the Indenture.
TRANSFER AND EXCHANGE
Terms used in the following discussion that are defined in Rule 144A or Regulation S are used herein as defined
therein. Because of the following restrictions, investors are advised to consult legal counsel prior to making any
offer, resale, pledge or transfer of the Securities. Each purchaser (including transferees and each beneficial owner of
an account on whose behalf Securities are being purchased) of Securities is referred to as a “Purchaser.”
Each
Purchaser that holds Definitive Securities and each Purchaser of ERISA Limited Securities on the Closing Date will
be required to make (or will be deemed to make) certain representations and agreements substantially as follows:
(1) The Purchaser (i) either (A) is not a U.S. person and is acquiring Securities in reliance on the
exemption from registration pursuant to Regulation S or (B) with respect to the Securities is a
Qualified Institutional Buyer and is acquiring such Securities in reliance on the exemption from
registration pursuant to Rule 144A or (C) with respect to Subordinated Securities, is a Qualified
Institutional Buyer or an Accredited Investor and is acquiring Subordinated Securities in reliance

on an exemption from registration under the Securities Act, (ii) is acquiring Securities in an Authorized Denomination and (iii) in the case of clauses (i)(B) and (i)(C), is acquiring Securities for its own account (and not for the account of any family or other trust, any family member or any other person).

(2) In the case of Securities purchased by a U.S. person, (i) the Purchaser is a Qualified Purchaser (or in the case of Subordinated Securities, a Knowledgeable Employee) and (ii) the Purchaser is acquiring such Securities as principal for its own account for investment and not for sale in connection with any distribution thereof, the Purchaser was not formed solely for the purpose of investing in the Securities and is not a partnership, common trust fund or special trust, profit sharing, pension fund or other retirement plan in which partners, beneficiaries or participants, as applicable, may designate the particular investments to be made, and the Purchaser agrees that it will not hold such Securities for the benefit of any other person and will be the sole beneficial owner thereof for all purposes and that, in accordance with the provisions therefor in the Indenture (or, in the case of the Preferred Shares, the Fiscal Agency Agreement), it will not sell participation interests in such Securities or enter into any other arrangement pursuant to which any other person will be entitled to a beneficial interest in the distributions on such Securities and further that such Securities purchased directly or indirectly by it constitute an investment of no more than 40% of the Purchaser’s assets.

The Purchaser understands and agrees that any purported transfer of Securities to a Purchaser that does not comply with the requirements of this paragraph or that would have the effect of causing either of the Co-Issuers or the pool of Collateral to be required to register as an investment company under the Investment Company Act will be null and void ab initio.

(3) The Purchaser has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in Securities, and the Purchaser is able to bear the economic risk of its investment.

(4) The Purchaser understands that the Securities are being offered only in a transaction not involving any public offering in the United States within the meaning of the

Securities Act, the Securities
have not been and will not be registered under the Securities Act, and, if in the future the
Purchaser decides to offer, resell, pledge or otherwise transfer any Securities, such Securities may
be offered, resold, pledged or otherwise transferred only in accordance with the legend on such
Securities and the terms of the Indenture (or, in the case of the Preferred Shares, the Fiscal Agency
Agreement).
The Purchaser acknowledges that no representation is made by any Transaction Party or any of their respective Affiliates as to the availability of any exemption under the
Securities Act or any other securities laws for resale of the Securities.
(5) The Purchaser agrees that it will not offer or sell, transfer, assign, or otherwise dispose of any
Securities or any interest therein except (i) pursuant to an exemption from, or in a transaction not
subject to, the registration requirements of the Securities Act, any applicable state securities laws
and the applicable laws of any other jurisdiction and (ii) in accordance with the provisions of the
Indenture (or, in the case of the Preferred Shares, the Fiscal Agency Agreement) to which
provisions it agrees it is subject.
(6) The Purchaser
is not purchasing Securities with a view to the resale, distribution or other disposition thereof in violation of the Securities Act.
(7) The Purchaser understands that an investment in Securities involves certain risks, including the
risk of loss of all or a substantial part of its investment. The Purchaser has had access to such
financial and other information concerning any Transaction Party, the Securities and the Collateral
as it deemed necessary or appropriate in order to make an informed investment decision with
respect to its purchase of Securities, including an opportunity to ask questions of and request
information from the Co-Issuers and the Investment Manager.
(8)
In connection with its purchase of Securities (i) none of the Transaction Parties or any of their
respective Affiliates is acting as a fiduciary or financial or investment adviser for the Purchaser;

(ii) the Purchaser is not relying (for purposes of making any investment decision or otherwise)
upon any advice, counsel or representations (whether written or oral) of the Transaction Parties or
any of their respective Affiliates other than in a current offering memorandum for such Securities;
(iii) none of the Transaction Parties or any of their respective Affiliates has given to the Purchaser
(directly or indirectly through any other Person) any assurance, guarantee or representation
whatsoever as to the expected or projected success, profitability, return, performance, result,
effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise)
of the Securities or of the Indenture or the documentation for such Securities; (iv) the Purchaser
has consulted with its own legal, regulatory, tax, business, investment, financial, and accounting
advisers to the extent it has deemed necessary, and it has made its own investment decisions
(including decisions regarding the suitability of any transaction pursuant to the documentation for
the Securities) based upon its own judgment and upon any advice from such advisers as it has
deemed necessary and not upon any view expressed by the Transaction Parties or any of their
respective Affiliates; (v) the Purchaser has determined that the rates, prices or amounts and other
terms of the purchase and sale of such Securities reflect those in the relevant market for similar
transactions; (vi) the Purchaser is purchasing such Securities with a full understanding of all of the
terms, conditions and risks thereof (economic and otherwise), and it is capable of assuming and
willing to assume (financially and otherwise) those risks; and (vii) the Purchaser is a sophisticated
investor (provided that no such representations under subclauses (i) through (iv) is made with
respect to the Investment Manager by any Affiliate of the Investment Manager or any account for
which the Investment Manager or its Affiliates act as investment adviser).
(9) The Purchaser will not, at any time, offer to buy or offer to sell Securities by any form of general
solicitation or advertising, including, but not limited to, any advertisement, article, notice or other
communication published in any newspaper, magazine or similar medium or broadcast over
television or radio or seminar or meeting whose attendees have been invited by general
solicitations or advertising.
(10) The Purchaser understands and agrees that before any interest in a

Definitive Security may be offered, resold, pledged or otherwise transferred, the transferee (or the transferor, as applicable) will be required to provide the Issuer and the Trustee (or, in the case of the Preferred Shares, the Fiscal Agent) with a Transfer Certificate and such other certificates or information as they may reasonably require as to compliance with the applicable transfer restrictions. Each Transfer Certificate with respect to an ERISA Limited Security will include an indemnity for the benefit of the Co-Issuers, the Trustee, the Fiscal Agent, the Initial Purchaser and the Investment Manager and their respective Affiliates for breaches of the representations, warranties or agreements made in the Transfer Certificate.

(11) The Purchaser understands and agrees that (i) no transfer may be made that would result in any person or entity holding beneficial ownership of any Securities in less than an Authorized Denomination for such Securities set forth in the Indenture and (ii) no transfer of a Security that would have the effect of requiring either of the Co-Issuers or the pool of Collateral to register as an investment company under the Investment Company Act will be permitted. In connection with its purchase of Securities, the Purchaser has complied with all of the provisions of the Indenture (or, in the case of the Preferred Shares, the Fiscal Agency Agreement) relating to such transfer.

(12) The Purchaser understands that each Security will bear the applicable legends to the following effect unless the Co-Issuers determine (or in the case of the Issuer Only Notes or Preferred Shares, the Issuer determines) otherwise in accordance with applicable law:

(a) with respect to Rated Notes:

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 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 (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 REFERRED TO BELOW, AND IN EACH CASE WHICH MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXCEPTION, (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION AND (C) IN AN AUTHORIZED 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 2.5 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 INELIGIBLE 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 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 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, OR (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 REFERRED TO BELOW, AND IN EACH CASE WHICH MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXCEPTION, (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION AND (C) IN AN AUTHORIZED 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 2.5 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 INELIGIBLE 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 AS SET FORTH IN THE INDENTURE.
(c)
with respect to Preferred Shares:
THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “INVESTMENT COMPANY ACT”).
THE SECURITIES REPRESENTED HEREBY 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 EITHER AN ACCREDITED INVESTOR WITHIN THE MEANING OF REGULATION D UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR 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 (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

FISCAL AGENCY AGREEMENT REFERRED TO BELOW, AND IN EACH CASE WHICH MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXCEPTION, (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION AND (C) IN AN AUTHORIZED DENOMINATION FOR THE PURCHASER AND FOR EACH SUCH ACCOUNT. EACH PURCHASER OF THE SECURITIES

REPRESENTED HEREBY WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN SECTION 2.5 OF THE FISCAL AGENCY AGREEMENT, OR, IF REQUIRED UNDER THE FISCAL AGENCY AGREEMENT, MUST DELIVER A TRANSFER CERTIFICATE IN THE FORM PROVIDED IN THE FISCAL AGENCY AGREEMENT. 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 FISCAL AGENT, THE SHARE REGISTRAR OR ANY INTERMEDIARY. THE ISSUER HAS THE RIGHT, UNDER THE FISCAL AGENCY AGREEMENT, TO COMPEL ANY INELIGIBLE HOLDER (AS DEFINED IN THE FISCAL AGENCY AGREEMENT) TO SELL ITS INTEREST IN THE SECURITIES, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER. THE SECURITIES REPRESENTED HEREBY MAY BE PURCHASED BY A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON (EACH, AS DEFINED IN THE INDENTURE) ONLY SUBJECT TO CERTAIN CONDITIONS AS SET FORTH IN THE FISCAL AGENCY AGREEMENT.

(13) In respect of the purchase of an interest in an ERISA Limited Security: the Purchaser will represent whether or not (and, if applicable, what percentage of) (i) the funds that the Purchaser is using or will use to purchase its interest in such Securities are assets of (a) an "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), subject to Title I of ERISA, (b) a "plan" described in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (the "Code") to which Section 4975 of the Code applies or (c) an 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 29 C.F.R. Section 2510.3–101 (as modified by Section 3(42) of ERISA) or otherwise (each plan and entity described in clauses (a), (b) and (c) being referred to as a "Benefit Plan Investor") and (ii) the Purchaser is the Issuer, the Co-Issuer, the Initial Purchaser, the Investment Manager or any other person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the Co-Issuers or a person who provides investment advice for a fee (direct or indirect) with respect to the assets of the Co-Issuers, or any "affiliate" (within the meaning of 29 C.F.R. Section 2510.3–101(f)(3)) of any such person (any such person described in this clause (ii) being referred to as a "Controlling Person"). The Purchaser acknowledges that the Indenture Registrar (or in the case of the Preferred Shares, the Share Registrar) will not register any transfer of an interest in an ERISA Limited Security to a proposed

transferee that has represented that it is a Benefit Plan Investor or a Controlling Person if, after giving effect to such proposed transfer, persons that have represented that they are Benefit Plan Investors would own 25% or more of the Aggregate Outstanding Amount of the Class of the ERISA Limited Security being transferred, determined in accordance with the Plan Asset Regulation, the Indenture and the Fiscal Agency Agreement, 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. For purposes of this determination, Securities held by the Investment Manager, the Trustee, the Fiscal Agent, the Initial Purchaser, any of their respective Affiliates and persons that have represented that they are Controlling Persons will be disregarded and will not be treated as outstanding.

The Purchaser agrees to indemnify and hold harmless the Co-Issuers, the Trustee, the Fiscal Agent, the Initial Purchaser and the Investment Manager and their respective Affiliates from any cost, damage or loss incurred by them as a result of these representations being untrue.

The Purchaser understands that the representations made in this paragraph (13) will be deemed made on each day from the date of acquisition by the Purchaser of an interest in an ERISA Limited Security through and including the date on which the Purchaser disposes of such interest. The Purchaser agrees that if any of its representations under this paragraph (13) become untrue (including, without limitation, any percentage indicated in 13(a)), it will immediately notify the

Issuer and the Trustee (or, in the case of the Preferred Shares, the Fiscal Agent) and take any other
action as may be requested by them.
(14) On each day the Purchaser holds such Securities, the Purchaser'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. The Purchaser understands that the representations made in this paragraph
(14) will be deemed made on each day from the date of its acquisition through and including the
date it disposes of such Securities.
(15) The Purchaser will provide notice to each person to whom it proposes to transfer any interest in
Securities of the transfer restrictions and representations set forth in Sections 2.4 and 2.5 of the
Indenture (or, in the case of the Preferred Shares, the Fiscal Agency Agreement) including the
exhibits referenced therein.
(16) The Purchaser understands that the Issuer has the right under the Indenture (or, in the case of the
Preferred Shares, the Fiscal Agency Agreement) to compel any Ineligible Holder to sell its interest
in the Securities or may sell such interest in the Securities on behalf of such Ineligible Holder.
(17) The Purchaser is not a member of the public in the Cayman Islands.
(18) The Purchaser agrees that it will not cause the filing of a petition in bankruptcy against the Issuer,
the Co-Issuer or any Tax Subsidiary before one year (or, if longer, the applicable preference
period then in effect) plus one day has elapsed since the payment in full of all the Notes.
(19) In respect of the purchase of ERISA Limited Securities, if the Purchaser is a bank organized
outside the United States, (i) it is acquiring such Securities as a capital markets investment and
will not for any purpose treat the assets of the Issuer as loans acquired in its banking business, (ii)
it has not proposed or identified, and will not propose or identify, any security or loan for
inclusion in the assets of the Issuer, (iii) it and its Affiliates have not originated, and will not
originate, any of the loans to be acquired by the Issuer, (iv) it and its Affiliates have not sold, and
will not sell, directly or indirectly, any loans to the Issuer, (v) none of the loans to be acquired by
the Issuer have been or will be selected in consultation with, or with the

knowledge of, the
Purchaser or any of its Affiliates because of a client relationship between the obligor on the loans
and the Purchaser or any of its Affiliates, and (vi) any funding that is arranged by it or its
Affiliates in connection with the acquisition or holding of such Securities either (a) will be
obtained from an unrelated party on market terms that are not affected by the terms on which it
acquires such Securities or (b) will not be obtained as part of a plan having as one of its principal
purposes the avoidance of U.S. withholding taxes.
(20) The Purchaser agrees to provide upon request certification acceptable to the Issuer or, in the case
of the Senior Notes, 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 and (B) qualify for a reduced
rate of withholding in any jurisdiction from or through which the Issuer receives payments on its
assets. The Purchaser has read the summary of the U.S. federal income tax considerations
contained in the Offering Memorandum as it relates to the Securities, and it represents that the
Purchaser 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.
The Purchaser and subsequent transferee of a Note or direct or indirect interest therein, by
acceptance of such Note or such an interest in such Note, agrees or is deemed to agree (A) 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, (B) that the Issuer and/or the Trustee may (1) provide such information and

documentation and any other information concerning its investment in the Notes to the U.S.
Internal Revenue Service 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 in accordance with clause
(A), or such information
or
documentation is not accurate or complete, the Issuer shall have the right, in addition to
withholding on passthru payments, to compel it to (x) sell its interest in such Note, (y) sell such
interest on its behalf in accordance with the procedures specified in the Indenture, and/or (z)
assign to such Note a separate CUSIP or CUSIPs.
(21) In respect of the purchase of Preferred Shares, the Purchaser agrees to be bound by Sections 5.15
(Undertaking for Costs), 6.1 (Certain Duties and Responsibilities), 7.15 (Calculation Agent), 8.1
(Supplemental Indentures without Consent of Holders), 8.2 (Supplemental Indentures with
Consent of Holders), 8.4 (Effect of Supplemental Indentures), 9.1 (Optional Redemption; Election
to Redeem), 13.1 (Subordination) and 14.2 (Acts of Holders; Voting Rights) of the Indenture.
(22) In respect of the purchase of Class A-1 Notes, the Purchaser understands that interests in Class
A-1 Notes may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of,
any “resident of Japan” as defined under the Foreign Exchange and Foreign Trade Law of Japan
(including Japanese corporations) or to others for re-offering or resale, directly or indirectly, in
Japan or to any “resident of Japan,” except in accordance with the exemption (the “Qualified
Institutional Investor Private Placement Exemption”)
from the registration requirements as
provided for in “i” of Section 2, Paragraph 3, Item 2 of the Financial Instruments and Exchange
Law of Japan (the “FIEL”) directed solely to “qualified institutional investors” (as defined in
Section 2, Paragraph 3, Item 1 of the FIEL), or otherwise except in compliance with the FIEL and
other applicable laws and regulations of Japan. The Purchaser understands in the event that Class
A-1 Notes are sold to a resident of Japan pursuant to the Qualified Institutional Investor Private
Placement Exemption, the Purchaser may not retransfer such Securities to any

person other than a
“qualified institutional investor.”
If the Purchaser has purchased Class A-1 Notes pursuant to the
Qualified Institutional Investor Private Placement Exemption, the Purchaser agrees that it will
deliver a notice in writing to inform any subsequent purchasers that such Securities have not been
and will not be registered under the FIEL, and that such Securities have the above transfer
restrictions.
Each Purchaser of an interest in a Rule 144A Global Security will by its purchase of such an interest, be deemed to
have made the representations and agreements set forth in items (3) through (9), (11), (12) and (14) through (22) in
the description above of the representations and agreements applicable to Definitive Securities. In addition, each
such Purchaser shall by its purchase of such an interest be deemed to have made the following representations and
agreements:
(1) The Purchaser is (A) a Qualified Institutional Buyer that is not a broker-dealer that owns and
invests on a discretionary basis less than $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
plan, if investment decisions with respect to the plan are made by beneficiaries of the plan,
(B) aware that the sale of Securities to it is being made in reliance on the exemption from
registration provided by Rule 144A and (C) acquiring such Securities for its own account or for
one or more accounts, each holder of which is a Qualified Institutional Buyer and as to each of
which accounts the Purchaser exercises
Denomination.
sole investment
discretion, and in an Authorized
(2) The Purchaser is a Qualified Purchaser, the Purchaser is acquiring such Securities as principal for
its own account for investment and not for sale in connection with any distribution thereof, the
Purchaser was not formed solely for the purpose of investing in the Securities and is not a
(A) partnership, (B) common trust fund, (C) special trust or (D) pension, profit sharing or other
retirement trust fund or plan in which partners, beneficiaries or participants, as applicable, may
designate the particular investments to be made, and the Purchaser agrees that it will not hold such

Securities for the benefit of any other person and will be the sole beneficial owner thereof for all purposes and that except as expressly provided in the Indenture (or, in the case of the Preferred Shares, the Fiscal Agency Agreement), it will not sell participation interests in such Securities or enter into any other arrangement pursuant to which any other person will be entitled to a beneficial interest in the distributions on such Securities and further that such Securities purchased directly or indirectly by it constitute an investment of no more than 40% of the Purchaser's assets. The Purchaser understands and agrees that any purported transfer of Securities to a person that does not comply with the requirements of this paragraph or that would have the effect of causing either of the Co-Issuers or the pool of Collateral to be required to register as an investment company under the Investment Company Act shall be null and void ab initio.

(3) The Purchaser understands that interests in Rule 144A Global Securities may not at any time be held by or on behalf of a Person that is not a Qualified Institutional Buyer and a Qualified Purchaser. Before any interest in a Rule 144A Global Security may be offered, resold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Regulation S Global Security or a Definitive Security, the transferor (or the transferee, as applicable) will be required to provide the Trustee (or, in the case of the Preferred Shares, the Fiscal Agent) with a Transfer Certificate as to compliance with the transfer restrictions set forth in the Indenture (or, in the case of the Preferred Shares, the Fiscal Agency Agreement).

(4) With respect to the purchase of ERISA Limited Securities, for so long as it holds a beneficial interest in an ERISA Limited Security, the Purchaser 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 interests in any Subordinated Securities represented by Global Securities may not at any time be held by or on behalf of a Benefit Plan Investor or, other than with respect to purchases by Controlling Persons on the Closing Date, a Controlling Person. The Purchaser understands that the representations made in this paragraph (4) 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.

(5) The Purchaser understands that the Issuer may receive a list of participants holding positions in the Securities from one or more book-entry depositories.

Each Purchaser of an interest in a Regulation S Global Security will by its purchase of such an interest be deemed to have made the representations and agreements set forth in items (3) through (9), (11), (12) and (14) through (22) and in the description above of the representations and agreements applicable to Definitive Securities and the deemed representations and agreements set forth in items (4) and (5) in the description above of the deemed representations and agreements applicable to Rule 144A Global Securities. In addition, each such Purchaser will by its purchase of such an interest be deemed to have made the following representations and agreements:

(1) The Purchaser is not, and will not be, a U.S. person or a U.S. resident for purposes of the Investment Company Act, and its purchase of Securities will comply with all applicable laws in any jurisdiction in which it resides or is located and is in an Authorized Denomination. The Purchaser is aware that the sale of Securities to it is being made in reliance on the exemption from registration under the Securities Act provided by Regulation S.

(2) The Purchaser understands that Securities offered in reliance on Regulation S may not at any time be held by or on behalf of U.S. persons. Before any interest in a Regulation S Global Security may be offered, resold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Security or a Definitive Security, the transferor (or the transferee, as applicable) will be required to provide the Trustee (or, in the case of the Preferred Shares, the Fiscal Agent) with a Transfer Certificate.

Transferors of beneficial interests in a Rule 144A Global Security or a Definitive Security being transferred to a person who takes delivery in the form of an interest in a Regulation S Global Security must provide to the Trustee (or, in the case of the Preferred Shares, the Fiscal Agent) a Transfer Certificate to the effect that the transfer is being

made to a non-U.S. person and in accordance with Regulation S. Beneficial interests in a Regulation S Global
Security may not be held by a U.S. person at any time.
Transferors of beneficial interests in a Regulation S Global Security or a Definitive Security being transferred to a
person who takes delivery in the form of an interest in a Rule 144A Global Security must provide to the Trustee (or,
in the case of the Preferred Shares, the Fiscal Agent) a Transfer Certificate to the effect that the transfer is being
made to a person whom the transferor reasonably believes is a Qualified Institutional Buyer that is also a Qualified
Purchaser in a transaction meeting the requirements of Rule 144A in accordance with any applicable securities laws
of any state of the United States or any other jurisdiction.
Transferors of a Definitive Security must surrender the certificate at the office of any transfer agent duly endorsed,
or be accompanied by a written instrument of transfer in form satisfactory to each of the Issuer or Co-Issuer, as
applicable, and the Indenture Registrar duly executed by the holder thereof or its attorney duly authorized in writing,
with such signature guaranteed by an “eligible guarantor institution” meeting the requirements of the Indenture
Registrar, which requirements include membership or participation in Securities Transfer Agents Medallion
Program (STAMP) or such other “signature guarantee program” as may be determined by the Indenture Registrar in
addition to, or in substitution for, STAMP, all in accordance with the Exchange Act. Upon such surrender and
compliance with the requirements described herein (including a Transfer Certificate from the transferee), a new
Definitive Security will be issued, registered in the name of the transferee or transferees (and the holder, in the case
of a transfer of only part of such transferor’s Definitive Security), in any Authorized Denomination and of a like
aggregate principal amount or number of shares, as applicable, and will be obtainable through any transfer agent.
With respect to the transfer of Subordinated Securities, if the purchaser is neither a non-U.S. person nor a Qualified
Institutional Buyer, the transferor or the transferee must provide an opinion of counsel satisfactory to the Trustee to
the effect that such transfer may be made pursuant to an exemption from registration under the Securities Act. The
Trustee will act as transfer agent for the Securities under the Indenture and as the Fiscal Agent under the Fiscal
Agency Agreement and the Issuer will have the right to appoint additional transfer agents. Subject to the foregoing,
the Issuer will have the right at any time to terminate any such appointment and to appoint any other transfer agents
in such other places as it may deem appropriate upon notice given in accordance with the Indenture and the Fiscal
Agency Agreement, as applicable.

Transfers between participants in DTC will be effected in the ordinary way in accordance with DTC rules and will
be settled in immediately available funds. Transfers between participants in Euroclear and Clearstream will be
effected in the ordinary way in accordance with their respective rules and operating procedures.
The Issuer has the right under the Indenture (or, in the case of the Preferred Shares, the Fiscal Agency Agreement)
to compel any Ineligible Holder to sell its interest in the Securities or may sell such interest in the Securities on
behalf of such Ineligible Holder.

Authorized Denominations
The minimum authorized denominations will be the amount set forth in the following table and integral multiples in
excess thereof of (a) U.S. $1.00, in the case of each Class of Notes and (b) one share, in the case of Preferred Shares
(each, an “Authorized Denomination”).

Class	Regulation S Sales	Rule 144A Sales
Class A Notes	$500,000	$500,000
Class B Notes	$500,000	$500,000
Class C Notes	$250,000	$250,000
Class D Notes	$250,000	$250,000
Subordinated Notes*	$250,000	$250,000
Preferred Shares*	100 shares	250 shares

* The Authorized Denomination for sales to Accredited Investors must be in minimum
denominations of (a) in the case of Subordinated Notes, U.S.$250,000 and integral
multiples of $1.00 in excess thereof, and (b) in the case of the Preferred Shares, 250 shares
and integral multiples of one share in excess thereof.

Title
Subject to applicable law, the Issuer the Co-Issuer and the Trustee and the Indenture Registrar (or, in the case of the
Preferred Shares, the Fiscal Agent and the Share Registrar) will deem and treat the registered holder of each Security
(which will be DTC or its nominee, in the case of Global Securities, and the holder appearing in the Indenture
Register, or the Share Register, as applicable in the case of Definitive Securities) as the absolute owner thereof for
all purposes, notwithstanding any notice to the contrary, and all payments to or on the order of the registered holder
will be valid and effective to discharge the liability of the Issuer, the Co-Issuer, the Trustee and the Indenture
Registrar (or, in the case of the Preferred Shares, the Fiscal Agent and the Share Registrar) on the Securities to the
extent of the sum or sums so paid.

CERTAIN INCOME TAX CONSIDERATIONS

IRS Circular 230 Notice
TO ENSURE COMPLIANCE WITH INTERNAL REVENUE SERVICE 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
CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.
In General
The following summary describes certain U.S. federal income tax and Cayman Islands 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, 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 and the Cayman Islands. In general, the summary assumes that a holder acquires a Security at original
issuance (and, in the case of the Rated 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. and Cayman Islands tax laws, regulations, rulings and decisions in effect or
available on the date of this Offering Memorandum, as well as the Cayman Islands undertaking described in “–
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BASED
ON
THEIR
PARTICULAR

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.

With respect to Cayman Islands taxation, see the discussion below in "—Cayman Islands Tax Considerations."

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 only acquire a particular Collateral Obligation 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. Similarly, the Issuer may generally only enter into a Securities Lending Agreement in respect of any Collateral Obligations if the substitute interest payments received thereunder are not subject to withholding tax or the counterparty 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 not outstanding prior to March 19, 2012 (as discussed in more detail below), and such withholding or gross income taxes may not be grossed up. In addition, 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.

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

Tax Treatment of U.S. Holders of Rated 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.

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 and the Class D 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 (together with the Class B Notes and the Class C Notes, the "Deferred Interest Notes") should 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
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. 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 were 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 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 Interest Period, and then adjusting the income
for each subsequent Interest Period for any difference between the actual value of LIBOR used in setting interest for
that subsequent Interest Period and the assumed rate.
Sale and Retirement of the Rated Notes. In general, a U.S. holder of a Rated Note will have a basis in such Rated
Note equal to the cost of such Rated 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 Rated 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 Rated Note. Such gain or loss will be long-term capital gain or loss if the U.S. holder has

held such Rated 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.
A U.S. holder that purchased its Rated Note at a discount may also recognize gain upon receipt of a principal
payment upon retirement (in whole or in part) equal to the difference between the amount received and the portion
of its basis that is considered to be allocable to such payment. Such gain may be ordinary income.
Information Regarding OID.
Further information regarding OID may be obtained by contacting the Issuer at its
registered office as described under “Issuer and Co-Issuer.”
Tax Treatment of U.S. Holders of Subordinated Securities
The Preferred Shares will be treated as equity interests in the Issuer for U.S. federal income tax purposes.
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 this position 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 holders (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 Securities may differ substantially depending
on whether the Subordinated Securities 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 Securities
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 Securities 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 Securities. If a timely QEF election is made, an electing U.S. holder of Subordinated Securities 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 Securities if, on each day during the taxable year of the Issuer, the Issuer had distributed to each holder of Subordinated Securities 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 Securities 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 Rated 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, upon request, all information that a U.S. holder of Subordinated 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), will provide, upon request, 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.

If a U.S. holder of Subordinated Securities does not make a timely QEF election for the year in which it acquired its Subordinated Securities 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 Securities. 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 Securities.

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 Securities at death.

Where a QEF election is not timely made by a U.S. holder of Subordinated Securities for the year in which it acquired its Subordinated Securities, 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 Securities 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.

U.S. HOLDERS OF SUBORDINATED SECURITIES SHOULD CONSIDER CAREFULLY WHETHER TO MAKE A QEF ELECTION WITH RESPECT TO THE SUBORDINATED SECURITIES 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 Securities 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 Securities by U.S. Shareholders (as defined below), 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 Securities are voting securities and that U.S. holders owning 10% or more of the Subordinated Securities are U.S. Shareholders. If this argument were successful and more than 50% of the Subordinated Securities 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 Securities 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 Securities should consult its own tax advisers 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 Securities could be treated as holding an
indirect investment in a PFIC or a CFC and could be subject to certain adverse tax consequences.
purchasers should consult their tax advisors regarding the issues relating to such investments.
Prospective
Distributions on Subordinated Securities. The treatment of actual cash distributions on the Subordinated Securities,
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 Securities, and then as capital gain. The
distributions on the Subordinated Securities 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 Securities 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 Securities may be considered excess distributions, taxable
as previously described. See “– Investment in a Passive Foreign Investment

Company.”
Sale, Redemption or other Disposition of Subordinated Securities. In general, a U.S. holder of Subordinated Securities will recognize gain or loss (which will be capital gain or loss, except as discussed below) upon the sale or exchange of Subordinated Securities equal to the difference between the amount realized and such holder’s adjusted tax basis in the Subordinated Securities. A U.S. holder’s tax basis in Subordinated Securities will generally equal the amount it paid for the Subordinated Securities, 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 Securities 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 Securities, 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.
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.
event, the timing and character of income, gain or loss recognized with respect to an investment in the Subordinated

In that

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 advisers, 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 Securities 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 Securities.

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, 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 income is effectively connected with a trade or business conducted by such non-U.S. holder within the United States; (ii) such non-U.S. holder is subject to backup withholding tax, described below 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 (iii) in the case of gain, such holder is a nonresident alien individual who holds the Securities as a capital asset and who is present in the United States more than 182 days in the taxable year of the sale, exchange, or redemption and certain other conditions are met. A non-U.S. holder will not be considered to be engaged in a trade or business within the United States solely by reason of holding Securities. engaged in a trade or business within the United States, 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 advisers about any additional reporting requirements that may arise as a result of their purchasing, holding or disposing of Securities.

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 Securities 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 Securities, subject to a maximum penalty of $100,000 (except in cases involving intentional

If the Issuer were determined to be

disregard).
Purchasers of Subordinated Securities are urged to consult their own tax advisers 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 Securities would be measured for this purpose, a U.S. holder that owns less than 10% (or 50% or less,
as applicable) of the Subordinated Securities 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 Securities. 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 Securities are
urged to consult their own tax advisers regarding these reporting requirements.
Generally, a U.S. holder of Subordinated Securities 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 advisers regarding the PFIC reporting requirements.
U.S. holders, and non-U.S. holders with certain minimum contacts with the United States, of Subordinated
Securities 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.
Securities should consult their own tax advisers regarding these reporting requirements.
Purchasers of Subordinated
Recently enacted legislation requires certain individuals filing a U.S. income tax return to disclose in an attachment
to the return certain information with respect to specified foreign financial assets exceeding a dollar threshold. The

requirement may also apply to domestic entities formed or availed of to hold specified foreign financial assets.

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.

New U.S. Foreign Account Tax Compliance Rules

A U.S. law enacted in 2010 imposes a withholding tax of 30% on certain payments made to the Issuer after December 31, 2012, including potentially all interest paid on, and proceeds of sale of, U.S. Collateral Obligations not outstanding prior to March 19, 2012, unless the Issuer enters into and complies with an agreement with the IRS to collect and provide to the U.S. tax authorities substantial information regarding direct and indirect holders of the Securities. In some cases, the ability to avoid such withholding tax will depend on factors outside of the Issuer's control.

In addition, the law may subject payments on a particular Security (including principal payments) to a withholding tax of 30% unless (i) each foreign financial intermediary through which such Security is held enters into such an information reporting agreement and (ii) the direct and indirect holders thereof supply the Issuer and each foreign financial intermediary through which such Security is held, if any, with information necessary to comply with such information reporting agreements. The Issuer intends to enter into an appropriate information reporting agreement with the IRS as discussed above. Each holder of Securities will be required to provide the Issuer and the Trustee with information necessary to comply with such information reporting agreements as discussed above, and holders that do not supply required information 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 holders of the Securities will not be subject to the noted withholding taxes. The imposition of such taxes could materially affect the Issuer's financial ability to make payments on the Securities or could reduce such payments.

Cayman Islands Tax Considerations
Under existing Cayman Islands laws:
(i)
payments on the Securities will not be subject to taxation in the Cayman Islands and no
withholding will be required on such payments to any holder of a Security and gains derived from
the sale or other disposition of Securities will not 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; and
(ii) no stamp duty is payable on the issue of the Securities. The holder of any Notes (or a
legal personal representative of such holder) whose Notes are brought into the Cayman Islands
may in certain circumstances be liable to pay stamp duty imposed under the laws of the Cayman
Islands in respect of such Notes. An instrument transferring title to the Notes or an agreement to
transfer the Preferred Shares, if executed in the Cayman Islands or, if brought into the Cayman
Islands after execution, on entry into the Cayman Islands would be subject to a nominal stamp
duty.
The Issuer has been incorporated under the laws of the Cayman Islands as an exempted company and, as such, has
obtained an undertaking from the Governor in Cabinet of the Cayman Islands in the following form:
“The Tax Concessions Law
(1999 Revision)
Undertaking as to Tax Concessions
In accordance with Section 6 of The Tax Concessions Law (1999 Revision), the Governor in Cabinet undertakes
with:
ING IM CLO 2011-1 Ltd. “the Company”
(a)
(b)
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
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 in part of any relevant payment as defined in
Section 6(3) of the Tax Concessions Law (1999 Revision).

These concessions shall be for a period of TWENTY years from the 1st day of March 2011.
Governor in Cabinet”
In the event that Cayman Islands law were to change so that the Issuer were required to withhold tax from payments
on the Securities, the Issuer would be responsible for withholding such tax, but would not be responsible to make
“gross-up” payments to holders of the Securities.
The Cayman Islands does not have an income tax treaty arrangement with the U.S.
THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN OF THE TAX IMPLICATIONS OF
AN INVESTMENT IN SECURITIES.
THEIR TAX ADVISERS PRIOR TO INVESTING TO DETERMINE THE TAX IMPLICATIONS OF SUCH
INVESTMENT, BOTH GENERALLY AND IN LIGHT OF THEIR OWN CIRCUMSTANCES.
PROSPECTIVE INVESTORS ARE URGED TO CONSULT WITH

ERISA 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, the Collateral Administrator, the Fiscal Agent 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, the Fiscal Agent or 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"). purchasing any Securities. Fiduciaries of any such plans should consult with their counsel before

EACH PURCHASER OF AN ERISA LIMITED SECURITY IN THE INITIAL OFFERING THEREOF AND EACH SUBSEQUENT TRANSFEREE OF A DEFINITIVE SECURITY 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 Rated Notes as "equity interests" in the Co-Issuers. However, the Preferred
Shares will be, and the Subordinated Notes 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 the ERISA Limited 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 the ERISA Limited Securities.

In such circumstances, in addition to considering the applicability of ERISA and Section 4975 of the Code to the ERISA Limited Securities, a Plan fiduciary considering an investment in the ERISA Limited 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 Co-Issuers intend to limit equity participation by Benefit Plan Investors to less than 25% of each Class of ERISA Limited Securities. Each prospective purchaser (including transferees) of an ERISA Limited Security 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 and Exchange" above. No interest in an ERISA Limited 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 the Class of ERISA Limited Securities being transferred, determined in accordance with the Plan Asset Regulation, the Indenture and the Fiscal Agency Agreement, 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 ERISA Limited 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.

Moreover, purchase of ERISA Limited Securities represented by Global Securities will be limited by deeming each purchaser of such a Security by its purchasing and holding to represent, warrant and covenant that, for so long as it holds a beneficial interest in such Securities, it (and each account for which it is acquiring such Securities) is not a Benefit Plan Investor or, except with respect to ERISA Limited Securities purchased by a Controlling Person on the Closing Date, a Controlling Person.

There can be no assurance that there will not be circumstances in which transfers of an interest in an ERISA Limited Security 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 and the procedures to be employed by the Initial Purchaser, participation by Benefit Plan Investors in the ERISA Limited 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 Transaction Party 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.

LISTING AND GENERAL INFORMATION

1. Application has been made to the Central Bank for the Prospectus to be approved. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market, but there can be no assurance that such a listing will be obtained or that any such listing will be maintained.

The Indenture will not require the Issuer to maintain a listing for any Class on an E.U. stock exchange if compliance with related requirements becomes burdensome in the sole judgment of the Investment Manager.

2.

Euros.

3. Each Rating Agency is established in the European Union and has made an application to be registered for
the purposes of the EU Regulation on credit rating agencies (Regulation (EC) No.1060/2009), as amended.
4. Maples and Calder is acting solely in its capacity as listing agent for the Issuer (and not on its own behalf)
in connection with the application for admission of the Notes to the Official List of the Irish Stock Exchange or to
trading on the Irish Stock Exchange.
5.
Other than as described herein, since the date of organization of the Co-Issuers, neither of the Co-Issuers
has commenced operations and no annual accounts or reports have been prepared as of the date hereof. The Issuer
does not intend to publish annual reports and accounts and is not required to do so under Cayman Islands law.
Pursuant to the Indenture, monthly reports that provide information with respect to the Collateral and, in a month in
which a Distribution Date occurs, information with respect to the Securities will be available to holders and may be
obtained from the Trustee.
6.
7.
So long as any Notes are Outstanding, electronic copies of the Organizational Documents of the Issuers
may be obtained from the Issuer or the Co-Issuer, as the case may be, and an electronic copy of the Indenture may
be obtained from the Trustee.
Neither of the Co-Issuers has been since formation, involved in any governmental, litigation or arbitration
proceedings relating to claims on amounts which may have a significant effect on the financial positions of the Co86
The
estimated expenses related to admission to trading on the Irish Stock Exchange is approximately 6,190

Issuers nor, so far as the Co-Issuers are aware, are any such governmental, litigation or arbitration proceedings
involving it pending or threatened.
8.
9.
The issuance of the Securities will be authorized by the board of directors of the Issuer by resolutions prior
to the Closing Date. The issuance of the Co-Issued Notes will be authorized by the sole manager of the Co-Issuer by
resolutions prior to the Closing Date.
The CUSIP Numbers for the Definitive Securities and Rule 144A Global Securities are shown in the table
below. The Regulation S Global Securities have been accepted for clearance through Clearstream and Euroclear
under the Common Codes set forth below. The table also lists CUSIP (CINS) Numbers and International Securities
Identification Numbers (ISIN) for the Regulation S Global Securities.
Rule 144A
CUSIP Number
Class A–1 Notes
Class A–2 Notes
Class B Notes
Class C Notes
Class D Notes
Subordinated Notes
Preferred Shares
44985L AA8
44985L AB6
44985L AC4
44985L AD2
44985M AA6
44985M AB4
44985M 207
Regulation S CUSIP
(CINS) Number
G4777P AA8
G4777P AB6
G4777P AC4
G4777P AD2
G4777R AA4
G4777R AB2
G4777R 304
LEGAL MATTERS
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, Washington, D.C. and New York, New York. Certain matters with
respect to the Cayman Islands corporate law and tax law will be passed upon for the Issuer by Maples and Calder.
Certain legal matters will be passed upon for the Investment Manager by internal counsel.

Regulation S Global
Securities Common
Codes
63850110
63850128
63850136
63850144
63850152
63850179
63852325
ISIN
USG4777PAA87
USG4777PAB60
USG4777PAC44
USG4777PAD27
USG4777RAA44
USG4777RAB27
KYG4777R3046
87

GLOSSARY OF CERTAIN DEFINED TERMS

"Accredited Investor": Any person that, at the time of its acquisition, purported acquisition or proposed acquisition of Subordinated Securities, is an accredited investor as defined in Rule 501(a) under Regulation D of the Securities Act.

"Administration Agreement": The Administration Agreement between the Administrator and the Issuer, as amended from time to time in accordance with its terms.

"Administrative Expenses": Amounts (including indemnification payments) due or accrued with respect to any Distribution Date and payable by the Issuer or the Co-Issuer pursuant to the Indenture and the Fiscal Agency Agreement and the documents delivered pursuant to or in connection with the Indenture, the Fiscal Agency Agreement and the Securities in the following order of priority: to (a)(i) the Trustee; then (ii) the Bank in all its capacities, including as Collateral Administrator and Fiscal Agent; then (iii) the Administrator under the Administration Agreement; and then (iv) each Rating Agency for fees and expenses in connection with any rating of the Securities and the Collateral Obligations (including fees related to surveillance, credit estimates and monitoring of ratings), and then, (b) in the order of priority determined by the Investment Manager; to (i) the independent accountants, agents and counsel of the Issuer for fees and expenses; (ii) the Investment Manager for expenses and other payments under the Indenture and the Investment Management Agreement; (iii) any Person in respect of any fees or expenses in connection with any application for listing of any Securities or any withdrawal of any such application; (iv) any Person in respect of any governmental fee, charge or tax (including any FATCA Compliance Costs); (v) any Person in respect of expenses or other amounts payable by the Issuer in connection with a Securities Lending Agreement; (vi) any unpaid expenses related to a Refinancing; (vii) any amounts reserved for expenses in connection with an Optional Redemption or the discharge of the Indenture; (viii) any fees of any registered agent or corporate services supplier; (ix) any expenses related to a Tax Subsidiary; (x) any reserve established for Dissolution Expenses in connection with a redemption, discharge of the Indenture or following an Event of Default and (xi) any Person in respect of any other fees, expenses, or other payments; provided that Administrative Expenses shall not include any Investment Management Fee or any amount due under any Hedge Agreement.

"Administrative Expense Senior Cap": With respect to any Distribution Date the sum of (i) 0.005625% of the Portfolio Principal Balance as of the first day of the Due Period immediately preceding such Distribution Date (or,

with respect to the first Distribution Date, 0.01125% of the Portfolio Principal Balance as of the first day of the Due Period immediately preceding such Distribution Date) and (ii) $175,000 during the 12 month period ending on the Determination Date (or, if shorter, the period beginning on the Closing Date and ending on the Determination Date) or, with respect to this clause (ii), if an Event of Default has occurred and is continuing, such higher amount as may be agreed between the Trustee and the Controlling Party.

"Advisers Act": The United States Investment Advisers Act of 1940, as amended.

"Affected Class": Any Class of Rated Notes that, as a result of the occurrence of a Tax Event, has received or will receive less than the aggregate amount of principal and interest that would otherwise have been payable to such Class on the Distribution Date related to the Due Period in which such Tax Event occurs.

"Affiliate" or "Affiliated": With respect to a Person, (i) any other Person who, directly or indirectly, is in control of, controlled by, or under common control with, such Person or (ii) any other Person who is a director, Officer or employee of (a) such Person, or (b) any such other Person described in clause (i) above. For the purposes of this definition, control of a Person shall mean the power, direct or indirect, (x) to vote more than 50% of the securities having ordinary voting power for the election of directors of such Person, or (y) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise. Notwithstanding the foregoing, neither the Issuer nor the Co-Issuer shall be deemed to be an Affiliate of (A) the other; (B) the Investment Manager or any of its Affiliates solely by reason of the Investment Management Agreement; or (C) the Administrator or the Share Trustee or any other special purpose vehicle controlled by either of them solely by reason of the Indenture or services provided in respect of any transaction contemplated thereby, and the Investment Manager and its Affiliates shall not be treated as an Affiliate of any account or fund (or any directors thereof) solely as a result of investment services provided to such account or fund.

“Aggregate Outstanding Amount”:
With respect to any (i) Rated Notes, the aggregate principal amount of such Outstanding Notes (including any Deferred Interest previously added to the principal amount of such Notes and
which remains unpaid); (ii) Subordinated Notes, the initial aggregate principal amount of such Outstanding
Subordinated Notes; and (iii) Preferred Shares, the notional amount represented by such Outstanding Preferred
Shares, assuming a notional amount of $1,000 per share.
“Aggregate Principal Balance”: When used with respect to any Collateral Obligations and Eligible Investments, the
sum of the Principal Balances of such Collateral Obligations and Eligible Investments.
“Applicable Break-Even Default Rate”: At any time, the break-even default rate that the Current Portfolio or the
Proposed Portfolio, as applicable, can sustain that, after giving effect to the S&P assumptions on recoveries, interest
rates and timing of defaults and recoveries and to the Priority of Payments, will correspond to the break-even
percentile for the rating confirmed on the Effective Date by S&P to the applicable Class of Notes.
“Applicable Default Differential”: At any time, the rate calculated by subtracting the Applicable Scenario Default
Rate at such time from the Applicable Break-Even Default Rate at such time.
“Applicable Notes”: The Classes of Notes specified in the definition of the applicable Overcollateralization Test,
Interest Coverage Test or as the context otherwise requires.
“Applicable Scenario Default Rate”: At any time, an estimate of the cumulative default rate for the Current
Portfolio or the Proposed Portfolio, as applicable, consistent with the rating assigned on the Closing Date by S&P to
the applicable Class of Notes, determined by application of the S&P CDO Monitor.
“Appreciated Criteria”: Criteria that are satisfied with respect to any Collateral Obligation if any of the following is
satisfied: on any date of determination, (a) the positive difference between its market price (expressed as a
percentage of par value) on such date and its purchase price is greater than 1.0%; or (b) the percentage change in its
market price during the period from the date on which it was acquired by the Issuer to the date of determination
either is more positive, or less negative, as the case may be, than the percentage change in an Eligible Loan Index
over the same period by 0.25%; or (c) the percentage change in its market price during the period from the date on
which it was acquired by the Issuer to the date of determination either is more positive, or less negative, as the case
may be, than the percentage change in a nationally recognized loan index (other than an Eligible Loan Index) over
the same period by 0.50%; or (d) it has been placed under review for upgrade or has been upgraded by Moody’s or it

has been upgraded or placed by S&P on a credit watch list with potential of developing positive credit implications or improvement in its rating; or (e) the Controlling Party has consented to its treatment as an Appreciated Obligation.

“Appreciated Obligation”: Any Collateral Obligation that (a) in the Investment Manager’s reasonable business judgment, has improved in credit quality since its acquisition by the Issuer; and (b) if the Restricted Trading Condition applies, satisfies at least one of the Appreciated Criteria.

“Bankruptcy Code”: The United States bankruptcy code, as set forth in Title 11 of the United States Code §§101 et seq., as amended.

“Bridge Loan”:
Any Loan or other obligation that (i) is incurred in connection with a merger, acquisition, consolidation, sale of all or substantially all of the assets of a Person, restructuring, recapitalization or similar transaction, (ii) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings (other than any additional borrowing or refinancing for which one or more financial institutions have provided the underlying obligor of such debt obligation with a binding written commitment to provide the same), and (iii) has a rating by Moody’s and S&P.

“Business Day”: A day on which commercial banks and foreign exchange markets settle payments in New York, New York and any other city in which the corporate trust office of the Trustee is located (which initially will be Houston, Texas); with respect to any payment to be made by a paying agent, the city in which such paying agent is located; and, with respect to the final payment on any Security, the place of presentation and surrender of such Security.

“Caa Collateral Obligation”: Any Collateral Obligation other than a Defaulted Obligation with a Moody’s Obligation Rating of “Caa1” or lower.
“Caa Excess Amount”: The aggregate principal balance of Caa Collateral Obligations in excess of 7.5% of the Portfolio Principal Balance.
“Caa/CCC Collateral Obligation”: Any Collateral Obligation that is a Caa Collateral Obligation or a CCC Collateral Obligation.
“Caa/CCC Excess”: The greater of the Caa Excess Amount and the CCC Excess Amount.
“Caa/CCC Excess Market Value”: (a) If the Caa Excess Amount is greater than the CCC Excess Amount, the aggregate Market Value of Caa Collateral Obligations, or, in the case of Caa Obligations that are Discount Obligations, the lesser of their purchase price and Market Value (in order of ascending Market Value or purchase price, as the case may be, starting with the Caa Collateral Obligation with the lowest such value) with an aggregate principal balance equal to the Caa Excess Amount; and (b) if the CCC Excess Amount is greater than the Caa Excess Amount, the aggregate Market Value of the CCC Collateral Obligations (in order of ascending Market Value, starting with the CCC Collateral Obligation with the lowest Market Value) with an aggregate principal balance equal to the CCC Excess Amount.
“Calculation Agent”: The Bank or, for so long as any of the Notes remain Outstanding, such other agent, reasonably acceptable to the Investment Manager, as may be appointed to calculate LIBOR in respect of each Interest Period in accordance with the terms of the Indenture.
“CCC Collateral Obligation”: Any Collateral Obligation other than a Defaulted Obligation with an S&P Rating of “CCC+” or lower.
“CCC Excess Amount”: The aggregate principal balance of CCC Collateral Obligations in excess of 7.5% of the Portfolio Principal Balance.
“Central Bank”: The Central Bank of Ireland.
“Class”: All of (a) the Notes having the same Interest Rate, Stated Maturity and designation and (b) the Preferred Shares. With respect to any exercise of Voting Rights, (x) any Class A Notes that are entitled to vote on a matter will vote together as a single class except as specified, and (y) any Subordinated Securities entitled to vote on a matter will vote as a single class.
“Class A Coverage Tests”: Together, the Class A Overcollateralization Test and the Class A Interest Coverage Test.
“Class A Interest Coverage Test”: A test satisfied as of any Measurement Date if the Interest Coverage Ratio calculated for the Class A Notes as the Applicable Notes is at least (a) 100.0% on or before the Determination Date

related to the first Distribution Date and (b) 120.0% thereafter.
“Class A Overcollateralization Test”: A test satisfied as of any Measurement Date if the Overcollateralization Ratio
calculated for the Class A Notes as the Applicable Notes is at least 124.7%.
“Class A-1 Reinvestment Test”: A test that is satisfied as of any Measurement Date if the Overcollateralization
Ratio calculated for the Class A-1 Notes as the Applicable Notes is at least 115.0%.
“Class B Coverage Tests”: Together, the Class B Overcollateralization Test and the Class B Interest Coverage Test.
“Class B Interest Coverage Test”: A test satisfied as of any Measurement Date if the Interest Coverage Ratio
calculated for the Class A Notes and the Class B Notes as the Applicable Notes is at least (a) 100.0% on or before
the Determination Date related to the first Distribution Date and (b) 115.0% thereafter.
“Class B Overcollateralization Test”: A test satisfied as of any Measurement Date if the Overcollateralization Ratio
calculated for the Class A Notes and the Class B Notes as the Applicable Notes is at least 113.0%.

“Class C Coverage Tests”: Together, the Class C Overcollateralization Test and the Class C Interest Coverage Test.
“Class C Interest Coverage Test”: A test satisfied as of any Measurement Date if the Interest Coverage Ratio
calculated for the Senior Notes as the Applicable Notes is at least (a) 100.0% on or before the Determination Date
related to the first Distribution Date and (b) 110.0% thereafter.
“Class C Overcollateralization Test”: A test satisfied as of any Measurement Date if the Overcollateralization Ratio
calculated for the Senior Notes as the Applicable Notes is at least 107.6%.
“Class D Coverage Tests”: Together, the Class D Overcollateralization Test and the Class D Interest Coverage Test.
“Class D Interest Coverage Test”: A test satisfied as of any Measurement Date after the Determination Date related
to the first Distribution Date if the Interest Coverage Ratio calculated for the Rated Notes as the Applicable Notes is
at least 105.0%. There will be no Class D Interest Coverage Test prior to or on the Determination Date related to
the first Distribution Date.
“Class D Overcollateralization Test”: A test satisfied as of any Measurement Date if the Overcollateralization Ratio
calculated for the Rated Notes as the Applicable Notes is at least 104.0%.
“Clearstream”: Clearstream Banking, société anonyme, or any successor clearing corporation.
“Closing Date Interest Deposit”: An amount (if any) deposited in the Collection Account on the Closing Date as
Interest Proceeds.
“Code”: The U.S. Internal Revenue Code of 1986, as amended.
“Co-Issued Securities”: The Senior Notes.
“Collateral Administration Agreement”: The Collateral Administration Agreement dated as of the Closing Date by
and among the Issuer, the Investment Manager and the Collateral Administrator, as amended from time to time in
accordance with its terms.
“Collateral Administrator”: The Bank, solely in its capacity as Collateral Administrator under the Collateral
Administration Agreement, until a successor Person shall have become the Collateral Administrator pursuant to the
applicable provisions of the Collateral Administration Agreement, and thereafter “Collateral Administrator” shall
mean such successor Person.
“Collection Account”: The interest collection account or principal collection account, as applicable, established
under the Indenture into which the Issuer will deposit and all times maintain, any amounts received in respect of the
Collateral, including Interest Proceeds and Principal Proceeds.
“Commitment Amount”: With respect to any Credit Facility, the sum of the Funded Amount and the maximum
aggregate amount of unfunded advances or other extensions of credit, or payments of principal amounts, at any one
time outstanding that the Issuer could be required to make to the obligor

under the Underlying Instruments relating
thereto.
“Companies Law”: The Companies Law (2010 Revision) of the Cayman Islands, as amended from time to time.
“Controlling Class”: So long as any Class A-1 Notes are Outstanding, the Class A-1 Notes; 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; and then the Subordinated Securities (acting as a single class).
“Controlling Party”: A Majority of the Controlling Class.
“Counterparty Ratings”: At the time of the Issuer’s commitment to purchase a Participation, the Aggregate
Principal Balance of (a) Participations with any one Selling Institution (or its Affiliates) may not exceed the
percentage of the Portfolio Principal Balance set forth opposite the entity’s rating under the caption “Individual

Percentage” and (b) Participations with all Selling Institutions having the same credit rating will not exceed the
percentage of the Portfolio Principal Balance set forth opposite such rating under the caption “Aggregate
Percentage”:
Long-Term Senior Unsecured
Debt Rating
Moody’s
S&P
Aaa AAA
Aa1 AA+
20.0
10.0
Aa2 AA 10.0
Aa3 AABelow
A2
A1 A+ 5.0
A2 A+ 5.0
Below A+
0.0
10.0
20.0
10.0
10.0
10.0
5.0
5.0
0.0
“Coverage Tests”: Each of the Class A Coverage Tests, the Class B Coverage Tests, the Class C Coverage Tests
and the Class D Coverage Tests.
“Cov-Lite Loan”: Any Loan that, other than with respect to a period of no more than three months following
origination of such loan, either:
(a)
(b)
does not contain any financial covenants, or
(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 Facility”: Each Revolving Credit Facility and Delayed Funding Loan.
“Credit Facility Reserve Account”: An account established under the Indenture into which the Issuer will deposit

and at all times maintain, upon the purchase of any Credit Facility, additional amounts such that the aggregate amount of funds on deposit will be at least equal to 100% of the Unfunded Amount of all outstanding Credit Facilities. Such funds will be treated as part of the purchase price for the related Collateral Obligation. Upon the sale, maturity or termination of a Credit Facility or termination of the related commitment, any funds in the Credit Facility Reserve Account in excess of the Unfunded Amount on all remaining Credit Facilities will be treated as Sale Proceeds.

“Credit Risk Criteria”: Criteria that are satisfied with respect to any Collateral Obligation if any of the following is satisfied: on any date of determination, (a) the negative difference between its market price (expressed as a percentage of par value) on such date and its purchase price is greater than 1.0%; or (b) the percentage change in price of such Collateral Obligation during the period from the date on which it was acquired by the Issuer to the date of determination either is less positive, or more negative, as the case may be, than the percentage change in an Eligible Loan Index over the same period by 0.25%; or (c) the percentage change in price of such Collateral Obligation during the period from the date on which it was acquired by the Issuer to the date of determination either is less positive, or more negative, as the case may be, than the percentage change in a nationally recognized loan index (other than an Eligible Loan Index) over the same period by 0.50%; or (d) it has been placed under review for downgrade or has been downgraded by Moody’s or it has been downgraded or placed by S&P on a credit watch list with potential of developing negative credit implications or deterioration in its rating; or (e) the Controlling Party has consented to treatment of the Collateral Obligation as a Credit Risk Obligation.

“Credit Risk Obligation”: Any Collateral Obligation, that (a) in the Investment Manager’s reasonable business judgment, has a significant risk of declining in credit quality or, over time, becoming a Defaulted Obligation, and (b) if the Restricted Trading Condition applies, satisfies at least one of the Credit Risk Criteria.

Individual Percentage (%)

Aggregate Percentage (%)

“Current Pay Obligation”: Any Collateral Obligation that would otherwise be a Defaulted Obligation and as to which (i) all prior cash interest payments due were paid in cash and the Investment Manager reasonably expects that the next interest payment due will be paid in cash, (ii) if the obligor of such Collateral Obligation is (A) in a bankruptcy proceeding, the obligor has made such payments as the bankruptcy court has approved or (B) not in a bankruptcy proceeding, all prior scheduled payments have been paid in cash, (iii) for so long as Moody’s is a Rating Agency in respect of any Class of Rated Notes, such Collateral Obligation has a facility rating from Moody’s of either (A) at least “Caa1” (and if “Caa1,” not on review for possible downgrade) and its Market Value is at least 80% of its par value or (B) at least “Caa2” (and if “Caa2,” not on review for possible downgrade) and its Market Value is at least 85% of its par value; (iv) if the obligor of such Collateral Obligation is subject to a bankruptcy proceeding, a bankruptcy court has authorized the payment of interest due and payable on such Collateral Obligation; and (v) its Market Value is at least 80% of its par value. For purposes of this definition, with respect to a Collateral Obligation already owned by the Issuer whose facility rating from Moody’s is withdrawn, the facility rating shall be the last outstanding facility rating before the withdrawal.

“Current Portfolio”: The portfolio of Collateral Obligations and Eligible Principal Investments existing immediately prior to the proposed purchase, sale, maturity or other disposition of a Collateral Obligation.

“Defaulted Loaned Collateral Obligation”: Any Collateral Obligation that is subject to a Securities Lending Agreement, under which Securities Lending Agreement an event of default (as such term is defined by the applicable Securities Lending Agreement) has occurred.

“Defaulted Obligation”: Any Collateral Obligation with respect to which: (i) there has occurred and is continuing a payment default by the obligor (without giving effect to any applicable grace period or waiver set forth in the relevant Underlying Instruments); provided, however, that in the case of a default that the Investment Manager certifies to the Trustee in writing that it is solely for administrative reasons that are not credit-related, such default will not constitute a default under this clause (i) unless it has continued for the lesser of five Business Days and the applicable grace period in the related Underlying Instrument; provided, further, that in the case of a payment default by a Selling Institution (or their respective guarantors), the related Participation, respectively, shall constitute a Defaulted Obligation under this clause (i);

(ii)
there has occurred a default (other than a payment default) that has resulted in an
acceleration of the maturity of all or a portion of the principal amount of such obligation, but only until
such default has been cured or waived;
(iii) any bankruptcy, insolvency or receivership proceeding has been initiated in connection
with the obligor of such Collateral Obligation and in the case of an involuntary petition, such petition has
not been dismissed or stayed within 60 days of filing; provided, however, that a Collateral Obligation shall
not be treated as a Defaulted Obligation under this clause (iii) if it is a DIP Loan; provided, further, that in
the case of such a proceeding with respect to a Selling Institution (or their respective guarantors), the
related Participation shall constitute a Defaulted Obligation under this clause (iii);
(iv)
the Investment Manager knows the obligor thereof is in default as to payment of principal
and/or interest on another obligation that is senior or pari passu in right of payment to such Collateral
Obligation (without giving effect to any applicable grace period or waiver) and such default has not been
cured or waived and the holders thereof have accelerated the maturity of all or a portion of the principal
amount of such obligation; or
(v)
the obligor of such Collateral Obligation has (A) a Moody’s probability of default rating
of “D” or “LD” if in the Moody’s press release assigning the “LD” specifies such Collateral Obligation as
the cause; or (B) an issuer credit rating from S&P of “SD” or below “CCC-”; provided, however, that a
Collateral Obligation shall not be treated as a Defaulted Obligation under this clause (v) if it is a DIP Loan.

provided that Current Pay Obligations representing no more than 7.5% of the Portfolio Principal Balance may be
excluded from treatment as Defaulted Obligations on any Measurement Date. Notwithstanding the foregoing definition, the Investment Manager may declare any Collateral Obligation to be a
Defaulted Obligation.
“Definitive Security”: Any Security issued in definitive, fully registered form without interest coupons.
“Delayed Funding Loan”: Any Loan that requires one or more future advances to be made to the borrower but
which, once all such advances have been made, has the characteristics of a term loan; provided that each such Loan
shall only be considered a Delayed Funding Loan for so long as there exists any Unfunded Amount and such future
funding obligations remain in effect.
“Designated Maturity”: With respect to (a) the Rated Notes, three months (except that six months will apply for the
calculation period related to the first Distribution Date) and (b) all references (other than with respect to the Rated
Notes), such period as the context requires.
“DIP Loan”: Any interest in a loan or financing facility rated or assigned a credit estimate within the preceding
twelve months by Moody’s and S&P that is acquired by way of assignment, subject to the following requirements:
(a)
(b)
(c)
it is an obligation of a debtor-in-possession as described in Section 1107 of the Bankruptcy Code
or a trustee (if appointment of such trustee has been ordered pursuant to Section 1104 of the Bankruptcy Code) (a
“Debtor”) organized under the laws of the United States or any State therein;
it is paying interest on a current basis;
its terms have been approved by an order of the U.S. Bankruptcy Court, the U.S. 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)
it is secured by liens on the Debtor’s otherwise unencumbered assets pursuant to Section
364(c)(2) of the Bankruptcy Code;
(ii)
it 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 Section 364(d) of the Bankruptcy Code;
(iii) it is secured by junior liens on the Debtor’s encumbered assets (provided that it is fully

secured based upon a current valuation or appraisal report); or
(iv) if it or any portion of it is unsecured, its repayment retains priority over all other
administrative expenses pursuant to Section 364(c)(1) of the Bankruptcy Code and Rating Agency
Confirmation has been obtained;
(d)
(e)
unless Rating Agency Confirmation has been obtained from S&P, it has a rating from S&P no
lower than “CCC” (which rating shall have been confirmed by S&P since the most recent filing of any petition or
proceeding in bankruptcy); and
to the extent not prohibited by applicable confidentiality agreements, any notices related to its
restructuring or amendment will be forwarded to each Rating Agency.
“Discount Obligation”: Any (a) Loan purchased at a price that is less than 85% of its par value, or, if it has a
Moody’s Obligation Rating of at least “B3,” less than 80% of its par value, until such time as its Market Value has
remained equal to or greater than 90% of its par value for 30 consecutive days, or (b) bond purchased at a price that
is less than 80% of its par value, or, if it has a Moody’s Obligation Rating of at least “B3,” less than 75% of its par
value, until such time as its Market Value has remained equal to or greater than 85% of its par value for 30
consecutive days. Any Collateral Obligation that would otherwise be considered a Discount Obligation but that is

purchased with the proceeds of a sale of a Collateral Obligation that was not a Discount Obligation at the time of purchase will not be considered a Discount Obligation if such Collateral Obligation (a) together with all such Collateral Obligations excluded from the definition of Discount Obligations on or prior to the date of determination have a cumulative Aggregate Principal Balance of no more than $20 million, (b) has been purchased or committed to be purchased within five Business Days of such sale, (c) has been purchased at a purchase price of at least 65% and that was equal to or greater than the sale price of the sold Collateral Obligation, and (d) its rating (if any) from each Rating Agency is equal to or greater than such rating of the sold Collateral Obligation. For purposes of this definition, a Collateral Obligation, portions of which were purchased at different times and at different prices, will be treated as separate Collateral Obligations (i.e. such portions will not be treated as a single Collateral Obligation with a weighted average purchase price).

“Dissolution Expenses”: An amount certified by the Investment Manager as the sum of (i) the expenses reasonably likely to be incurred in connection with the discharge of the Indenture and the liquidation of the Collateral and dissolution of the Issuers and (ii) any accrued and unpaid Administrative Expenses.

“Distressed Exchange Offer”: 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; provided that an offer by such issuer to exchange unregistered debt obligations for registered debt obligations shall not be considered a Distressed Exchange Offer.

“Diversity Test”: A test satisfied as of any Measurement Date if the Diversity Score equals or exceeds the applicable number in the columns entitled “Diversity Score” in the Collateral Matrix based on the row/column combination selected by the Investment Manager with notice to the Collateral Administrator (or linear interpolation between two rows and/or two columns, as applicable) specified for the applicable case under the Collateral Matrix.

For purposes of this definition, the “Diversity Score” is a single number that indicates collateral concentration in terms of industry and obligor concentration. It is similar to a score that Moody’s uses to measure default risk for purposes of its ratings. A higher Diversity Score reflects a more diverse portfolio in terms of obligor and industry concentration.

The Diversity Score for the Collateral Obligations is calculated as set forth in the Indenture, considering any obligors affiliated with one another as a single obligor,

unless they are in different industries.
Structured Finance Obligations that are collateralized loan obligations will not be included for purposes of the
calculation of the Diversity Score or related calculations.
“Due Period”: With respect to any Distribution Date (other than a Rated Notes Redemption Date, Equity
Redemption Date, Stated Maturity of the Notes or last Liquidation Distribution Date), the period ending on (and
excluding) the related Determination Date (or, in the case of a Rated Notes Redemption Date, Equity Redemption
Date, Stated Maturity of the Notes or last Liquidation Distribution Date, the Business Day preceding such
Redemption Date, Stated Maturity or last Liquidation Distribution Date, as the case may be) and beginning on (and
including) the Determination Date related to the preceding Distribution Date (or beginning on the Closing Date, in
the case of the first Due Period).
“Effective Date”: The earlier to occur of (i) November 22, 2011 (or if such date is not a Business Day, the next
Business Day), and (ii) the date, specified by the Investment Manager, on which the Issuer has (or will have)
purchased (or entered into commitments to purchase) Collateral Obligations with an Aggregate Principal Balance
that, together with up to $10 million of Eligible Principal Investments of the Issuer (not including any such Eligible
Principal Investments required to fund such commitments), is at least equal to the Effective Date Target Par and all
applicable Indenture requirements have been satisfied.
“Effective Date Moody’s Condition”: A condition satisfied if the Investment Manager has provided to Moody’s an
accountants’ letter confirming that each Collateral Quality Test (other than the S&P CDO Monitor Test), each
applicable Coverage Test and each Concentration Limit was satisfied and that the Issuer had purchased (or entered
into commitments to purchase) Collateral Obligations with an Aggregate Principal Balance that, together with up to
$10 million of Eligible Principal Investments of the Issuer (not including any such Eligible Principal Investments
required to fund such commitments), was at least equal to the Effective Date Target Par as of the Effective Date.

“Effective Date Overcollateralization Ratio”: A ratio satisfied as of any Measurement Date if the amount described in clause (a) of the definition of Overcollateralization Ratio is equal to or greater than (x) the Aggregate Outstanding Amount of the Rated Notes multiplied by (y) 108.5%.

“Effective Date Ratings Confirmation Failure”: The failure to obtain Rating Agency Confirmation prior to the first Distribution Date in connection with the Effective Date; provided, that if the Effective Date Moody’s Condition is satisfied, Rating Agency Confirmation from Moody’s will not be required.

“Effective Date Target Par”: $400 million.

“Eligible Investment”: Cash or any security, the payments of principal and interest on which are backed by the full faith and credit of the United States, commercial paper and other short-term obligations rated “P–1” by Moody’s and at least “A–1+” by S&P (and certain other investments) described in the Indenture which may include obligations or securities of obligors for which the Trustee or an Affiliate of the Trustee provides services and receives compensation therefor.

“Eligible Loan Index”:

With respect to any 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, the Deutsche Bank Leveraged Loan Index, the Goldman Sachs/Loan Pricing Corporation Liquid Leveraged Loan Index, the Banc of America Securities Leveraged Loan Index, the S&P/LSTA Leveraged Loan Indices; 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 the Trustee.

“Eligible Principal Investments”:

Those Eligible Investments purchased with Principal Proceeds, uninvested proceeds from the Closing Date or proceeds of the post-closing issuance of additional securities and preferred shares (if any).

“Equity Kicker”: Any equity security or any other security that is not eligible for purchase by the Issuer but is received with respect to a Collateral Obligation.

“Equity Redemption Date”: Any Redemption Date on which an Equity Redemption occurs.

“Equity Security”: Any (i) Equity Kicker, (ii) Equity Workout Security or (iii) other security that does not entitle the holder thereof to receive periodic payments of interest and one or more installments of principal in cash or final cash payment at maturity or scheduled expiration, including those securities received by the Issuer as a result of the exercise or conversion of an Equity Kicker or other convertible or exchangeable Collateral Obligation.

“Equity Workout Security”: Any security received in exchange for a

Collateral Obligation pursuant to an Offer or
otherwise received (or expected to be received) in respect of a Collateral
Obligation in a workout or restructuring,
which security (i) does not entitle the holder thereof to receive periodic
payments of interest and one or more
installments of principal and (ii) if received by the Issuer, the ownership
or disposition of which would cause the
Issuer to violate certain tax covenants in the Indenture.
“Euroclear”: Euroclear Bank S.A./N.V., or any successor as operator and
depository of the Euroclear system.
“Event of Default Par Ratio”: As of any Determination Date, the ratio
(expressed as a percentage) obtained by
dividing:
(a)
the sum of:
(i)
(ii)
the Aggregate Principal Balance of the Collateral Obligations; and
the Aggregate Principal Balance of any Eligible Principal Investments (other
than
Eligible Principal Investments in the Credit Facility Reserve Account); by
(b)
the Aggregate Outstanding Amount of the Class A-1 Notes.

“Excepted Company”: A company (including a bankruptcy remote special purpose vehicle) with a majority of its
business operations conducted, and a majority of its revenue derived from assets located, in Recovery Approved
Countries but that is incorporated or formed, as applicable, in any Tax Jurisdiction.
“Excess Interest”: Any Interest Proceeds distributed on the Subordinated Securities pursuant to the Priority of
Interest Proceeds.
“FATCA Compliance”: Compliance with Sections 1471 through 1474 of the Code and any related provisions of
law, court decisions, or administrative guidance, including the Issuer entering into and complying with an agreement
with the U.S. Internal Revenue Service contemplated by Section 1471(b), in each case as necessary so that no tax
will be imposed or withheld under those Sections in respect of payments to or for the benefit of Issuer.
“FATCA Compliance Costs”: The costs to the Issuer of achieving FATCA Compliance.
“Finance Lease”: 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.
“Fiscal Agency Agreement”: The Fiscal Agency Agreement dated as of the Closing Date among the Fiscal Agent,
the Share Registrar and the Issuer, as amended from time to time in accordance with the terms thereof.
“Floating Rate Notes”: Each Class of Notes bearing interest at a floating rate.
“Funded Amount”: With respect to any Credit Facility at any time, the aggregate principal amount of advances or
other extensions of credit made thereunder by the Issuer that are outstanding and have not been repaid at such time.
“Global Security”: Any Rule 144A Global Security, Temporary Global Security

or Regulation S Global Security.
“Hedge Counterparty Ratings”: With respect to any Hedge Counterparty (or its guarantor under a guarantee
satisfying the then-current Rating Agency criteria with respect to guarantees), (a) a long-term rating of at least “A2”
and a short-term rating of “P-1” by Moody’s (or if it has no short-term rating, a long-term rating of at least “A1”)
and (b) a long-term rating of at least “A” and a short-term rating of at least “A-1” by Standard & Poor’s or, if it does
not have both of these specified ratings by S&P, then a long-term rating of at least “A+” by S&P and in each case
such required rating is not then on credit watch for possible downgrade by S&P.
“High-Yield Bond”: A publicly issued or privately placed debt obligation of a corporation or other entity (other
than a Loan or a Senior Secured Note).
“Ineligible Holder”:
(a) Any “U.S. person” (as defined in Regulation S) that becomes the beneficial owner of any
Securities or interest in Securities and is not (i) both a Qualified Institutional Buyer and a Qualified Purchaser or
(ii) in the case of Subordinated Securities, both an Accredited Investor and either (A) a Qualified Purchaser or (B) in
the case of Subordinated Securities, a Knowledgeable Employee; or (b) with respect to ERISA Limited Securities,
any Person for which the representations made or deemed to be made by such Person for purposes of ERISA,
Section 4975 of the Code or applicable Similar Laws in any representation letter or Transfer Certificate, or by virtue
of deemed representations are or become untrue.
“Interest Coverage Ratio”: As of any Measurement Date, the ratio (expressed as a percentage) obtained by dividing:
(a)
(i) the aggregate amount of scheduled distributions of Interest Proceeds expected to be received
(regardless of whether the due date of any such scheduled distribution has yet occurred) with respect to the

Distribution Date immediately following such Measurement Date (excluding all accrued and unpaid interest on
Defaulted Obligations and on Collateral Obligations that have outstanding deferred or capitalized interest and
interest with respect to any Collateral Obligation to the extent that it does not provide for the scheduled payment of
interest in cash); minus (ii) the amounts payable in respect of clauses (a)-(i) through (v) under the Priority of Interest
Proceeds on such Distribution Date; by
(b)
the scheduled interest payments (including any Defaulted Interest but excluding any Deferred
Interest) due on the Applicable Notes on such Distribution Date.
“Interest Coverage Test”: Each of the Class A Interest Coverage Test, the Class B Interest Coverage Test, the
Class C Interest Coverage Test and the Class D Interest Coverage Test.
“Interest Period”: With respect to (a) each Class of Notes, the period beginning on and including the Closing Date
and ending on, but excluding, the first Distribution Date for such Class, and each successive period beginning on
and including a Distribution Date and ending on, but excluding, the next Distribution Date and (b) any Deferred
Subordinated Fees, the period beginning on and including the Distribution Date on which the amount of such
Deferred Subordinated Fee was deferred and ending on, but excluding, the Distribution Date on which such amount
was repaid.
For purposes of determining any Interest Period, in the case of the Notes and any Deferred
Subordinated Fees, if the 22nd day of the relevant month is not a Business Day, then the Interest Period with respect
to such Distribution Date shall end on but exclude the Business Day on which payment is made and the succeeding
Interest Period shall begin on and include such date.
“Interest Proceeds”: The sum of the following (without duplication):
(a)
the following amounts received during any Due Period, excluding with respect to any Distribution
Date amounts (x) received during any Due Period other than the related Due Period, (y) used to purchase accrued
interest in connection with the purchase of Collateral Obligations or (z) deposited in the Pre-Funded Letter of Credit
Reserve Account:
(i)
(ii)
all payments of interest and dividends received in cash on the Collateral Obligations and
Eligible Investments (excluding (x) any amount referred to in clause (a)(ii) of the definition of Principal
Proceeds and (y) in the first Due Period, an amount equal to the Warehouse Accrued Interest);

all proceeds received in cash on the sale of Collateral Obligations, to the extent that such
proceeds constitute accrued interest (excluding any amount referred to in clause (a)(ii) of the definition of
Principal Proceeds);
(iii) all payments of principal on Eligible Investments (other than Eligible Principal
Investments);
(iv) all amendment and waiver fees (other than amendment and waiver fees relating to an
extension of maturity, a deferral of principal payments or a default waiver), late payment fees, call
premiums, prepayment fees, commitment fees, facilities fees and other fees and commissions received in
connection with Collateral Obligations and Eligible Investments (but excluding amounts designated by the
Investment Manager as Principal Proceeds pursuant to clause (a)(vi) of the definition thereof);
(v)
Interest Proceeds;
provided, however, that any payments received by the Issuer with respect to any Defaulted Obligation or Defaulted
Loaned Collateral Obligation shall be treated as (x) Principal Proceeds until payments equal to the par amount have
been received by the Issuer and treated as Principal Proceeds and (y) Interest Proceeds thereafter;
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any interest or loan fees received by the Issuer pursuant to any Securities Lending
Agreements; provided that no event of default has occurred thereunder; and
(vi) any amounts in the expense reserve account designated by the Investment Manager as

(b)
(c)
(d)
and
(f)
any proceeds of an Additional Equity Issuance that are designated by the Investment Manager as
Interest Proceeds with respect to such Distribution Date.
“Internal Rate of Return”: For purposes of the definition of Investment Manager Incentive Fee Amount, the rate of
return on the Subordinated Securities that would result in a net present value of zero, assuming (i) an original
purchase price of par for the Subordinated Notes and $1,000 per share for the Preferred Shares as the initial negative
cash flow and all payments to holders of the Subordinated Securities on the current and each preceding Distribution
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 Distribution Date from the Closing Date
calculated on the basis of a year with 360 days consisting of twelve 30-day months, and (iv) such rate of return shall
be calculated using the XIRR function in Excel (or any successor).
“Investment Management
Fee”:
The Senior Investment Management Fee, the Subordinated Investment Management Fee and the Investment Manager Incentive Fee Amount, including any such fee that has been deferred
because amounts were not available under the Priority of Payments on any prior Distribution Date and any Deferred
Fees (including any interest thereon), in each case that have not been repaid.
“Knowledgeable Employee”: Any “knowledgeable employee” as defined in Rule 3c-5 under the Investment
Company Act.
“LIBOR”: The London interbank offered rate for U.S. Dollar deposits for the Designated Maturity.
On each LIBOR Determination Date, the Calculation Agent will determine LIBOR by obtaining the quoted offered
rate for the applicable U.S. Dollar deposits in Europe from the British Bankers’ Association (or any successor
thereto) as reported by Bloomberg Financial Markets Commodities News (or any successor thereto), as of 11:00
a.m., London time, on such LIBOR Determination Date.
If on any LIBOR Determination Date such rate may not be obtained from the British Bankers’ Association, the
Calculation Agent will determine LIBOR for such Interest Period as the arithmetic mean of the offered quotations of
the Reference Banks to leading banks in the London interbank market for U.S. Dollar deposits in Europe for the
relevant period in an amount determined by the Calculation Agent by

reference to requests for quotations as of
approximately 11:00 a.m. (New York time) on the LIBOR Determination Date
made by the Calculation Agent to the
Reference Banks.
quotations, LIBOR will equal the arithmetic mean of such quotations.
If on any LIBOR Determination Date at least two of the Reference Banks
provide such
If on any LIBOR Determination Date only
one or none of the Reference Banks provide such quotations, LIBOR for such
Interest Period will equal the
arithmetic mean of the offered quotations that at least two leading banks in
New York City selected by the
Calculation Agent
(after consultation with the Investment Manager) are quoting on the relevant
LIBOR
Determination Date for U.S. Dollar deposits in Europe for the relevant
period in an amount determined by the
Calculation Agent by reference to the principal London offices of leading
banks in the London interbank market;
provided, however, that if the Calculation Agent is required but is unable
to determine a rate in accordance with at
least one of the procedures provided above, LIBOR for such Interest Period
will be LIBOR as determined on the
previous LIBOR Determination Date. As used herein, “Reference Banks” means
four major banks in the London
interbank market selected by the Calculation Agent (after consultation with
the Investment Manager).
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all amounts received with respect to the related Distribution Date pursuant
to a Hedge Agreement
(other than termination payments not constituting accrued and unpaid
periodic payments through the termination
date);
with respect to the first Distribution Date, any remaining Closing Date
Interest Deposit (other than
the amount (if any) designated by the Investment Manager as Principal
Proceeds on or before the first Determination
Date);
uninvested Closing Date proceeds (if any) designated by the Investment
Manager as Interest
Proceeds on or before the first Determination Date;
(e)
any amounts released from the Pre-Funded Letter of Credit Reserve Account as
Interest Proceeds;

All percentages resulting from any calculations of LIBOR will be rounded, if necessary, to the nearest 1/100,000 of
1%, and all U.S. Dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with
one-half cent or more being rounded upwards).
“LIBOR Banking Day”: A day on which commercial banks are open for business (including dealings in foreign
exchange and foreign currency deposits) in London.
“LIBOR Determination Date”: The second LIBOR Banking Day prior to the first day of each Interest Period.
“Loan”: Any assignment of or Participation in a loan.
“Lower Ranking Class”: With respect to any Class, each Class that is junior in right of payment to such Class under
the Principal Payment Sequence and, with respect to each Class of Rated Notes, the Subordinated Securities.
“Lowest Ranking Class”: The Class that is last in right of payment under the Principal Payment Sequence.
“Majority”: With respect to any Class or Classes of Securities, the holders of more than 50% of the Aggregate
Outstanding Amount of the Securities of such Class or Classes, as the case may be.
“Manager Parties”: The Investment Manager and/or any of its Affiliates, and any of their respective partners,
securityholders, members, managers, officers, directors, agents or employees.
“Manager Securities”: 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).
“Margin Stock”: Margin Stock as defined under Regulation U issued by the Board of Governors of the United
States Federal Reserve System.
“Market Value”: On any date of determination, (a) the price supplied to the Investment Manager by Interactive Data
Corporation, Markit Partners, Loan Pricing Corporation or another independent, nationally recognized pricing
service, or (b) if no such price is available or if the Investment Manager reasonably determines that such price does
not represent a reliable market value, (i) the average of three bid-side market values obtained from independent
broker/dealers (at least one of which is not Credit Suisse or a Credit Suisse Affiliate) or (ii) if three such bids are not
available, the lower of two bid-side market values obtained by the Investment Manager from independent
broker/dealers (one of which may be Credit Suisse or a Credit Suisse

Affiliate) or (iii) if two such bid-side market values are not available, the bid-side market value obtained from one independent broker/dealer (which may be Credit Suisse or a Credit Suisse Affiliate). If the Market Value of a Collateral Obligation cannot be determined by application of either clause (a) or (b), its Market Value shall be the lower of (x) the fair value determined by the Investment Manager based upon its reasonable judgment and (y) the higher of its outstanding principal balance multiplied by 70% or its S&P Recovery Rate; provided that any such value determined under clause (x) is the same value that the Investment Manager assigns to such obligation for other portfolios that it manages, if applicable; provided, however, that if the Investment Manager is not registered under the Advisers Act, if the Market Value of any such Collateral Obligation cannot be determined by application of either clause (a) or (b)(i) or (ii) within 30 days, the Market Value will be zero.

“Measurement Date”: Any of the following: (a) the Effective Date, (b) after the Effective Date, any date on which there is a sale, purchase or substitution of any Collateral Obligation, (c) each Determination Date, (d) the date of determination of monthly reports under the Indenture, and (e) with reasonable notice, any other Business Day requested by either Rating Agency.

“Minimum Weighted Average Spread Test”: A test satisfied as of any Measurement Date if (a) the Weighted Average Spread of the Collateral Obligations is greater than (b) the Minimum Weighted Average Spread of the Collateral Obligations.

“Minimum Weighted Average Spread”: As of any Measurement Date, (a) the greater of (x) 1.50% and (y) the applicable number set forth in the column entitled “Spread” in the Collateral Matrix based on the row/column combination selected by the Investment Manager with notice to the Collateral Administrator (or linear interpolation between two rows and/or two columns, as applicable) minus (b) the Moody’s Spread Modifier.

“Moody’s”: Moody’s Investors Service.

“Moody’s Weighted Average Recovery Rate”: The number obtained by (i) summing the products obtained by multiplying the Principal Balance of each Collateral Obligation (other than a Defaulted Obligation) by its respective Moody’s Recovery Rate, (ii) dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations (other than Defaulted Obligations), (iii) multiplying the result by 100 and (iv) rounding up to the first decimal place.

“Offer”: 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.

“Ongoing Expense Excess Amount”: On any Distribution Date, an amount equal to the excess, if any, of (i) the Administrative Expense Senior Cap, over (ii) the sum of (without duplication) (x) all amounts paid pursuant to clause (ii) of the Priority of Interest Proceeds on such Distribution Date plus (y) all Administration Expenses paid during the related Due Period pursuant to the Indenture.

“Ongoing Expense Reserve Ceiling”: On any Distribution Date, the excess, if any, of $50,000 over the amount then on deposit in the expense reserve account without giving effect to any deposit thereto on such Distribution Date pursuant to subclause (iii) of the Priority of Interest Proceeds.

“Operating Guidelines”: The operating guidelines attached to the Investment Management Agreement as Annex A.

“Ordinary Shares”: The ordinary shares, $1.00 par value per share of the Issuer which have been issued by the Issuer and are outstanding from time to time.

“Outstanding”: Any Securities that are outstanding under the Indenture.

“Overcollateralization Ratio”: dividing:

(a) the sum of:

(i)
(ii)
the Aggregate Principal Balance of the Collateral Obligations; and
the Aggregate Principal Balance of any Eligible Principal Investments (other than
Eligible Principal Investments in the Credit Facility Reserve Account); by
(b)
the Aggregate Outstanding Amount of the Applicable Notes.
“Overcollateralization Test”: Each of the Class A Overcollateralization Test, the Class B Overcollateralization Test,
the Class C Overcollateralization Test and the Class D Overcollateralization Test.
“Partial PIK Security”: Any obligation on which interest, in accordance with its related Underlying Instrument, may
be (a) partly paid in cash and (b) partly deferred, or paid by the issuance of additional obligations identical to such
obligation or through additions to the principal amount thereof; provided that the Underlying Instrument requires
such payment in cash to be at a per annum rate that is equal to or greater than LIBOR at the time of issuance of such
obligation for a maturity corresponding to the frequency of the reset dates for such obligation.
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As of any Measurement Date, the ratio (expressed as a percentage) obtained by

“Participation”: With respect to a Loan, a participation interest (other than a sub-participation interest) in such Loan purchased from a Selling Institution that does not entitle the holder thereof to direct rights against the obligor on such Loan. For the avoidance of doubt, a Pre-Funded Letter of Credit that is structured as a participation will be treated as a Participation.

“Permissible Replacement Collateral Obligation”: Any Collateral Obligation (a) that (i) in the case of a Caa Collateral Obligation (x) is purchased with the Sale Proceeds of a Caa Collateral Obligation, (y) has a Moody’s Obligation Rating no lower than the Collateral Obligation that was sold or otherwise disposed of and (z) if 10% or more of the Portfolio Principal Balance consists of Caa Collateral Obligations, such obligation has a rating of “Caa1” and (ii) in the case of a CCC Collateral Obligation (x) is purchased with the Sale Proceeds of a CCC Collateral Obligation, (y) has an S&P Rating no lower than the Collateral Obligation that was sold or otherwise disposed of, and (z) if 10% or more of the Portfolio Principal Balance consists of CCC Collateral Obligations, such obligation has a rating of “CCC+”; (b) the credit quality of which, in the Investment Manager’s reasonable business judgment, is better than the credit quality of the Collateral Obligation that was sold or otherwise disposed of; (c) after giving effect to the purchase of which, the Portfolio Principal Balance will not consist of more than 12.5% of Caa Collateral Obligations (in the case of a purchase of a Caa Collateral Obligation) or CCC Collateral Obligations (in the case of a purchase of a CCC Collateral Obligation); and (d) the par amount of which is no greater than the par amount of the Caa Collateral Obligation or CCC Collateral Obligation that was sold.

“Person”: An individual, corporation (including a statutory trust), partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), limited liability company, unincorporated association or government or an agency or political subdivision thereof.

“PIK Securities”: Debt obligations (other than Partial PIK Securities) that provide for periodic payments of interest to be deferred or capitalized (without defaulting).

“Portfolio Principal Balance”: The Aggregate Principal Balance of the Collateral Obligations and Eligible Principal Investments (without duplication, and excluding any Eligible Principal Investments in the Credit Facility Reserve Account) on the date of determination.

“Pre-Funded Letter of Credit”: An interest bearing deposit of funds at an agent bank for a Loan (which agent bank must (x) be an institution with a long-term rating of at least “A+” and “A1” or a short-term rating of at least “A-1” and “P-1” from S&P and Moody’s, respectively (such ratings, as of the time

of commitment to purchase) and (y)
hold such funds in a deposit account, or if, invested, invest such funds in
investments of the type described in the
definition of Eligible Investments), made as a part of an overall credit
facility that includes the issuance of one or
more letters of credit by such agent bank to the borrowers(s) under such
credit facility, and which credit facility (a)
requires the Issuer to make such a deposit, (b) provides that the agent bank
may draw upon such deposit to repay any
unpaid amounts on such letters of credit, (c) provides that, upon a draw on
such deposit by the agent bank, any
unpaid amounts on such letters of credit will be added to the amounts
otherwise owed by the borrower(s) to the
Issuer (whether by an increase in the principal amount of the other
obligations of the borrower(s) to the Issuer, by an
assignment or other transfer of the letters of credit to the Issuer, or by
another method that transfers or converts the
unpaid letter of credit obligations to the Issuer's account), (d) requires
that such deposit be made at the time the
Issuer purchases its portion of the Loan to the borrower(s), (e) requires
that the amount of the deposit equal the full
amount that may be drawn against by the agent bank, and (f) requires the
borrower(s) to pay the Issuer a fee or
spread related to the amount of the deposit so long as the deposit account
remains undrawn; provided, however, that
such obligation shall only be considered a Pre-Funded Letter of Credit so
long as the deposit account remains
undrawn. Any such obligation will not be considered a Pre-Funded Letter of
Credit for purposes of the
Concentration Limits or the Pre-Funded Letter of Credit Reserve Amount if
(w) the full amount of any withholding
tax (U.S. or non-U.S.) on the fees described in (f) above is being withheld;
(x) "gross-up" payments that cover the
full amount of any withholding tax (U.S. or non-U.S.) on the fees described
in (f) above will be made by the
borrower(s); (y) the Issuer has received an opinion of nationally recognized
tax counsel (a copy of which shall be
provided to S&P), to the effect that payments of the fees described in (f)
above are not subject to withholding tax
(U.S. or non-U.S.) or a public pronouncement or ruling has been made by the
relevant tax authority to the same
effect; or (z) Rating Agency Confirmation is obtained from S&P.
"Pre-Funded Letter of Credit Reserve Account": An account established by the
Trustee under the Indenture. On
any Business Day, funds may be withdrawn from the Pre-Funded Letter of
Credit Reserve Account for the payment

of taxes pursuant to the Indenture. On the Business Day prior to the Payment Date on which the last payment will
be made on Notes rated by any Rating Agency, any funds in the Pre-Funded Letter of Credit Reserve Account will
be transferred to the Collection Account as Interest Proceeds. On the Business Day prior to the Payment Date
following receipt by the Trustee of notice from the Issuer (or the Investment Manager on its behalf) that the last
sentence of the definition of Pre-Funded Letter of Credit has been satisfied, any related funds in the Pre-Funded
Letter of Credit Reserve Account will be transferred to the Collection Account as Interest Proceeds.
“Principal Balance” or “par amount”: With respect to any Collateral Obligation or Eligible Investment, as of any
date of determination, the outstanding principal amount of such Collateral Obligation or Eligible Investment;
provided, that:
(a)
the Principal Balance of any Collateral Obligation received upon acceptance of an offer for
another Collateral Obligation, which offer expressly states that failure to accept such offer may result in a default
under the Underlying Instruments, will be determined as if such Collateral Obligation were a Defaulted Obligation
until such time as interest and principal, as applicable, are received when due with respect to such Collateral
Obligation;
(b)
(c)
the Principal Balance of any Equity Security will be deemed to be zero;
the Principal Balance of any PIK Security and any Partial PIK Security will not include deferred
and capitalized interest;
(d)
for purposes of calculating clause (a) of the Overcollateralization Ratio
(i)
the Principal Balance of any Defaulted Obligation will be
(A) on any Measurement Date during the first 30 days after it becomes a Defaulted
Obligation, the product of (1) the Recovery Rate for such Defaulted Obligation and (2) its
outstanding principal amount and
(B) on any Measurement Date after such first 30 days, the lesser of (1) its Market
Value, and (2) the product of (x) the Recovery Rate for such Defaulted Obligation and (y) its
outstanding principal amount;
provided, that the Principal Balance of any such Defaulted Obligation shall not include any
deferred interest that has been added to principal and remains unpaid;
provided, further, that the

Aggregate Principal Balance of Defaulted Obligations that have been held for more than 36
months after the date on which they became Defaulted Obligations shall be zero;
(ii)
the Principal Balance of Collateral Obligations representing the Caa/CCC Excess will be
the Caa/CCC Excess Market Value;
(iii)
the Principal Balance of any Discount Obligation (other than any Discount Obligation
that comprises all or a portion of the Caa Excess Amount) will be its purchase price;
(iv) any PIK Security that has a Moody's Rating of "Baa3" or higher will be treated as a
Defaulted Obligation if it has not resumed the payment of interest in cash and/or the payment of all
deferred amounts of interest within the shorter of one year or two payment periods;
(v)
(vi)
any PIK Security that has a Moody's Rating of lower than "Baa3" will be treated as a
Defaulted Obligation if it has not resumed the payment of interest in cash and/or the payment of all
deferred amounts of interest within the shorter of six months or one payment period; and
the Principal Balance of any Current Pay Obligation that has a Market Value determined
based on the S&P Recovery Rate will be its Market Value and, to the extent the aggregate principal balance
of Current Pay Obligations exceeds 7.5% of the Portfolio Principal Balance, each Current Pay Obligation

representing such excess (in order of ascending Market Value, starting with Current Pay Obligations with
the lowest Market Value) will be treated as a Defaulted Obligation;
provided, that for purposes of determinations of the Principal Balance of any Collateral Obligation pursuant to this
clause (d), if more than one subclause would apply, the Principal Balance of such Collateral Obligation will be the
lowest value determined under such applicable subclauses;
(e) the Principal Balance of a Credit Facility will be its Commitment Amount;
(f)
the Principal Balance of any Defaulted Loaned Collateral Obligation will be the outstanding
principal amount of the related Securities Lending Collateral; and
(g) for purposes of calculating the Event of Default Par Ratio and determining whether the Effective
Date Target Par has been met, the Principal Balance of any Defaulted Obligation will be as calculated under clause
(d)(i).
“Principal Proceeds”: The sum of the following amounts (without duplication):
(a)
the following amounts received during any Due Period, excluding with respect to any Distribution
Date, amounts (x) received during any Due Period other than the related Due Period or (y) that have been invested
(or designated for investment by the Investment Manager in the next Due Period), including as part of such
investment amounts, funds deposited or to be deposited in the Credit Facility Reserve Account:
(i)
all payments or recoveries of principal (including prepayments) on the Collateral
Obligations and Eligible Principal Investments;
(ii)
all payments that would otherwise be included in Interest Proceeds under clauses (a)(i) or
(a)(ii) of the definition thereof in an amount determined by the Investment Manager, in its sole discretion,
not greater than (A) the aggregate amount of accrued interest purchased by the Issuer with net proceeds at
closing minus (B) the aggregate amount previously designated as Principal Proceeds pursuant to this clause
(a)(ii);
(iii) all uninvested proceeds from the issuance of Securities on the Closing Date (other than
such proceeds designated by the Investment Manager as Interest Proceeds pursuant to clause (d) of the
definition of Interest Proceeds), any portion of the Closing Date Interest Deposit designated by the
Investment Manager as Principal Proceeds and any Designated Proceeds;
(iv) all Sale Proceeds;
(v)

any amounts in the expense reserve account designated by the Investment Manager as
Principal Proceeds;
(vi) (A) all fees (other than amendment and waiver fees relating to an extension of maturity, a
deferral of principal payments or a default waiver), premiums and commissions of the type enumerated in
clause (a)(iv) of the definition of Interest Proceeds that are designated by the Investment Manager as
Principal Proceeds on or before the Determination Date with respect to such Distribution Date and (B) all
amendment and waiver fees relating to an extension of maturity, a deferral of principal payments or a
default waiver;
(vii) all payments received by the Issuer in respect of a Defaulted Obligation or a Defaulted
Loaned Collateral Obligation until the payments received by the Issuer (including Securities Lending
Collateral, in the case of a Defaulted Loaned Collateral Obligation) and treated as Principal Proceeds equal
the outstanding principal balance of such Defaulted Obligation or Defaulted Loaned Collateral Obligation;
and

(viii) all other proceeds in respect of Collateral Obligations and Eligible Investments and other
Collateral, including amounts received in respect of original issue discount or market discount, but
excluding amounts that are Interest Proceeds and hedge termination payments used to purchase a
replacement Hedge Agreement and excluded from the definition of Interest Proceeds;
(b)
(c)
(d)
with respect to the related Distribution Date, all termination payments received in respect of a
Hedge Agreement (other than such amounts constituting Interest Proceeds or used to enter into a replacement Hedge
Agreement or received from a replacement Hedge Counterparty and used to make a termination payment);
with respect to any Redemption Date, all proceeds from a Redemption Financing (if any);
any proceeds of an Additional Equity Issuance that are designated by the Investment Manager as
Principal Proceeds with respect to such Distribution Date; and
(e)
with respect to the first Due Period, an amount equal to the Warehouse Accrued Interest.
“Proposed Portfolio”: The portfolio of Collateral Obligations and Eligible Principal Investments after giving effect
to the proposed sale, maturity or other disposition of a Collateral Obligation or a proposed purchase of a Collateral
Obligation, as the case may be.
“Prospectus”: The final offering memorandum approved by the Financial Regulator as the Prospectus in connection
with the application to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its
regulated market.
“Prospectus Directive”: Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003
Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 and amendments thereto,
to the extent implemented in each EEA Member State, and includes any relevant implementing measure in the
Relevant Member State.
“Purchase Agreement”: The Purchase Agreement dated as of the Closing Date between the Issuer, the Co-Issuer
and the Initial Purchaser.
“Qualified Institutional Buyer”: Any Person that, at the time of its acquisition, purported acquisition or proposed
acquisition of Securities, is a qualified institutional buyer within the meaning of Rule 144A.
“Qualified Purchaser”: Any Person that, at the time of its acquisition, purported acquisition or proposed acquisition

of Securities, is a qualified purchaser within the meaning of the Investment Company Act.
“Rated Notes Redemption Date”: Any Redemption Date on which a Rated Notes Redemption occurs.
“Rating Agency”: Each of Moody’s and S&P, in each case for so long as any of the Notes rated by such entity are
Outstanding.
“Rating Agency Confirmation”: Confirmation in writing (which may be in the form of a press release) from each
Rating Agency (or the specified Rating Agency) that a proposed action or designation will not cause the then current
ratings of any Class of Rated Notes to be reduced or withdrawn. If any Rating Agency (a) makes a public
announcement or informs the Issuer, the Investment Manager or the Trustee that (i) it believes Rating Agency
Confirmation 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 this Indenture, the requirement for Rating Agency Confirmation with
respect to that Rating Agency will not apply.
“Recovery Approved Country”: Each of Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany,
Iceland, Ireland, Liechtenstein, Luxembourg, the Netherlands, New Zealand, Norway, Spain, Sweden, Switzerland,
the United Kingdom, the United States and its territories and possessions, in each case, so long as such country has a
foreign currency rating of at least “Aa2” from Moody’s and a foreign currency issuer rating of at least “AA” from
S&P, and any other country for which Rating Agency Confirmation is obtained.
“Recovery Rate”: The lesser of the Moody’s Recovery Rate and the S&P Recovery Rate.

“Redemption Date”: Any Distribution Date on which an Optional Redemption occurs.
“Redemption Price”: With respect to an Optional Redemption of (a) the Rated Notes, an amount equal to the outstanding principal amount of such Notes to be redeemed plus accrued interest (including any Defaulted Interest (and any interest thereon), and any Deferred Interest and any interest thereon); and (b) any Subordinated Securities, an amount equal to any remaining Principal Proceeds payable on such Subordinated Securities under the Priority of Principal Proceeds on the Redemption Date; provided that, by unanimous consent, any Class may agree to decrease the Redemption Price for that Class.
“Refinancing Proceeds”: Proceeds from a Redemption Financing or the issuance of Replacement Notes, as applicable.
“Registered”: With respect to any debt obligation issued by a United States person (as defined in the Code), a debt obligation (a) that is issued after July 18, 1984 and (b) that is in registered form for purposes of the Code.
“Regulation S”: Regulation S under the Securities Act.
“Regulation S Global Security”: Any Security sold outside the United States to non-“U.S. persons” (as defined in Regulation S) in reliance on Regulation S and issued in the form of a permanent global security in definitive, fully registered form without interest coupons.
“Restricted Trading Condition”: Each day during which (i) the rating of any Class A Notes is one or more subcategories below its initial rating, (ii) the rating of any of the Class B Notes, the Class C Notes or the Class D Notes is two or more subcategories below its initial rating, or (iii) the rating of any Class of Rated Notes has been withdrawn (unless it has been reinstated); provided, however, that if the Restricted Trading Condition is in effect, the Controlling Party may elect to waive such condition, which waiver will remain in effect until the earlier of (A) revocation of such waiver by Controlling Party and (B) a further downgrade or withdrawal of the rating of any Class of Rated Notes that, notwithstanding such waiver, would cause the Restricted Trading Condition to apply.
“Revolving Credit Facility”: A debt instrument (including Participations) that provides the borrower with a line of credit against which one or more borrowings may be made up to the stated principal amount of such facility and which provides that such borrowed amount may be repaid and reborrowed from time to time; provided that such debt instrument (including any such Participation) shall be considered a Revolving Credit Facility only for so long as, and to the extent that, such future funding obligation remains in effect.
“Rule 144A”: Rule 144A under the Securities Act.
“Rule 144A Global Security”: Any Security sold in reliance on Rule 144A and

issued in the form of a permanent
global security in definitive, fully registered form without interest
coupons.
“S&P”: Standard & Poor’s Ratings Services, Standard & Poor’s Financial
Services LLC business.
“S&P CDO Monitor”: The dynamic, analytic computer model developed by S&P and
used to estimate default risk
of the portfolio of Collateral Obligations. The S&P CDO Monitor calculates
the cumulative default rate of a pool of
Collateral Obligations and Eligible Principal Investments consistent with a
specified benchmark rating level based
upon S&P’s proprietary corporate debt default studies. In calculating each
scenario loss rate, the S&P CDO Monitor
considers each obligor’s issuer
rating, the number of obligors in the portfolio, the obligor and industry
concentrations in the portfolio and the remaining weighted average maturity
of the Collateral Obligations and
Eligible Principal Investments and calculates a cumulative default rate
based on the statistical probability of
distributions or defaults on the Collateral Obligations and Eligible
Principal Investments.
“S&P CDO Monitor Test”: A test to be calculated on each Measurement Date
from and after the later of the
Effective Date and the date on which the Investment Manager and the
Collateral Administrator receive the S&P
CDO Monitor from S&P, which test is satisfied if, after giving effect to a
proposed sale or purchase of a Collateral
Obligation (or both), as the case may be, the Applicable Default
Differential of the Proposed Portfolio is positive.
Solely for purposes of the S&P CDO Monitor Test, the S&P Rating of any
Current Pay Obligation on any date of

determination will be deemed to be the higher of the rating assigned by S&P to such Current Pay Obligation and "CCC-".

"S&P Weighted Average Recovery Rate": The number obtained by (i) summing the products obtained by multiplying the Principal Balance of each Collateral Obligation (other than a Defaulted Obligation) by its respective S&P Recovery Rate, (ii) dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations (other than Defaulted Obligations), (iii) multiplying the result by 100 and (iv) rounding up to the first decimal place.

"S&P Weighted Average Recovery Rate Test": A test satisfied as of any Measurement Date if the S&P Weighted Average Recovery Rate for each Class of Rated Notes is greater than or equal to the applicable percentage set forth on the S&P Matrix based upon the applicable Recovery Rate Case chosen by the Investment Manager.

"Sale Proceeds": All proceeds (excluding accrued interest) received as a result of sales of any Collateral Obligations and/or Equity Securities net of any expenses in connection with any such sale.

"Second Lien Loan": Any Loan that (a) is not (and cannot by its terms become) subordinate in right of payment to any other obligation of the obligor of the Loan other than a Senior Secured Loan or a DIP 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; provided, however, that any such right of payment, security interest or lien may be subordinate to customary permitted liens (including, without limitation, tax liens).

"Securities Lending Agreement": A securities lending agreement that satisfies the requirements of the Indenture and is substantially in the form of the then-current standard Bond Market Association (or any successor thereto) master securities loan agreement or such other agreement (or master agreement) for which Rating Agency Confirmation is obtained.

"Securities Lending Counterparty": Any bank, broker-dealer or other financial institution (including Credit Suisse, the Investment Manager or any of their respective Affiliates) that is a borrower under a Securities Lending Agreement and has a short-term rating of "P–1" by Moody's and at least "A–1" by S&P at the time of entering into the Securities Lending Agreement (provided that any actively monitored Moody's rating of such counterparty (x) on review for possible upgrade by Moody's shall be treated as upgraded by one rating subcategory or (y) on review for possible downgrade by Moody's shall be treated as downgraded by one rating subcategory).

“Selling Institution”: An entity from which the Issuer acquires a Participation included in the Collateral Obligations that satisfies the Counterparty Ratings at the time of the Issuer’s commitment to purchase such Participation.

“Senior Secured Loan”: Any Loan that (a) is secured by a valid first priority perfected security interest or lien on specified collateral securing the Obligor’s obligations under the Loan (subject to customary permitted liens, such as, but not limited to, any tax liens and also subject to any liens imposed in any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings) and (b) cannot by its terms become subordinate in right of payment to any other obligation of the Obligor of the Loan.

“Senior Secured Notes”: Notes bearing interest at a floating rate that are secured by a pledge of collateral and have 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.

“Share Trustee”: MaplesFS Limited under a declaration of trust relating to the issued share capital of the Issuer.

“Shareholder”: Each holder of Preferred Shares registered in the Share Register.

“Structured Finance Obligation”: Any trust certificate, collateralized debt obligation or other structured finance security.

“Supplemental Diversion Test”: During the Reinvestment Period, a test that is satisfied as of any Determination Date on which the Overcollateralization Ratio calculated for the Rated Notes as the Applicable Notes is at least 105.0%.

“Synthetic Security”: A Registered U.S. Dollar denominated swap transaction, structured bond investment or other investment purchased from, or entered into with, a counterparty, which investment has returns linked to credit performance of a reference obligor or one or more reference obligations.

“Tax Event”: Any new, or change in any, U.S. or non-U.S. tax statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation which results in (a) any portion of any payment due from any issuer under any Collateral Obligation becoming subject to the imposition of U.S. or non-U.S. withholding tax (other than withholding tax with respect to (i) commitment and similar fees associated with Credit Facilities or Pre-Funded Letters of Credit or (ii) dividends in respect of Equity Securities), which withholding tax is not compensated for by a “gross up” payment or (b) any jurisdiction imposing net income, profits, or a similar tax on the Issuer, and, as to any Due Period, such non-compensated withholding tax or net tax imposed on the Issuer equals an amount equivalent to 5% or more of the aggregate scheduled interest distributions on Collateral Obligations during such Due Period.

Withholding taxes imposed under Sections 1471 through 1474 of the Code shall be disregarded in applying the definition of Tax Event, except that a Tax Event will also occur if (i) FATCA Compliance Costs over the remaining period that any Securities would remain outstanding (disregarding any redemption of Notes or Preferred Shares 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 an aggregate amount 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”: Any of the tax advantaged jurisdictions of the Cayman Islands, the Bahamas, Bermuda, the Isle of Man, the Jersey Islands, Curaçao and the Channel Islands (in each case, except with respect to an Excepted Company that is a bankruptcy remote special purpose vehicle, so long as such country has a foreign currency rating of at least “Aa2” from Moody’s and a foreign currency issuer rating of at least “AA” from S&P), and any other tax advantaged jurisdiction for which Rating Agency Confirmation is obtained.

“Tax Subsidiary”: Any special purpose subsidiary wholly owned by the Issuer that (a) meets S&P’s then current published criteria for bankruptcy remote special purpose entities established to receive and hold one or more Equity Workout Securities or transfer such securities, (b) has purposes and permitted activities restricted solely to the acquisition, holding and disposition of (i) any such Equity Workout Securities or (ii) any Collateral Obligations in

respect of which Equity Workout Securities are to be received by the Issuer, (c) subject to applicable law, is required to distribute 100% of any distributions on, and proceeds of, any such security, net of any tax liabilities, to the Issuer and (d) is at all times treated as a corporation for United States federal income tax purposes. Any Tax Subsidiary may have a subsidiary (which will be treated as a Tax Subsidiary) so long as each such subsidiary satisfies all of the conditions set forth in clauses (a) through (d) of this definition of "Tax Subsidiary" (except that, for such purpose, references to the "Issuer" shall be deemed to be references to the owner of all of the equity interests in such subsidiary).

"Temporary Global Security": Any Security sold outside the United States to non-"U.S. persons" (as defined in Regulation S) in reliance on Regulation S and issued in the form of a temporary global security as specified in the Indenture in definitive, fully registered form without interest coupons.

"Transaction Party": Each of the Issuer, the Co-Issuer, the Initial Purchaser, the Collateral Administrator, the Trustee, the Fiscal Agent, the Indenture Registrar, the Share Registrar, the Share Trustee, the Administrator and the Investment Manager.

"Transfer Certificate": A transfer certificate in the form required under the Indenture (or, in the case of the Preferred Shares, the Fiscal Agency Agreement).

"Underlying Instrument": The terms and conditions, indenture or other agreement in which the terms and conditions of any obligation are set out, 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.

"Unfunded Amount": With respect to any Credit Facility at any time, the excess, if any, of (a) the Commitment Amount over (b) the Funded Amount thereof.

“Unscheduled Principal Payments”: All payments of principal (other than Sale Proceeds) received as a result of
prepayments, redemptions, exchange offers, tender offers or other
unscheduled payments with respect to Collateral
Obligations.
“Voting Rights”: Any request, demand, authorization, direction, notice, consent, waiver or other action provided
under the Indenture or the Investment Management Agreement to be given or taken by holders of Securities.
“Weighted Average Life Test”: A test satisfied as of any Measurement Date if the weighted average life of the
Collateral Obligations is no higher than the relevant weighted average life specified in the table below for the
Closing Date or the Distribution Date (listed under the caption “Date” in the table below) immediately preceding
such Measurement Date:

Date	Weighted Average Life (in years)
Closing Date	6.50
December 2011	6.00
March 2012	5.75
June 2012	5.50
September 2012	5.25
December 2012	5.00
March 2013	4.75
June 2013	
September 2013	
December 2013	
March 2014	
June 2014	
September 2014	
December 2014	
March 2015	
June 2015	
September 2015	
December 2015	
March 2016	
June 2016	
September 2016	
December 2016	
March 2017	
June 2017	
September 2017	

4.50
4.25
4.00
3.75
3.50
3.25
3.00
2.75
2.50
2.25
2.00
1.75
1.50
1.25
1.00
0.75
0.50
0.25

“Weighted Average Moody’s Rating Factor”: The sum of the products obtained by multiplying the Principal Balance of each Collateral Obligation (other than Defaulted Obligations and Equity Securities) by its Moody’s Rating Factor, dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations (other than Defaulted Obligations and Equity Securities) and rounding the result up to the nearest whole number.

“Weighted Average Rating Factor Test”: A test satisfied as of any Measurement Date if the Weighted Average Moody’s Rating Factor of the Collateral Obligations is equal to or less than the applicable number set forth in the columns entitled “Weighted Average Rating Factor” in the Collateral Matrix based on the row/column combination selected by the Investment Manager with notice to the Collateral Administrator (or linear interpolation between two rows and/or two columns, as applicable).

“Weighted Average Recovery Rate Test”: A test satisfied as of any Measurement Date if the Moody’s Weighted Average Recovery Rate is greater than or equal to 43.75%, and the S&P Weighted Average Recovery Rate Test is satisfied.

“Weighted Average Spread”: The average of the spreads over the applicable LIBOR for the Collateral Obligations (other than Defaulted Obligations), weighted by Principal Balance (calculated in the case of a Credit Facility based on the spread over the applicable LIBOR weighted by the Funded Amount, and the rate of the commitment fee and such other fees payable to the Issuer on any Unfunded Amount, weighted by the Unfunded Amount). For purposes of this definition, with respect to (a) any Collateral Obligation that bears interest based on a non-LIBOR based floating rate index, the spread shall be deemed to be the all-in rate minus LIBOR as in effect for the current Interest Period for which the Weighted Average Spread is being determined; (b) any Partial PIK Security, the spread shall be deemed to be that portion of the spread that may not be deferred (without defaulting) under the Underlying Instruments; (c) any PIK Security that is deferring interest on the Measurement Date, the spread will be deemed to be that portion of the spread that is not being deferred; and (d) any Collateral Obligation that has a LIBOR floor, the spread shall be deemed the stated spread plus, if positive, (x) the LIBOR floor value minus (y) LIBOR as in effect for the current Interest Period for which the Weighted Average Spread is being determined.

MOODY'S RATING SCHEDULE

"Assigned Moody's Rating": The monitored publicly available rating or the monitored estimated rating expressly assigned to a debt obligation (or facility) by Moody's that addresses the full amount of the principal and interest promised; provided that so long as the Issuer applies for an estimated rating in a timely manner and provides the information required to obtain such estimate, pending receipt, such debt obligation (or facility) will have a Moody's Rating of "B3" for purposes of this definition if the Investment Manager certifies to the Trustee that the Investment Manager believes that such monitored estimated rating will be at least "B3."

"Bond": A U.S. dollar denominated debt security (that is not a Loan or a floating rate Senior Secured Note) issued by a corporation, limited liability company, partnership or trust.

"Corporate Family Rating": Moody's corporate family rating, the successor equivalent rating thereto (or the monitored estimated rating expressly assigned to an obligor by Moody's) or, if a corporate family rating has not yet been assigned, the senior implied rating; provided that pending receipt from Moody's of any such estimate, the Corporate Family Rating will be "B3" so long as the Investment Manager has certified to the Trustee in writing that application for such estimate is pending and such estimate is expected to be at least "B3"; provided, further, that the Aggregate Principal Balance of Collateral Obligations having a Moody's Rating by reason the preceding proviso may not exceed 10% of the Portfolio Principal Balance.

"Moody's Default Probability Rating": With respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following, in the following order of priority:

(a)

Loan):

(i)

if the Collateral Obligation's Obligor has a Corporate Family Rating from Moody's, such Corporate Family Rating; and

(ii)

if the preceding clause does not apply, the Moody's Obligation Rating of such Collateral Obligation;

(b) with respect to a Moody's Non Senior Secured Loan or Bond:

(i)

rating; and

(ii)

Obligation Rating thereof.

Notwithstanding the foregoing, (x) if the Moody's rating or the S&P rating used to determine the Moody's Default

Probability Rating is on review for possible downgrade or upgrade by Moody's or S&P, respectively, such rating or
ratings will be adjusted down one subcategory (if on review for possible downgrade) or up one subcategory (if on
review for possible upgrade) and (y) for purposes of the Moody's Default Probability Rating used in determining the
Moody's Rating Factor of a Collateral Obligation, if such Moody's rating or S&P rating used to determine the
Moody's Default Probability Rating is on review for possible downgrade or upgrade by Moody's or S&P,
respectively, such rating will be adjusted (i) down two subcategories (if on review for possible downgrade) or one
subcategory (if negative outlook) or (ii) up one subcategory (if on review for possible upgrade), in each case without
duplication of any adjustments made pursuant to the definition of Moody's Equivalent Senior Unsecured Rating.
if the preceding clause does not apply, the Moody's Equivalent Senior Unsecured Rating
of the Collateral Obligation, as applicable; and
(c)
with respect to a DIP Loan, the rating that is one rating subcategory below the Moody's
any Collateral Obligation (other than a Moody's Non Senior Secured Loan, a Bond or a DIP
if the Obligor has a senior unsecured obligation with an Assigned Moody's Rating, such

“Moody’s Equivalent Senior Unsecured Rating”:
(a)
Moody’s Rating;
(b)
(c)
With respect to any Collateral Obligation and the
Obligor thereof as of any date of determination, is the rating determined in
accordance with the following, in the
following order of priority:
if the Obligor has a senior unsecured obligation with an Assigned Moody’s
Rating, such Assigned
if the preceding clause does not apply, the Moody’s “Issuer Rating” for the
Obligor;
if the preceding clauses do not apply, but
Assigned Moody’s Rating, then:
(i)
(ii)
(d)
the Obligor has a subordinated obligation with an
if such Assigned Moody’s Rating is at least “B3” (and, if rated “B3,” not on
review for
possible downgrade), the Moody’s Equivalent Senior Unsecured Rating shall be
the rating which is one
rating subcategory higher than such Assigned Moody’s Rating, or
if such Assigned Moody’s Rating is less than “B3” (or rated “B3” and on
review for
possible downgrade), the Moody’s Equivalent Senior Unsecured Rating shall be
such Assigned Moody’s
Rating;
if the preceding clauses do not apply, but the Obligor has a senior secured
obligation with an
Assigned Moody’s Rating, then:
(i)
(ii)
if such Assigned Moody’s Rating is at least “Caa3” (and, if rated “Caa3,”
not on review
for possible downgrade), the Moody’s Equivalent Senior Unsecured Rating
shall be the rating which is one
subcategory below such Assigned Moody’s Rating, or
if such Assigned Moody’s Rating is less than “Caa3” (or rated “Caa3” and on
review for
possible downgrade), then the Moody’s Equivalent Senior Unsecured Rating
shall be “Ca”;
(e)
(f)
if the preceding clauses do not apply, but such Obligor has a Corporate
Family Rating from
Moody’s, the Moody’s Equivalent Senior Unsecured Rating shall be one rating
subcategory below such Corporate
Family Rating;
if the preceding clauses do not apply, but the Obligor has a senior

unsecured obligation (other than
a loan) with a monitored public rating from S&P (without any postscripts,
asterisks or other qualifying notations,
that addresses the full amount of principal and interest promised), then the
Moody’s Equivalent Senior Unsecured
Rating shall be:
(i)
or lower;
(g)
one rating subcategory below the Moody’s equivalent of such S&P rating if it
is “BBB–”
or higher, or
(ii) two rating subcategories below the Moody’s equivalent of such S&P
rating if it is “BB+”
if the preceding clauses do not apply, but the Obligor has a subordinated
obligation (other than a
loan) with a monitored public rating from S&P (without any postscripts,
asterisks or other qualifying notations, that
addresses the full amount of principal and interest promised), the Assigned
Moody’s Rating shall be deemed to be:
(i)
or lower,
and the Moody’s Equivalent Senior Unsecured Rating shall be determined
pursuant to clause (c) above;
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one rating subcategory below the Moody’s equivalent of such S&P rating if it
is “BBB–”
or higher; or
(ii) two rating subcategories below the Moody’s equivalent of such S&P
rating if it is “BB+”

(h)
if the preceding clauses do not apply, but the Obligor has a senior secured obligation with a
monitored public rating from S&P (without any postscripts, asterisks or other qualifying notations, that addresses the
full amount of principal and interest promised), the Assigned Moody's Rating shall be deemed to be:
(i)
or lower,
and the Moody's Equivalent Senior Unsecured Rating shall be determined pursuant to clause (d) above;
(i)
the Moody's Equivalent Senior Unsecured Rating will be "Caa1":
(i)
if the preceding clauses do not apply and each of the following clauses (i) through (viii) do apply,
neither the Obligor nor any of its Affiliates is subject to reorganization or bankruptcy
proceedings,
(ii) no debt securities or obligations of the Obligor are in default,
(iii) neither the Obligor nor any of its Affiliates has defaulted on any debt during the
preceding two years,
(iv)
(v)
the Obligor has been in existence for the preceding five years,
the Obligor is current on any cumulative dividends,
(vi) the fixed-charge ratio for the Obligor exceeds 125% for each of the preceding two fiscal
years and for the most recent quarter,
(vii) the Obligor had a net profit before tax in the past fiscal year and the most recent quarter,
and
(viii) the annual financial statements of such Obligor are unqualified and certified by a firm of
independent accountants, and quarterly statements are unaudited but signed by a corporate officer;
(j)
Moody's Equivalent Senior Unsecured Rating will be "Caa3":
(i)
years; and
(k)
if the preceding clauses do not apply but each of the following clause (i) and (ii) do apply, the
neither the Obligor nor any of its Affiliates is subject to reorganization or bankruptcy
proceedings; and
(ii) no debt security or obligation of such Obligor has been in default during the past two
if the preceding clauses do not apply and a debt security or obligation of the Obligor has been in

default during the past two years, the Moody's Equivalent Senior Unsecured Rating will be "Ca."
Notwithstanding the foregoing, no more than 10% of the Collateral Obligations, by Aggregate Principal Balance,
may be given a Moody's Equivalent Senior Unsecured Rating based on a rating given by S&P as provided in clauses
(f), (g) and (h) above.
"Moody's Non Senior Secured Loan": Any Loan (other than (a) a Senior Secured Loan or (b) a Senior
Secured Note or a Second Lien Loan that has an obligation rating from Moody's that is equal to or greater than its
Obligor's Corporate Family Rating).
113
one rating subcategory below the Moody's equivalent of such S&P rating if it is "BBB–"
or higher; or
(ii) two rating subcategories below the Moody's equivalent of such S&P rating if it is "BB+"

“Moody’s Obligation Rating”: With respect to any Collateral Obligation as of any date of determination, is
the rating determined in accordance with the following, in the following order of priority:
(a)
Loan):
(i)
(ii)
(iii)
if it has an Assigned Moody’s Rating, such Assigned Moody’s Rating;
if the preceding clause does not apply, its Corporate Family Rating; or
if the preceding clause does not apply, the rating that is one rating subcategory above the
Moody’s Equivalent Senior Unsecured Rating; and
(b) with respect to a Moody’s Non Senior Secured Loan:
(i)
(ii)
and
(c)
any Collateral Obligation (other than a Moody’s Non Senior Secured Loan, a Bond or a DIP
if it has an Assigned Moody’s Rating, such Assigned Moody’s Rating; or
if the preceding clause does not apply, the Moody’s Equivalent Senior Unsecured Rating;
with respect to a DIP Loan:
(i)
(ii)
if it has an Assigned Moody’s Rating, such Assigned Moody’s Rating; or
if the preceding clause does not apply, the Moody’s Equivalent Senior Unsecured Rating.
Notwithstanding the foregoing, if the Moody’s rating or ratings used to determine the Moody’s Obligation Rating
are on review for possible downgrade or upgrade by Moody’s, such rating or ratings will be adjusted down one
subcategory (if on review for possible downgrade) or up one subcategory (if on review for possible upgrade).
“Moody’s Rating”: The Moody’s Default Probability Rating; provided, that, with respect to the Collateral
Obligations generally, if at any time Moody’s or any successor to it ceases to provide rating services, references to
rating categories of Moody’s shall be deemed instead to be references to the equivalent categories of any other
nationally recognized investment rating agency designated in writing by the Investment Manager on behalf of the
Issuer (with a copy to the Trustee), as of the most recent date on which such other rating agency and Moody’s
published ratings for the type of security in respect of which such alternative rating agency is used. To the extent
that the Issuer relies upon a credit estimate for purposes of the Moody’s Rating of any Collateral Obligation, the
Investment Manager (on behalf of the Issuer) will apply for renewal of such

credit estimate on an annual basis.
114

“Moody’s Rating Factor”: With respect to any Collateral Obligation, the number set forth in the table
below opposite the Moody’s Rating of such Collateral Obligation.
Moody’s
Rating
Moody’s
Rating
Factor
Moody’s
Rating
40
70
120
180
Ba2
Ba3
B1
B2
B3
Moody’s
Rating
Factor
Aaa* 1 Ba1 940
Aa1 10
Aa2 20
Aa3
A1
A2
A3
Caa1
Baa1 260 Caa2
Baa2 360 Caa3
Baa3
610
Ca, C or lower
1,350
1,766
2,220
2,720
3,490
4,770
6,500
8,070
10,000
* or any obligation issued or guaranteed as to the payment of principal and interest by
the United States of America or any agency or instrumentality thereof the obligations of
which are expressly backed by the full faith and credit of the United States of America.
“Moody’s Recovery Rate”: With respect to any Collateral Obligation, as of

any date of determination, will
be 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
a Senior Secured Loan or a Moody’s Non Senior Secured Loan, the rate
determined pursuant to the table below
based on the number of rating subcategories difference between the
Collateral Obligation’s Moody’s Obligation
Rating and its Moody’s Default Probability Rating (for purposes of
clarification, if the Moody’s Obligation 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 Obligation Rating and the Moody’s
Default Probability Rating
+2 or more
+1
0
-1
-2
-3 or less
and
(c)
Moody’s
Senior Secured
Loans
60.0%
50.0%
45.0%
40.0%
30.0%
20.0%
Non Senior Secured
Loans
45.0%
42.5%
40.0%
30.0%
15.0%
10.0%
Bonds
40.0%
35.0%

30.0%
15.0%
10.0%
2.0%
if no recovery rate has been specifically assigned with respect to a Loan pursuant to clause (a) or
(b) above or if the Loan is a DIP Loan, 50%.
115

“Moody’s Spread Modifier”: As of any Measurement Date:
(a)
(b)
if the Moody’s Weighted Average Recovery Rate is less than or equal to 48.75%, zero;
if the Moody’s Weighted Average Recovery Rate is greater than 48.75% but less than or equal to
60%, the product of (i) the Moody’s Weighted Average Recovery Rate in excess of 48.75% and (ii) 0.20; and
(c)
Modifier will be 2.25%.
“Obligor”: The issuer of a Bond or the obligor under a Loan, as the case may be.
if the Moody’s Weighted Average Recovery Rate is greater than 60%, the Moody’s Spread
116

S&P RATING SCHEDULE

"S&P Matrix": For each Class of Rated Notes, the Applicable Break-Even Default Rate will be determined as follows: (A) the applicable weighted average spread will be the spread between 1.95% and 4.55% (in increments of .05%) without exceeding the Weighted Average Spread as of such Measurement Date (the "S&P Matrix Spread") and (B) the applicable weighted average recovery rate with respect to each Class of Rated Notes will be determined according to its S&P rating by reference to the applicable "Recovery Rate Case" set forth in the S&P Matrix below, in each case as selected by the Investment Manager. 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 Rated Notes (collectively, a "Recovery Rate Set") and which S&P Matrix Spread will be applicable for purposes of both (i) the S&P CDO Monitor and (ii) the S&P Weighted Average Recovery Rate Test.

After the Effective Date, the Investment Manager may request from time to time for S&P to provide S&P CDO Monitors for up to 10 different S&P Matrix Spreads and up to 10 different Recovery Rate Sets at each request. On 10 Business Days' written notice to the Trustee (or such shorter time as may be acceptable to the Trustee), the Investment Manager may choose a different Recovery Rate Set and/or S&P Matrix Spread; provided, that the Collateral Obligations must be in compliance with such different Recovery Rate Set and, solely for purposes of this proviso, if the Issuer has entered into a commitment to invest in a Collateral Obligation, compliance with newly selected Recovery Rate Set may be determined after giving effect to such investment. For the avoidance of doubt, in no event will the Investment Manager be obligated to choose a different Recovery Rate Set or different S&P Matrix Spreads. In the event the Investment Manager fails to choose (A) Recovery Rate Cases prior to the Effective Date, (1) with respect to the Class A-1 Notes, the Class B Notes, the Class C Notes or the Class D Notes, Recovery Rate Case 18 will apply or (2) with respect to the Class A-2 Notes, Recovery Rate Case 19 will apply or (B) S&P Matrix Spread prior to the Effective Date, S&P Matrix Spread 3.55% will apply.

Recovery Rate Case
1
2
3
4
5
6
7

8
9
10
11
12
13
14
15
16
17
18
Class A-1 Notes
S&P
Recovery
Rate
40.00%
40.25%
40.50%
40.75%
41.00%
41.25%
41.50%
41.75%
42.00%
42.25%
42.50%
42.75%
43.00%
43.25%
43.50%
43.75%
44.00%
44.25%
Recovery
Rate
Case
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15

16
17
18
Class A-2 Notes
S&P
Recovery
Rate
48.75%
49.00%
49.25%
49.50%
49.75%
50.00%
50.25%
50.50%
50.75%
51.00%
51.25%
51.50%
51.75%
52.00%
52.25%
52.50%
52.75%
53.00%
Class B Notes
Recovery
Rate
Case
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
S&P
Recovery
Rate
53.85%

54.15%
54.45%
54.75%
55.05%
55.35%
55.65%
55.95%
56.25%
56.55%
56.85%
57.15%
57.45%
57.75%
58.05%
58.35%
58.65%
58.95%
117
Class C Notes
Recovery
Rate
Case
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
S&P
Recovery
Rate
59.050%
59.400%
59.750%
60.100%
60.450%
60.800%
61.150%
61.500%

61.850%
62.200%
62.550%
62.900%
63.250%
63.600%
63.950%
64.300%
64.650%
65.000%
Class D Notes
Recovery
Rate
Case
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
S&P
Recovery
Rate
64.50%
64.85%
65.20%
65.55%
65.90%
66.25%
66.60%
66.95%
67.30%
67.65%
68.00%
68.35%
68.70%
69.05%
69.40%
69.75%

70.10%
70.45%

Recovery
Rate
Case
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
Class A-1 Notes
S&P
Recovery
Rate
44.50%
44.75%
45.00%
45.25%
45.50%
45.75%
46.00%
46.25%
46.50%
46.75%
47.00%
47.25%
47.50%
47.75%
48.00%
Recovery
Rate
Case
19
20
21
22
23
24
25
26
27
28
29

30
31
32
33
Class A-2 Notes
S&P
Recovery
Rate
53.25%
53.50%
53.75%
54.00%
54.25%
54.50%
54.75%
55.00%
55.25%
55.50%
55.75%
56.00%
56.25%
56.50%
56.75%
Class B Notes
Recovery
Rate
Case
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
S&P
Recovery
Rate
59.25%
59.55%
59.85%
60.15%
60.45%
60.75%

61.05%
61.35%
61.65%
61.95%
62.25%
62.55%
62.85%
63.15%
63.45%
Class C Notes
Recovery
Rate
Case
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
S&P
Recovery
Rate
65.350%
65.700%
66.050%
66.400%
66.750%
67.100%
67.450%
67.800%
68.150%
68.500%
68.850%
69.200%
69.550%
69.900%
70.250%
Class D Notes
Recovery
Rate
Case
19

20
21
22
23
24
25
26
27
28
29
30
31
32
33
S&P
Recovery
Rate
70.80%
71.15%
71.50%
71.85%
72.20%
72.55%
72.90%
73.25%
73.60%
73.95%
74.30%
74.65%
75.00%
75.35%
75.70%
“S&P Rating”: With respect to any Collateral Obligation, the rating
determined as follows: provided,
(y) on watch for downgrade by S&P it shall be treated as downgraded by one
rating
however, (a) if such Collateral Obligation is (x) on watch for upgrade by
S&P it shall be treated as upgraded by one
rating subcategory or
subcategory, unless S&P has notified the Investment Manager in writing that
such treatment is no longer required,
(b) if it is a DIP Loan with a rating by S&P as published by S&P, its S&P
Rating shall be such rating, (c) if it is a
Structured Finance Obligation, its S&P Rating shall be determined based on
clause (v) and (d) if it is a Current Pay
Obligation of an obligor that (x) is not in bankruptcy and (y) has a
Distressed Exchange Offer pending, its S&P
Rating shall be determined based on clause (vi):
(i)
(ii)
obligor:

(A)
(B)
if there is not an issuer credit rating or a rating on a senior unsecured obligation
of the obligor by S&P, but there is a rating by S&P on a senior secured obligation of the obligor,
then the S&P Rating of such Collateral Obligation shall be one subcategory below such rating; and
if there is not an issuer credit rating or a rating on a senior unsecured or senior
secured obligation of the obligor by S&P, but there is a rating by S&P on a subordinated
obligation of the obligor, then the S&P Rating of such Collateral Obligation shall 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;
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if there is an issuer credit rating by S&P as published by S&P (or rating on a guarantor
that unconditionally and irrevocably guarantees such Collateral Obligation), then the S&P Rating of such
Collateral Obligation shall be such rating;
if there is not an issuer credit rating by S&P but there is a rating by S&P on a senior
unsecured obligation of the obligor, then the S&P Rating of such Collateral Obligation shall be such rating;
(iii) if such Collateral Obligation is a senior secured or senior unsecured obligation of the

(iv)
if clauses (i) through (iii) do not apply, then the S&P Rating of such Collateral Obligation
may be determined using any one of the methods below:
(A)
if an obligation of the obligor has a published rating from Moody's then the S&P Rating will be determined in accordance with the methodologies for establishing the
Moody's Rating, except that the S&P Rating of such Collateral Obligation shall be (1) one
subcategory below the S&P equivalent of the rating assigned by Moody's if such Collateral
Obligation is rated "Baa3" or higher by Moody's and (2) two subcategories below the S&P
equivalent of the rating assigned by Moody's if such Collateral Obligation is rated "Ba1" or lower
by Moody's; provided that no more than 15% of the Collateral Obligations, by Aggregate
Principal Balance, may be given an S&P Rating based on a rating given by Moody's as provided
in this subclause (A); or
(B)
if no other security or obligation of the obligor is rated by S&P or Moody's, then
the Issuer or the Investment Manager on behalf of the Issuer, shall apply to S&P for a rating
estimate, which shall be its S&P Rating; provided that, pending receipt, its S&P Rating will be
determined as set forth in clause (vii) below;
(v)
if it is a Structured Finance Obligation:
(A) if such obligation has a published rating from S&P, then its S&P Rating shall be
such rating;
(B)
if such obligation does not have a published rating from S&P but has a published
rating from Moody's, then the S&P Rating shall be determined in accordance with the
methodologies for establishing the Moody's Rating, except that the S&P Rating of such Structured
Finance Obligation shall be (1) two subcategories below the S&P equivalent of the rating assigned
by Moody's if such Structured Finance Obligation is rated "Baa3" or higher by Moody's and (2)
three subcategories below the S&P equivalent of the rating assigned by Moody's if such Structured
Finance Obligation is rated "Ba1" or lower by Moody's; provided that no more than 15% of the
Collateral Obligations, by Aggregate Principal Balance, may be given an S&P Rating based on a

rating given by Moody’s as provided in this subclause (B); or
(C)
if neither clause (A) nor (B) applies, then the Issuer or the Investment Manager on
behalf of the Issuer, shall apply to S&P for a rating estimate, which shall be its S&P Rating;
provided that, pending receipt, its S&P Rating will be determined as set forth in clause (vii)
below;
(vi)
if it is a Current Pay Obligation, then its S&P Rating will be determined as follows:
(A) if the Issuer owns only one issue of debt obligation of an issuer with a Distressed
Exchange Offer pending, then (1) with respect to a Current Pay Obligation ranking higher in priority
(before and after the exchange) than the obligation subject to the Distressed Exchange Offer, the
higher of (x) the rating derived by adjusting such Current Pay Obligation’s issue rating up or down
by the number of notches specified in Table 1 below for its related asset specific recovery rating and
(y) “CCC-,” and (2) with respect to any other such Current Pay Obligation, “CCC-”; and
(B)
if the Issuer owns more than one issue of obligations of an issuer with a Distressed
Exchange Offer pending, then with respect to each such Current Pay Obligation, the rating
corresponding to the weighted average rating “points” in Table 2 below calculated by dividing (1)
the sum of the products of (x) the outstanding par amount of each Current Pay Obligation multiplied
by (y) the rating “points” in Table 2 below corresponding to the rating of such Current Pay
Obligation as determined pursuant to clause (A) above by (2) the aggregate outstanding par amount
of all such Current Pay Obligations issued by the issuer with the Distressed Exchange Offer pending
(rounded up to the nearest whole number).

Table 1
Asset Specific Recovery Rating
1+
Notches to Derive Rating from
Issue Rating
-3
1 -2
2 -1
3 0
4 0
5 +1
6 +2
None
Table 2
Rating
AAA+
AAA
1
AA+
AA
3
4
5
A 6
A7
BBB+
8
BBB 9
BBB- 10
BB+ 11
BB 12
BB- 13
B+ 14
B 15
B- 16
CCC+ 17
CCC 18
CCC- 19
With respect to the Collateral Obligations generally, if at any time S&P (or its successor) ceases to provide
rating services, references to rating categories of S&P shall be deemed instead to be references to the equivalent
categories of any other nationally recognized investment rating agency designated in writing by the Investment
Manager on behalf of the Issuer (with written notice to the Trustee), as of the most recent date on which such other
rating agency and S&P published ratings for the type of security in respect of which such alternative rating agency is
used. The Trustee, the Issuer and the Investment Manager shall not disclose any such estimated rating received
from S&P.

Rating “Points”
2
Not available for notching
120

“S&P Recovery Rate”: The S&P Recovery Rate of any Collateral Obligation will be determined based on
the tables below in the following manner, or such higher recovery rate for which Rating Agency Confirmation from
S&P is obtained:
(a)
If the Collateral Obligation has an S&P Asset Specific Recovery Rating, then the S&P Recovery
Rate is the applicable percentage set forth in the Table 1.
(b)
If the Collateral Obligation is either senior unsecured debt or subordinated debt that does not have
an S&P Asset Specific Recovery Rating and the senior secured debt of the obligor has an S&P Asset Specific
Recovery Rating, then S&P Recovery Rate with respect to each Class of Notes will be determined based on Table 2
and 3.
(c)
If the Collateral Obligation does not have an S&P Assigned Recovery Rating and the relevant
obligor does not have senior secured debt with a current S&P Assigned Recovery Rating, then the S&P Recovery
Rate with respect to each Class of Notes will be determined based on Table 4.
Table 1: Recovery Rates for Assets with S&P Assigned Recovery Ratings
Notes rating categories
S&P Assigned Recovery Rating AAA AA A BBB BB B and CCC
% % % % %
%
1+
1
2
3
4
5
6
75
65
50
30
20
5
2
85
75
60
40
26
10
4
88
80

66
46
33
15
6
90
85
73
53
39
20
8
92
90
79
59
43
23
10
95
95
85
65
45
25
10
121

Table 2: Recovery Rates for Senior Unsecured Assets
Junior to Assets with an S&P Assigned Recovery Rating
Notes rating categories
S&P Assigned Recovery Rating AAA AA A BBB BB B and CCC
% % % % % %
Group 1
1+
1
2
3
4
5
6
Group 2
1+
1
2
3
4
5
6
Group 3
1+
1
2
3
4
5
6
18
18
18
12
5
2
-16
16
16
10
5
2
-13
13
13
8
5
2
-20
20
20
15

8
18
18
18
13
-16
16
16
11
-23
23
23
18
11
-21
21
21
15
-18
18
18
13
-26
26
26
21
13
-24
24
24
18
-21
21
21
15
-29
29
29
22
14
-27
27
27
19
-23
23
23
16
-31
31
31

23
15
4
6 8 9 10
--29
29
29
20
5
5 5 5 5
2 2 2 2 2
-25
25
25
17
5
5 5 5 5
2 2 2 2 2
-Table
3: Recovery Rates for Subordinated Assets Junior to Assets with an S&P Assigned Recovery Rating
Notes rating categories
S&P Assigned Recovery Rating
1+
1
2
3
4
5
6
AAA AA
8
8
5
2
--A
BBB BB B and CCC
% % % % % %
8
8 8 8 8 8
8 8 8 8 8
8 8 8 8 8
5 5 5 5 5
2 2 2 2 2
----------122

Table 4: S&P Tiered Corporate Recovery Rates (By Asset Class and Class of Notes)

Notes rating categories						
AAA	AA	A	BBB	BB	B	and CCC
%						
%						
Senior secured first-lien **						
Group 1						
Group 2						
Group 3						
Group 4						
Senior secured cov-lite loans/ senior secured bonds						
Group 1						
Group 2						
Group 3						
Group 4						
Mezzanine/ senior secured notes/secondlien/ senior unsecured loans/senior unsecured bonds***						
Group 1						
Group 2						
Group 3						
Group 4						
Subordinated loans/ subordinated bonds						
Group 1						
Group 2						
Group 3						
Group 4						
Synthetic Securities						
50						
45						
39						
17						
41						
37						
32						
17						
18						
16						
13						
10						
8						
10						
9						
5						
55						
49						
42						
19						
46						

41
35
19
20
18
16
12
8
10
9
5
%
59
53
46
27
49
44
39
27
23
21
18
14
8
10
9
5
**** **** ****
%
63
58
49
29
53
49
41
29
26
24
21
16
8
10
9
5
****
%
75
70
60

31
63
59
50
31
29
27
23
18
8
10
9
5
****
%
79
74
63
34
67
62
53
34
31
29
25
20
8
10
9
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.
** 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) by its terms is not subordinated to another obligation of the issuer and (c) 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
amount 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 of the
issuer of such loan (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 Rating Agency Confirmation from S&P,
in order to conform to S&P then-current criteria for such loans).
*** Solely for the purpose of determining the S&P Recovery Rate for such
loan, the aggregate principal
balance of all Second Lien Loans that, in the aggregate, represent up to 15%
of the Aggregate Principal Balance will
have the S&P Recovery Rate specified for Second Lien Loans in the table
above and the aggregate principal balance of
all Second Lien Loans in excess of 15% of the Aggregate Principal Balance
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.

COLLATERAL MATRIX
“Collateral Matrix”: On and after the Effective Date, the matrix below will be used for purposes of the Weighted Average Rating Factor Test, the Diversity Test and the Minimum Weighted Average Spread Test. The Investment Manager may select any “Diversity Score” column and any “Spread” row specified below, and the corresponding numbers set forth in the matrix will be used to determine whether the Weighted Average Rating Factor Test, the Diversity Test and the Minimum Weighted Average Spread Test are satisfied as of the applicable Measurement Date; provided that, if the Diversity Score and/or Weighted Average Spread falls between rows and/or columns, linear interpolation may be taken between two adjacent rows and/or two adjacent columns, as applicable, on a straight-line basis; provided, however, that for purposes of this matrix, (i) if the Investment Manager selects a “Spread” above the value in the last row, that row will be used, (ii) if the Investment Manager selects a “Spread” below the value in row 1, that row will be used, (iii) if the Investment Manager selects a “Diversity Score” above the value in column G, that column will be used, and (iv) if the Investment Manager selects a “Diversity Score” below the value in column A, that column will be used.

A	
Spread	
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	

25
26
27
55
B
60
C
65
1.95% 2475 2520 2565
2.05% 2505 2550 2595
2.15% 2535 2580 2625
2.25% 2565 2610 2655
2.35% 2595 2640 2685
2.45% 2620 2665 2710
2.55% 2645 2690 2735
2.65% 2670 2715 2760
2.75% 2695 2750 2795
2.85% 2720 2780 2830
2.95% 2745 2810 2865
3.05% 2770 2840 2895
3.15% 2800 2865 2925
3.25% 2830 2890 2950
3.35% 2860 2920 2975
3.45% 2890 2950 3000
3.55% 2920 2970 3025
3.65% 2950 3000 3050
3.75% 2980 3030 3080
3.85% 3010 3060 3110
3.95% 3040 3090 3140
4.05% 3070 3120 3170
4.15% 3100 3150 3200
4.25% 3125 3175 3200
4.35% 3150 3200 3200
4.45% 3175 3200 3200
4.55% 3200 3200 3200

Diversity Score→
D
70
E
75
F
80
2610 2650 2685
2640 2680 2710
2670 2710 2740
2700 2740 2775
2730 2770 2805
2755 2795 2830
2780 2825 2860
2810 2855 2890

2840 2880 2915
2875 2910 2950
2905 2940 2980
2935 2970 3010
2960 2995 3035
2990 3025 3065
3020 3055 3095
3050 3085 3125
3080 3115 3155
3100 3145 3180
3130 3175 3200
3160 3200 3200
3190 3200 3200
3200 3200 3200
3200 3200 3200
3200 3200 3200
3200 3200 3200
3200 3200 3200
3200 3200 3200

Weighted Average Rating Factor →
G
85
2715
2735
2770
2805
2835
2860
2895
2930
2955
2980
3010
3040
3065
3095
3125
3155
3185
3200
3200
3200
3200
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3200
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Person .....-
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..... 50
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.....-
..... 50
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..... 99
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.....-
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.....-
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..... 100
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Date .....-
..... 100
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Date .....-
..... 57
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.....-
..... 100
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Class .....-
.....
100
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Class .....-
..... 100
Majority .....-
.....-
..... 100
Manager
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.....-

.....iv
Manager
Parties .....-
.....-
..... 100
Manager
Securities .....-
.....-
..... 100
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.....-
..... 100
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