

**NOTICE OF EFFECTIVE DATE OF APPOINTMENT OF SUCCESSOR
COLLATERAL MANAGER**

**CRYSTAL COVE CDO, LTD.
CRYSTAL COVE CDO, INC.**

To: The Parties listed on Schedule A hereto.

Reference is made to (i) that certain Amended and Restated Collateral Management Agreement dated as of January 29, 2013 (as amended, modified or supplemented, the “Management Agreement”) between Crystal Cove CDO, Ltd., as Issuer (the “Issuer”) and Vertical Capital, LLC, as Collateral Manager (the “Collateral Manager”) and (ii) that certain Indenture dated as of August 25, 2004 (as amended, modified or supplemented, the “Indenture”) among the Issuer, Crystal Cove CDO, Inc., as Co-Issuer, and Wells Fargo Bank, National Association, as Trustee (the “Trustee”). Capitalized terms used herein without definition shall have the meaning given to such terms in the Management Agreement or the Indenture.

I. Notice to Nominees and Custodians.

If you act as or hold Notes or Preference Shares as a nominee or custodian for or on behalf of other persons, please transmit this notice immediately to the beneficial owner of such Notes or Preference Shares or such other representative who is authorized to take actions. Your failure to act promptly in compliance with this paragraph may impair the chance of the beneficial owners on whose behalf you act to take any appropriate actions concerning the matters described in this notice.

II. Notice of Effective Date of Appointment of Successor Collateral Manager.

Reference is further made to (i) that certain Notice of Removal of Collateral Manager Without Cause dated June 24, 2015 in which the Trustee provided notice that the Issuer notified the Trustee that Holders of at least 66-2/3% of the Aggregate Outstanding Amount of the Controlling Class of Notes had directed the Issuer to terminate and remove the Collateral Manager without cause pursuant to Section 11(c) of the Management Agreement and (ii) that certain Notice of Proposed Replacement Manager and Proposed Second Amended and Restated Collateral Management Agreement dated as of June 30, 2015, in which the Trustee provided notice of the designation by the Issuer of Dock Street Capital Management LLC (“Dock Street”) as the successor Collateral Manager.

At the direction of the Issuer, attached hereto as Exhibit A please find the Issuer’s Notice of Effective Date of Appointment of Successor Collateral Manager, which provides notice that as of August 3, 2015, the appointment of Dock Street as Collateral Manager is effective.

The successor Collateral Manager’s contact information is as follows:

Dock Street Capital Management LLC
575-B Riverside Avenue
Westport, CT 06880
Phone: (212) 457-8258
Fax: (212) 457-8629
Attn: David Crowle

Any questions may be directed to the attention of Cheryl Bohn by telephone at 410-884-2097, by e-mail at cheryl.bohn@wellsfargo.com, by facsimile at 866-373-0261 or by mail addressed to Wells Fargo Bank, National Association, Corporate Trust Department, Attn.: Cheryl Bohn, 9062 Old Annapolis Road, Columbia, MD 21045. The Trustee may conclude that a specific response to particular inquiries from individual Holders is not consistent with equal and full dissemination of material information to all Holders. Holders of Notes or Preference Shares should not rely on the Trustee as their sole source of information. The Trustee makes no recommendations and gives no investment advice herein or the Notes or Preference Shares generally.

Dated: August 5, 2015

**WELLS FARGO BANK,
NATIONAL ASSOCIATION,
as Trustee and Preference Share Paying
Agent**

SCHEDULE A

Holders of Notes and Preference Shares:

229196AA81 229196AB61 229196AD21
229196AE01 229196AF71 G257652001
G25766AE91 G25766AG41 229195201

Issuer:

Crystal Cove, Ltd.
c/o Fund Fiduciary Partners Limited
2nd Floor, Harbour Centre
42 North Church Street
George Town, Grand Cayman
Cayman Islands
Attention: Andrew Childe

With a copy to:

10 Market Street #769
Camana Bay, Grand Cayman KY1-9006
Cayman Islands
Attention: Andrew Childe

Co-Issuer:

Crystal Cove CDO, Inc.
c/o Puglisi & Associates
850 Library Avenue, Suite 204
Newark, Delaware 19711
Attention: Donald Puglisi

Rating Agencies

Moody's Investors Service
7 World Trade Center
250 Greenwich Street
New York, New York 10007
Attn: CBO/CLO Monitoring
e-mail: cdomonitoring@moodys.com

Outgoing Collateral Manager:

Vertical Capital, LLC
437 Madison Avenue, 39th Floor
New York, New York 10022
Fax: (212) 786-5301
Attention: Brett T. Graham

Successor Collateral Manager:

Dock Street Capital Management LLC
575-B Riverside Avenue
Westport, CT 06880
Phone: (212) 457-8258
Fax: (212) 457-8629
Attn: David Crowle

Irish Stock Exchange Announcement Office:

Company Announcement Office
The Irish Stock Exchange Limited
28 Anglesea Street
Dublin 2, Ireland

* The Trustee shall not be responsible for the use of the CUSIP, CINS, ISIN or Common Code numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Note or Preference Share. The numbers are included solely for the convenience of the Holders.

EXHIBIT A

Crystal Cove CDO, Ltd.
c/o Fund Fiduciary Partners Limited
2nd Floor, Harbour Centre
42 North Church Street
George Town
Grand Cayman, Cayman Islands

Notice of Effective Date of Appointment of Replacement Manager and Execution of Second
Amended and Restated Collateral Management Agreement

August 4, 2015

To: Wells Fargo Bank, National Association, as Trustee
9062 Old Annapolis Road
Columbia, Maryland 21045
ATTN: Cheryl Bohn
Fax: 1-866-373-0261
Email: Cheryl.Bohn@wellsfargo.com
Re: Crystal Cove CDO, Ltd.

Ladies and Gentlemen:

Reference is made to the (i) that certain Amended and Restated Collateral Management Agreement dated as of January 29, 2013 (as amended, modified or supplemented, the “Collateral Management Agreement”) between Crystal Cove CDO, Ltd., as Issuer (the “Issuer”) and Vertical Capital, LLC, as Collateral Manager (the “Outgoing Collateral Manager”) and (ii) that certain Indenture dated as of August 25, 2004 (as amended, modified or supplemented, the “Indenture”) among the Issuer, Crystal Cove CDO, Inc., as Co-Issuer, and Wells Fargo Bank, National Association, as Trustee (the “Trustee”). Capitalized terms used herein without definition are used as defined in the Collateral Management Agreement or the Indenture, as applicable.

This notice is delivered to the Trustee by an Officer of the Issuer in connection with the removal of the Outgoing Collateral Manager, the proposed appointment of Dock Street Capital Management LLC (the “Replacement Manager”) as the successor Collateral Manager (the “Appointment”) and the execution of a Second Amended and Restated Collateral Management Agreement between the Issuer and the Replacement Manager dated as of August 3, 2015 in connection with the Appointment (the “Second A&R Collateral Management Agreement”).

The Issuer hereby notifies the Trustee that the Appointment and the execution of the Second A&R Collateral Management Agreement is complete and effective as of August 3, 2015 (the “Effective Date”) and hereby directs the Trustee to provide to all Noteholders and Preference Shareholders a copy of this notice.

IN WITNESS WHEREOF, this Notice is delivered by the Issuer this 4th day of August, 2015.

Crystal Cove CDO, Ltd., as Issuer

By: A.C.D.

Name: Andrew Chile

Title: Director