



# BNY MELLON

The Bank of New York Mellon Trust Company, National Association

## JERSEY STREET CLO, LTD. JERSEY STREET CLO, LLC

### NOTICE OF PENDING LITIGATION AND DISTRIBUTION HOLDBACK

**NOTE: THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE REGISTERED AND BENEFICIAL OWNERS OF THE SUBJECT INCOME NOTES. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS, AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RE-TRANSMITTAL TO BENEFICIAL OWNERS OF THE INCOME NOTES IN A TIMELY MANNER.**

May 5, 2016

To: The Holders of the Income Notes described as follows:

	<u>CUSIP*</u> Accredited Investor Reg S Rule 144A	<u>ISIN*</u> Accredited Investor Reg S Rule 144A	<u>Common Code*</u> Accredited Investor Reg S Rule 144A
Income Notes	476758AB3 G51172AA5 476758AA5	US476758AB37 USG51172AA54 US476758AA53	N/A 026802296 N/A

To: Those Additional Addressees listed on Schedule I hereto

Reference is made to that certain Indenture, dated as of September 28, 2006 (as further supplemented, the “Indenture”), by and among JERSEY STREET CLO, LTD., an exempted limited liability company incorporated under the laws of the Cayman Islands, as issuer (the “Issuer”), JERSEY STREET CLO, LLC, as co-issuer (the “Co-Issuer” and, together with the Issuer, the “Co-Issuers”), and The Bank of New York Mellon Trust Company, National Association (as successor in trust to JPMorgan Chase Bank, National Association), as trustee (the “Trustee”) and as securities intermediary. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

### **YOU ARE HEREBY NOTIFIED** of the following:

1. On May 20, 2015, a certain amended complaint (the “Amended Complaint”) was filed by Motors Liquidation Company Avoidance Action Trust (the “Plaintiff”) against various

\* No representation is made as to the correctness of the CUSIP, ISIN and Common Code numbers either as printed on the Notes or as contained in this notice. Such numbers are included solely for the convenience of the Holders.

defendants, including the Issuer, in an adversary proceeding originally filed in the United States Bankruptcy Court Southern District of New York (the “Bankruptcy Court”) on July 31, 2009 captioned *Motors Liquidation Company Avoidance Action Trust, by and through Wilmington Trust Company, solely in its capacity as Trust Administrator and Trustee vs. J.P. Morgan Chase Bank, N.A., individually and as Administrative Agent for various lenders party to the Term Loan Agreement described herein, et al.* (Adversary Proceeding Case No. 09-00504 (REG) (the “Adversary Proceeding”), in connection with the Chapter 11 bankruptcy of General Motors Corp. (“GM”) entitled *In re Motors Liquidation Company, et al., Debtor*, (Bankruptcy Court Case No. 09-50026 (REG)). A copy of the Amended Complaint filed in, and other information concerning, the Adversary Proceeding can be found at <http://www.motorsliquidationdocket.com/adversary>.

2. Among other things, the Adversary Proceeding seeks to recover certain payments received by the Issuer related to its holding of a term loan after GM’s June 1, 2009 bankruptcy petition and during the 90-day period prior to the bankruptcy petition (as described in the Amended Complaint filed in the Adversary Proceeding) (the “Specified Payments”). Based on available information, the Specified Payments received by the Issuer total approximately \$1.1 million. Among other things, the Adversary Proceeding seeks recovery of the Specified Payments together with interest and costs.
3. A Majority of the Income Notes directed the redemption of the Senior Notes and the Income Notes on the Distribution Date in April 2016. Accordingly, the Issuer delivered a notice of Optional Redemption of the Senior Notes and the Income Notes. The Trustee distributed a notice of Optional Redemption on April 6, 2016 and the Redemption Date for the Notes occurred on April 20, 2016.
4. Pursuant to an Issuer Order, an amount of approximately \$3.3 million was held back in reserve (the “Reserve”) from the amount that would otherwise be distributable to Income Noteholders, in respect of fees, expenses and other amounts which (i) may become payable in connection with the Adversary Proceeding or may be associated with defense or resolution thereof, or (ii) may be incurred in relation to the continued existence of the Issuer during the pendency of the Adversary Proceeding or the resolution thereof.

As a result, the Reserve will not be available for distribution to the Income Noteholders and may remain unavailable until (and if at all, pending) final resolution of the Adversary Proceeding. At that time, any amounts remaining from the Reserve (if any) will be distributed to Income Noteholders pursuant to the Indenture. There is no assurance that the amount of the Reserve will be sufficient to pay the amounts described in this paragraph.

The Trustee may or may not elect to make available to Income Noteholders additional information concerning material developments related to the Adversary Proceeding and nothing herein shall impose or imply any agreement or obligation on the part of the Trustee to provide any notice on any other occasion. Recipients of this notice should not rely on the Trustee as their sole source of information and should consult their own legal and other advisors, as they may deem necessary, concerning the matters described herein.

Please contact Brian Polley at The Bank of New York Mellon Trust Company, National Association at (713) 483-6721 or [brian.polley@bnymellon.com](mailto:brian.polley@bnymellon.com) with any questions regarding this notice.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, NATIONAL ASSOCIATION,  
as Trustee

**Schedule I**  
**Additional Addressees**

**Issuer**

Jersey Street CLO, Ltd.  
c/o MaplesFS Limited  
P.O. Box 1093  
Boundary Hall, Cricket Square  
Grand Cayman KY1-1102, Cayman Islands  
Attention: The Directors  
Facsimile: (345) 945-7100

**DTC, Euroclear and Clearstream (if applicable):**

lensnotices@dtcc.com  
voluntaryreorgannouncements@dtcc.com  
drit@euroclear.com  
ca\_general.events@clearstream.com

**Co-Issuer**

Jersey Street CLO, LLC  
c/o Puglisi & Associates  
850 Library Avenue, Suite 204  
Newark, Delaware 19711  
Attention: Director  
Facsimile: (302) 738-7210

**Collateral Manager**

MFS Investment Management  
111 Huntington Avenue  
Boston, Massachusetts 02199  
Attention: Robb Mansi  
Facsimile: (617) 954-5215

**Irish Stock Exchange**

The Irish Stock Exchange plc  
Company Announcement Office  
28 Anglesea Street  
Dublin 2, Ireland  
Electronic copy to be uploaded to the Irish Stock  
Exchange website via <http://www.isedirect.ie>