

CASTLE HILL ENHANCED FLOATING RATE OPPORTUNITIES LIMITED

2ND Floor
Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

(A private company with limited liability incorporated under the laws of Ireland under Company Number 464395)

(the "**Issuer**")

20 January 2015

NOTICE TO NOTEHOLDERS

to the holders of the outstanding:

£111,410,000 Senior Secured Deferrable Floating Rate Notes due 2019 (the "Tranche 1 Notes")
£31,465,504 Senior Secured Deferrable Floating Rate Notes due 2019 (the "Tranche 2 Notes")
£303,890 Senior Secured Deferrable Floating Rate Notes due 2019 (the "Tranche 3 Notes")
£27,369,510 Senior Secured Deferrable Floating Rate Notes due 2019 (the "Tranche 4 Notes")
(ISIN: XS0418692249)

(together, the "Notes")

NOTICE IS HEREBY GIVEN to the holders of the above Notes that, with effect from 19 January 2015, certain amendments have been made to the Investment Restrictions and the scope of information (following certain specified trigger events) to be reported, and certain other amendments have been made to the Notes, the Conditions and certain other Transaction Documents (the "**Amendments**"), by the Issuer and the relevant transaction parties entering into the documents listed in the schedule to the Written Resolution (as defined below) (together, the "**Documents**").

Capitalised terms not otherwise defined herein shall bear the same meanings as in the trust deed dated 1 May 2009 as supplemented and novated on 23 October 2012, as supplemented and amended by a Second Supplemental Trust Deed dated 1 July 2013, as supplemented by a Third Supplemental Trust Deed dated 31 July 2013 and as supplemented by a Fourth Supplemental Trust Deed dated 10 October 2013, made between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited, in its capacity as trustee (the "**Trustee**"), as supplemented, novated, amended and/or restated from time to time.

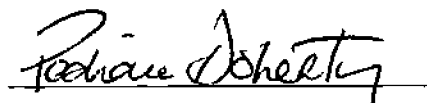
The Documents have been made available for inspection by Noteholders upon production of evidence of their status as Noteholders between 9 a.m. and 5 p.m. (London time) on any weekday (Saturdays, Sundays and public holidays excepted) up to and including the 10th Business Day following the date of the Written Resolution (as defined below) at the registered office of the Issuer at 2nd floor, Beaux Lane House, Mercer Street Lower, Dublin 2 and the office of the Principal Paying Agent at One Canada Square, London, E14 5AL, United Kingdom.

Noteholder authorisation of the Amendments and execution of the Documents

Pursuant to a written resolution of the beneficial holders of 100 per cent of the Principal Amount Outstanding of the Notes, duly passed on 19 January 2015 and having effect as an Extraordinary Resolution (executed in the form attached to this notice as Appendix 1) in accordance with the Trust Deed (the "**Written Resolution**"), the Amendments were approved and BNY Mellon Corporate Trustee Services Limited as Trustee and the Issuer were authorised, directed and instructed to execute the Documents in order to give effect to the Amendments and to take any action as may be necessary in connection with, or in order to give effect to, the Amendments

including, without limitation, with respect to the Trustee, consenting to the Issuer entering into the Documents.

This notice is given by:



CASTLE HILL ENHANCED FLOATING RATE OPPORTUNITIES LIMITED

2ND Floor
Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Contact Details and registered office of the Issuer

To the Issuer:

CASTLE HILL ENHANCED FLOATING RATE
OPPORTUNITIES LIMITED
2ND Floor
Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Attention: The Directors

Facsimile: +353 (0) 1 697 3300

To the Principal Paying Agent:

THE BANK OF NEW YORK MELLON
One Canada Square
London
E14 5AL
United Kingdom

Attention: Corporate Trustee Administration

Facsimile: +44 207 964 4637

APPENDIX 1

Form of Written Resolution

CASTLE HILL ENHANCED FLOATING RATE OPPORTUNITIES LIMITED

(A PRIVATE COMPANY WITH LIMITED LIABILITY INCORPORATED UNDER THE LAWS OF IRELAND, UNDER COMPANY NUMBER 464395)

(THE "ISSUER")

**Written Resolution of the holders of the
£111,410,000 Senior Secured Deferrable Floating Rate Notes due 2019 (the "Tranche 1 Notes")
£31,465,504 Senior Secured Deferrable Floating Rate Notes due 2019 (the "Tranche 2 Notes")
£303,890 Senior Secured Deferrable Floating Rate Notes due 2019 (the "Tranche 3 Notes")
£27,369,510 Senior Secured Deferrable Floating Rate Notes due 2019 (the "Tranche 4 Notes")
(ISIN: XS0418692249)
(as amended from time to time, the "Notes")
(the "Resolution")**

- (A) This Resolution is made pursuant to the trust deed dated 1 May 2009 as supplemented and novated on 23 October 2012, as supplemented and amended by a Second Supplemental Trust Deed dated 1 July 2013, as supplemented by a Third Supplemental Trust Deed dated 31 July 2013 and as supplemented by a Fourth Supplemental Trust Deed dated 10 October 2013, made between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited, in its capacity as trustee (the "**Trustee**") (as supplemented, novated, amended and/or restated from time to time, the "**Trust Deed**"). All references to "**GBP**" and "**£**" are to the lawful currency of the United Kingdom. Other capitalised terms not otherwise defined herein shall bear the same meanings as in the Trust Deed. This Resolution shall take effect as a written resolution pursuant to paragraph 11 of Schedule 4 (*Written Resolutions*) of the Trust Deed.
- (B) The Issuer intends to amend the Investment Restrictions and the scope of information (following certain specified trigger events) to be reported and to make further amendments to the Investment Management Agreement, the Notes and the Transaction Documents (the "**Proposed Actions**").
- (C) In connection with the above, certain changes have been proposed to the Investment Management Agreement, the Notes, and certain other Transaction Documents, by the Issuer and the relevant transaction parties entering into the documents listed in the schedule to this Resolution, each in the form made available for inspection by Noteholders upon production of evidence of their status as Noteholders between 9 a.m. and 5 p.m. (London time) on any weekday (Saturdays, Sundays and public holidays excepted) up to and including the 10th Business Day following the date hereof, at the registered office of the Issuer at 2nd floor, Beaux Lane House, Mercer Street Lower, Dublin 2 and the office of the Principal Paying Agent at One Canada Square, London, E14 5AL, United Kingdom (together, the "**Documents**").
- (D) Each Noteholder whose name and signature appears below **HEREBY RESOLVES** as follows:
- (i) The amendments to the Investment Restrictions and the scope of information (following certain specified trigger events) to be reported are hereby authorised, directed and approved.
 - (ii) Each other amendment to the Investment Management Agreement, the Notes and the other Transaction Documents is hereby authorised, directed and approved.
 - (iii) Each requirement for any prior or subsequent notice to be given in connection with the Proposed Actions (or any matter in connection therewith) and each other related requirement (including notice periods) is

hereby waived (the "**Waiver**") and the Waiver is hereby authorised, directed and approved.

- (iv) Each of the Trustee and the Issuer is authorised, directed and instructed to execute the Documents to which it is a party in order to give effect to the Proposed Actions and to take any action as may be necessary in connection with, or in order to give effect to any such Proposed Action (including, without limitation, in respect of the Trustee, consenting to the Issuer entering into the Documents) and to concur in and execute all other such deeds, instruments, acts and things as may be necessary or desirable to carry out and give effect to the Proposed Actions and/or as are contemplated in or in connection with the Documents.
- (v) Every modification and amendment (and the implementation thereof) in respect of their rights relating to the Notes (whether or not such rights arise under the Trust Deed, the Conditions or the Notes), resulting from or to be effected by the modifications, authorisations and determinations referred to in this Resolution and/or the Documents, is hereby authorised, directed and approved.
- (vi) Without prejudice to the rights of indemnity available to the Trustee or the Issuer pursuant to the Trust Deed or at law, each of the Trustee and the Issuer is discharged and exonerated from any Liability (as defined in the Trust Deed) for which it may have become or may become responsible under the Trust Deed, the Notes, the Transaction Documents, any of the Documents or any other deeds or documents entered in connection with the Documents in respect of any act or omission in connection with this Resolution and its implementation. Any claim against the Trustee or the Issuer arising as a result of any loss or damage which may be suffered or incurred as a result of the Trustee or the Issuer acting upon this Resolution is irrevocably waived (including but not limited to circumstances where it is subsequently found that this Resolution is not valid or binding on the holders) and neither the Trustee nor the Issuer will be held liable for any such loss or damage.
- (vii) Each Noteholder whose name and signature appears below expressly agrees and undertakes to indemnify and hold harmless the Trustee from and against all losses, damages, costs, charges and expenses which may be suffered or incurred by it as a result of any claims (whether or not successful, compromised or settled), actions, demands or proceedings brought against the Trustee and against all losses, costs, charges or expenses (including legal fees) which the Trustee may suffer or incur which in any case arise as a result of the Trustee acting in accordance with this Resolution and the Trust Deed.
- (viii) The Trustee is hereby authorised and instructed not to obtain any legal opinions in relation to, or to enquire into, the power and capacity of any person to enter into the Documents, or the due execution and delivery thereof by any party thereto or the validity or enforceability thereof and that it shall not be liable to any Noteholder for any consequences resulting from following this instruction, provided that the foregoing shall not prevent the Trustee from receiving any legal opinion addressed to it; but, in any such case, the Trustee shall have no responsibility for reviewing the contents thereof.
- (ix) This Resolution shall take effect as an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

- (x) Any obligation to give notice in connection with the Proposed Actions is hereby waived.
- (xi) On the date this Resolution is signed, each Noteholder agrees to provide evidence satisfactory to the Trustee of its position as a Noteholder.

Dated: _____ 2015

For and on behalf of:

Signed by _____ and _____ as joint attorneys for and on behalf of **PHOENIX LIFE ASSURANCE LIMITED** under the Power of Attorney dated _____

Attorney

Attorney

Witness Signature

Witness Signature

Witness Name

Witness Name

Principal Amount of Notes held: £ _____

Executed by

P.A.T. (PENSIONS) LTD
(as trustee of Pearl Group Staff Pension Scheme)

acting by:

Director

Director/Secretary

Principal Amount of Notes held: £ _____

SCHEDULE

1. Amendment and Restatement Agreement in respect of the Investment Management Agreement (each as defined in the Trust Deed), which includes as a schedule, the Amended and Restated Investment Management Agreement.



EXECUTION VERSION

Amendment and Restatement Agreement

Castle Hill Enhanced Floating Rate Opportunities Limited
as Issuer

and

BNY Mellon Corporate Trustee Services Limited
as Trustee

and

The Bank of New York Mellon
as Collateral Administrator and Custodian

and

Castle Hill Asset Management LLC
as Joint Investment Manager

and

Castle Hill Asset Management LLP
as Joint Investment Manager

Relating to an investment management agreement dated 1 May 2009, as novated on 22 July 2010, as novated and amended and restated on 23 October 2012, as amended and restated as of 1 July 2013 and as amended and restated on 19 January 2015.

_____ January 2015

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THIS AMENDMENT AND RESTATEMENT AGREEMENT (the "**Agreement**") is made as of ____
January 2015

BETWEEN:

- (1) **CASTLE HILL ENHANCED FLOATING RATE OPPORTUNITIES LIMITED**, a private company with limited liability incorporated under the laws of Ireland, under company number 464395, of 2nd floor, Beaux Lane House, Mercer Street Lower, Dublin 2 (the "**Issuer**");
- (2) **BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED** of One Canada Square, London, E14 5AL, as trustee (the "**Trustee**", which expression shall, wherever the context so admits, include all other persons or companies for the time being the trustee or trustees under the Trust Deed) for the Noteholders and as security trustee for the Secured Parties;
- (3) **THE BANK OF NEW YORK MELLON** acting through its London Branch at One Canada Square, London, E14 5AL, in its capacity as custodian and collateral administrator (the "**Custodian**" and the "**Collateral Administrator**", each of which expressions includes any successor custodian and collateral administrator in respect thereof);
- (4) **CASTLE HILL ASSET MANAGEMENT LLC**, a Delaware limited liability company having its registered office at 2711 Centerville Road, Suite 400, Wilmington, Delaware, DE 19808 (the "**LLC**"); and
- (5) **CASTLE HILL ASSET MANAGEMENT LLP**, a limited liability partnership established under the laws of England and Wales with registered number OC350998 and having its registered office at 42-44 Grosvenor Gardens, London SW1W 0EB (the "**LLP**"),

each a "**Party**" and together the "**Parties**".

WHEREAS:

- (A) The Issuer has issued Notes constituted by a Trust Deed dated 1 May 2009 as supplemented and novated by the First Supplemental Trust Deed dated 23 October 2012, as supplemented and amended by the Second Supplemental Trust Deed dated 1 July 2013, as supplemented by the Third Supplemental Trust Deed dated 31 July 2013 and as supplemented by the Fourth Supplemental Trust Deed dated 10 October 2013 (as supplemented, novated, amended and/or restated from time to time, the "**Trust Deed**") in relation to which the Parties entered into an investment management agreement dated as of 1 May 2009 as novated on 22 July 2010, as novated and amended and restated on 23 October 2012 and as amended and restated on 1 July 2013 (the "**Investment Management Agreement**").
- (B) The Parties now wish to vary the terms of the Investment Management Agreement on the terms set out in this Agreement. Such variations to the terms of the Investment Management Agreement have been or will be approved by the Noteholders by Extraordinary Resolution passed by way of Written Resolution.

THE PARTIES AGREE AS FOLLOWS:

1. **INTERPRETATION**

1.1 **Definitions**

Unless a contrary intention appears in this Agreement, any word or expression defined in the Investment Management Agreement will have the same meaning when it is used in this Agreement.

In this Agreement:

"Conditions" means the terms and conditions of the Notes issued by the Issuer, as set out in the Trust Deed.

"Restated Investment Management Agreement" means the Investment Management Agreement, as amended and restated in accordance with this Agreement in the form set out in Schedule 1 (*Restated Investment Management Agreement*) hereto.

1.2 Construction

Clause 1 (*Definitions*) and clause 2 (*Interpretation*) of the Investment Management Agreement will be deemed to be set out in full in this Agreement, *mutatis mutandis*.

2. AMENDMENT AND RESTATEMENT OF INVESTMENT MANAGEMENT AGREEMENT

2.1 Each of the Parties hereby agree that the Investment Management Agreement will, with effect from (and including) the date hereof, be amended and restated in the form set out hereto in Schedule 1 (*Restated Investment Management Agreement*) so that the rights and obligations of the relevant Parties to this Agreement relating to their performance under the Investment Management Agreement from (and including) the date hereof shall be governed by, and construed in accordance with, the terms of the Restated Investment Management Agreement.

2.2 The Parties to this Agreement agree that, with effect from (and including) the date hereof, they shall have the rights and take on the obligations ascribed to them under the Restated Investment Management Agreement, in each case, to which such Party is a party.

2.3 The Trustee and the Collateral Administrator and each other Party hereby agree that the requirement for 21 days' prior written notice under Condition 14(c) of the Notes, and any other notice requirement to Noteholders, in connection with the amendment and restatement of the Investment Management Agreement shall be waived.

2.4 Each of the Parties to this Agreement (other than the Trustee) acknowledges that the Trustee is entering into this Agreement acting solely at the direction of the holders of 100 per cent. of the Notes and agrees that the Trustee shall incur no liability for acting on such direction nor incur any liability in respect of acting in accordance therewith (including, for the avoidance of doubt, any liability under or as a result of its execution of this Agreement).

3. STATUS OF DOCUMENTS

3.1 Except as varied by the terms of this Agreement, the Investment Management Agreement will remain in full force and effect and any reference in the Investment Management Agreement to the Investment Management Agreement or to any provision of the Investment Management Agreement will be construed as a reference to the Investment Management Agreement, or that provision, as amended and restated by this Agreement.

3.2 The Issuer confirms that its liabilities and obligations arising under the Restated Investment Management Agreement form part of (but do not limit) the obligations which are secured by the security constituted by the Trust Deed and created by it.

4. EXPENSES

4.1 For the avoidance of doubt, the Parties hereby agree that the amount of all costs and expenses (including legal fees and other out-of-pocket expenses and any value added tax or other similar tax thereon) incurred by each of the Parties in connection with the negotiation, preparation and execution of this Agreement and all documents, matters and things referred to in, or incidental to, this Agreement constitutes Upfront Costs and such

amount shall be paid in accordance with the Priorities of Payment (as defined in the Conditions (as supplemented, novated, amended and/or restated from time to time).

5. REPRESENTATIONS AND WARRANTIES

5.1 Reliance

Each Party hereto (other than the Trustee) represents and warrants as set out in the following provisions of this clause 5 (*Representations and Warranties*), and each Party hereto understands and acknowledges that the other Parties are relying upon the truth and accuracy of the representations and warranties as set out in the following provisions of this clause 5 (*Representations and Warranties*).

5.2 Power and Authority

Each Party (other than the Trustee) has the power to enter into and perform, and has taken all necessary action to authorise its entry into and performance of this Agreement and the transactions contemplated by this Agreement.

5.3 Non-conflict with Other Obligations

The entry into and performance by each Party (other than the Trustee) of, and the transactions contemplated by, this Agreement do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets.

5.4 Binding Obligations

The obligations expressed to be assumed by each Party (other than the Trustee) in this Agreement are legal, valid, binding and enforceable obligations.

5.5 Validity and Admissibility in Evidence

Each Party (other than the Trustee) has obtained all authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Agreement; and
- (b) to make this Agreement admissible in evidence in its jurisdiction of incorporation and in the courts of England and Wales,

and those authorisations, having been obtained or effected, are in full force and effect.

6. MISCELLANEOUS

6.1 Invalidity of any Provision

If any provision of this Agreement is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

6.2 **Provisions of Amended and Restated Investment Management Agreement Applicable**

The provisions of clauses 27.1 (*Limited Recourse*), 27.2 (*Non-Petition*), 29 (*Notices*), 36 (*Counterparts*), 39 (*Governing Law and Jurisdiction*) and 41 (*Rights of Third Parties*) of the Investment Management Agreement shall apply and be incorporated into this Agreement, *mutatis mutandis*.

IN WITNESS whereof this Agreement has been executed on the date first above written.

SCHEDULE 1

Restated Investment Management Agreement

Investment Management Agreement

Castle Hill Enhanced Floating Rate Opportunities
Limited

as Issuer

and

Castle Hill Asset Management LLC

as Joint Investment Manager

and

Castle Hill Asset Management LLP

as Joint Investment Manager

and

BNY Mellon Corporate Trustee Services Limited

as Trustee

and

The Bank of New York Mellon

as Custodian and Collateral Administrator

Relating to the issue of up to
£2,000,000,000 Senior Secured Deferrable Floating Rate Notes

Dated as of 1 May 2009, as novated on 22 July 2010, as novated and further amended and restated on 23 October 2012, as amended and restated as of 1 July 2013 and as amended and restated as of 19 January 2015

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THIS AGREEMENT dated as of 1 May 2009, as novated on 22 July 2010, as further novated and amended and restated on 23 October 2012, as amended and restated as of 1 July 2013 and as amended and restated as of 19 January 2015.

BETWEEN:

- (6) **CASTLE HILL ENHANCED FLOATING RATE OPPORTUNITIES LIMITED**, a private company with limited liability incorporated under the laws of Ireland having its registered office at 2nd Floor, Beaux Lane House, Mercer Street Lower, Dublin 2, Ireland (the "**Issuer**");
- (7) **CASTLE HILL ASSET MANAGEMENT LLC**, a Delaware limited liability company having its registered office at 2711 Centerville Road, Suite 400, Wilmington, Delaware, DE 19808 (the "**LLC**");
- (8) **CASTLE HILL ASSET MANAGEMENT LLP**, a limited liability partnership established under the laws of England and Wales with registered number OC350998 and having its registered office at 42-44 Grosvenor Gardens, London SW1W 0EB (the "**LLP**");
- (9) **BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED** of One Canada Square, London, E14 5AL (the "**Trustee**", which expression shall include its permitted successors and assigns pursuant to the Trust Deed) as trustee for the Noteholders and as security trustee for the Secured Parties (each as defined in the Trust Deed); and
- (10) **THE BANK OF NEW YORK MELLON** acting through its London Branch of One Canada Square, London, E14 5AL in its capacity as custodian (the "**Custodian**", which term shall include the permitted successors or assigns thereof pursuant to the Agency Agreement) and collateral administrator (the "**Collateral Administrator**", which term shall include its permitted successors or assigns pursuant to the Agency Agreement).

THE PARTIES AGREE AS FOLLOWS:

A. DEFINITIONS, INTERPRETATION, ASSUMPTIONS AND DETERMINATIONS

1. DEFINITIONS

1.1 In this agreement the terms set out below shall have the following meanings:

"Authorised Person" means any person who is designated in writing by the Issuer from time to time to give Instructions to the Collateral Administrator under the terms of this agreement.

"Best Execution" means the method whereby the Investment Managers use reasonable endeavours to obtain the best possible result for the Issuer in accordance with relevant FCA Rules and SEC Rules.

"Board" means the board of Directors of the Issuer.

"Cash Asset" means Investments which are not Derivative Instruments.

"Collateral Database" has the meaning given to it in clause 10.3 (*Duties of the Collateral Administrator*).

"Conditions" means the terms and conditions of the Senior Secured Deferrable Floating Rate Notes, as set out in the Trust Deed and "**Condition**" means such of the Conditions as is specified thereafter.

"Deferred Investment Management Fees" has the meaning given to it in clause 7.1(e) (*Deferral of Investment Management Fees*).

"Determination Date" has the meaning given in the Conditions.

"Eligibility Criteria" means the criteria set out in schedule 1 (*Eligibility Criteria*).

"Excess Return" means in respect of any Due Period, the amount by which the Performance Level determined as at the Determination Date for such Due Period exceeds the Hurdle Amount applicable to such Due Period.

"Execution Policy" means the Investment Managers' policy for seeking to achieve Best Execution, information on which is provided to the Issuer under separate cover and entitled **"Best Execution Disclosure"**, as amended from time to time.

"FCA" means the Financial Conduct Authority (including any successor or replacement organisation following amalgamation, merger or otherwise) recognised under the Financial Services and Markets Act 2000 (including any statutory modification to it or re-enactment to it or any regulation or orders made under it).

"FCA Rules" means the Handbook of Rules and Guidance of the FCA as amended, varied or substituted from time to time.

"GBP" and **"£"** means the lawful currency of the United Kingdom.

"Governing Instruments" means the memorandum and articles of association and certificate of incorporation.

"Gross Asset Value" has the meaning given in schedule 7 (*Determination of Net Asset Value, Gross Asset Value, Aggregate Market Value and Aggregate Liabilities*).

"Hurdle Amount" means an amount determined in respect of any Due Period which is equal to the sum of:

- (a) GBP LIBOR + 4.25 per cent. per annum of the Net Asset Value as at the first day of such Due Period (on the basis of an Actual/365-day year), for the purposes of which GBP LIBOR (the **"Relevant GBP LIBOR"**) shall be determined in respect of the Notes for the Accrual Period ending on the Payment Date applicable to such Due Period; and
- (b) if the Issue Date of any Notes of a new series and/or tranche falls within such Due Period but other than on the first day of such Due Period, the Relevant GBP LIBOR + 4.25 per cent. per annum of the product of the Aggregate Nominal Amount of the relevant new series and/or tranche issued and the Issue Price thereof (on the basis of an Actual/365-day year for the period from and including the Issue Date thereof to and including the last day of such Due Period).

The Hurdle Amount will have to be met for such Due Period only, but will not have to take into account any Hurdle Amount for any prior Due Period. In other words, the Hurdle Amount is not cumulative from Due Period to Due Period.

"Indemnifying Party" means the Investment Managers pursuant to clause 8.2(a) (*Indemnity of the Investment Managers*) or the Issuer pursuant to clause 8.2(b) (*Indemnity of the Issuer*), as applicable.

"Initial Notes" has the meaning given in the Conditions.

"Instructions" means Oral Instructions and Written Instructions.

"Investment Liabilities" means the liabilities and obligations of the Issuer under any Portfolio Asset and/or the Trust Deed or any document entered into in connection with the Notes or any Portfolio Asset.

"Investment Management Fees" means the Management Fee and the Performance Fee.

"Investment Manager Related Person" means any Affiliate of the Investment Managers and/or any directors, partners, officers or employees of the Investment Managers or their respective Affiliates and/or any fund managed by the Investment Managers.

"Investment Manager Report" has the meaning given to it in schedule 3B (*Investment Manager Report*).

"Investment Managers" means the LLC and the LLP and shall include any successor investment manager(s) appointed pursuant to the terms of this agreement.

"Investment Objective" means the investment objective for the Portfolio agreed between the Issuer and the Investment Managers from time to time which as at the date of this agreement is to provide investors in the Notes with attractive risk adjusted returns and to seek to generate a total return to investors in the Notes of GBP LIBOR plus 3.50 per cent. per annum generated from both current income and capital appreciation. There is no assurance that such total return will be generated. The Investment Managers may amend or change the Investment Objective for the Portfolio from time to time with the agreement of the Issuer, subject to the prior agreement of the holders of the Notes acting by Extraordinary Resolution and notification of any such change to the Noteholders in accordance with Condition 16 (*Notices*) of the Conditions.

"Investment Restrictions" means the restrictions set out in schedule 2 (*Investment Restrictions*).

"Issuer Indemnification Matter" means:

- (a) any breach by the Issuer of any of its representations or warranties set out in this agreement in any material respect;
- (b) any breach by the Issuer of any of its material obligations under this agreement;
- (c) the failure of the Issuer to perform any of its material duties or obligations under or in connection with any Investment; and
- (d) any suit, claim or action (including any lender liability or equitable subordination claim) arising out of or in connection with any act or omission of the Issuer as it relates to any Investment (other than any action taken on the advice of or at the direction of the Investment Managers).

"Issuer Indemnified Person" has the meaning given in clause 8.2(b) (*Indemnity of the Issuer*).

"Issuer Order" means an order in writing (which may be delivered electronically) in such form as is agreed from time to time between the Collateral Administrator, the Trustee and the Investment Managers, from the Investment Managers, acting on behalf of the Issuer to the Trustee and the Collateral Administrator and, if applicable, the Account Bank (with a copy to the Issuer) notifying the Trustee, the Collateral Administrator and, if applicable, the Account Bank:

- (a) of a proposed sale and/or acquisition of and/or exercise of any rights under any Investment or Eligible Investment; and/or
- (b) of acceptance of an Offer made in respect of any Investment or Eligible Investment or exercise of an option exercisable thereunder; and/or

- (c) of any other action requiring the release of any Investment or Eligible Investment from the security constituted by the Trust Deed and notifying and directing the Trustee and Account Bank of resulting action required to be taken; and/or
- (d) of a proposed transfer of funds from or to the Collection Account (provided that no Issuer Order shall be required for the transfer of any amounts standing to the credit of the Collection Account by the Collateral Administrator, acting on behalf of the Issuer, to the extent required to enable all amounts due to be paid pursuant to the Priorities of Payment on any Payment Date to be made); and/or
- (e) any proposed purchase of Notes by the Issuer pursuant to Condition 7(h) (*Purchase*),

in each case containing such information as is required pursuant to the provisions of this agreement and such other information as is reasonably required by the Collateral Administrator, the Custodian and the Trustee, including details of the action to be taken pursuant to such Issuer Order. For the avoidance of doubt an electronic trade ticket sent to the Trustee, the Custodian or the Collateral Administrator by the Investment Managers or via the Investment Managers' trading system shall constitute an Issuer Order in relation to the transaction to which it relates.

"Issuer UK Tax Representative Liability" means any liability of the Issuer to UK corporation tax and/or interest thereon which is imposed on an Investment Manager or any of its members under Chapter 6, Part 22 of the Corporation Tax Act 2010 as a result of the appointment of the Investment Managers or the performance by them of their rights and obligations as Investment Managers under this agreement in the UK and any associated costs or expenses reasonably incurred by the Investment Managers or any of their members.

"Liabilities" means, collectively, liabilities, obligations, losses, claims, damages, judgments, penalties, assessments, actions, suits, costs, expenses or other similar liabilities (including, without limitation, in respect of taxes, duties, levies, imposts and other charges and all legal fees and disbursements incurred in defending or disputing any of the foregoing and including any associated VAT or similar tax charged or chargeable).

"Management Fee" has the meaning given to it in clause 7.1(a) (*Management Fee*).

"Margin Stock" means **"Margin Stock"** as defined under Regulation U issued by the Board of Governors of the Federal Reserve System.

"Material Error" means an error in the calculation of Net Asset Value which affects the Net Asset Value by + or - 0.50%.

"Monthly Report" has the meaning given to it in schedule 3A (*Description of the Reports*).

"Net Asset Value" has the meaning given in schedule 7 (*Determination of Net Asset Value, Gross Asset Value, Aggregate Market Value and Aggregate Liabilities*).

"Non-GBP Obligation" means any Investment purchased by or on behalf of the Issuer which is denominated in a Non-GBP Qualifying Currency and that satisfies each of the Eligibility Criteria to the extent required to do so.

"Non-GBP Qualifying Currency" means Euro or a Qualifying Currency other than GBP.

"Offer" means, with respect to any Investment, (a) any offer by the Obligor under such obligation or by any other Person made to all of the creditors of such Obligor in relation to such obligation to purchase or otherwise acquire such obligation (other than pursuant to any redemption in accordance with the terms of the related underlying instruments) or to

convert or exchange such obligation into or for cash, securities or any other type of consideration or (b) any solicitation by the Obligor of such obligation or any other Person to amend, modify or waive any provision of such obligation or any related Underlying Instrument.

"Oral Instructions" means oral instructions or directions received by the Collateral Administrator from an Authorised Person or a person reasonably believed by the Collateral Administrator to be an Authorised Person.

"Payment Date Report" has the meaning given to it in schedule 3A (*Description of the Reports*).

"Performance Fee" has the meaning given to it in clause 7.1(b) (*Performance Fee*).

"Performance Level" for each Due Period shall be the greater of (a) zero; and (b) the Gross Asset Value at the end of such Due Period minus the sum of (i) the Net Asset Value as at the first day of such Due Period and (ii) if the Issue Date of any Notes of a new series and/or tranche falls within such Due Period but other than on the first day of such Due Period, an amount equal to the product of the Aggregate Nominal Amount of the relevant new series and/or tranche issued and the Issue Price thereof.

"Permitted Purpose" means, in relation to each transaction, the conducting of such administrative and/or settlement activities as are required by the Investment Managers to be carried out by the Collateral Administrator in connection with such transaction as contemplated by this agreement.

"Priorities of Payment" has the meaning given in the Conditions.

"Prospectus" means the final Prospectus of the Issuer dated on or about 20 January 2015 in respect of the Notes or such other prospectus of the Issuer in respect of the Notes from time to time.

"SEC" means the U.S. Securities and Exchange Commission.

"SEC Rules" means the Investment Advisers Act of 1940, as amended the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC thereunder.

"Transaction Documents" has the meaning given in the Conditions.

"Trust Deed" means the principal trust deed dated as of 1 May 2009 (as novated and supplemented on 23 October 2012 and as supplemented, novated, amended and/or restated from time to time) between amongst others, the Issuer and the Trustee in respect of the Notes.

"VAT" means, within the European Union, any tax imposed pursuant to, but subject to derogations from, Council Directive 2006/112 EEC or outside the European Union, any tax levied by reference to added value or sales and any other tax of a similar nature.

"Written Instructions" means any written notices, directions or instructions received by the Collateral Administrator from an Authorised Person or a person reasonably believed by the Collateral Administrator to be an Authorised Person.

2. INTERPRETATION

2.1 Capitalised Terms

Capitalised terms used and not otherwise defined in this agreement shall have the meanings given thereto in the Trust Deed and the Conditions. In the event of any conflict or inconsistency between the terms of this agreement (other than any terms defined

herein) and the terms of the Trust Deed or the Conditions, the terms of the Trust Deed and the Conditions shall prevail.

2.2 References to Statutes, etc.

All references in this agreement to any statute or any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

2.3 References to other Documents, etc.

All references in this agreement to any agreement (including this agreement) deed or other document shall refer to such agreement, deed or other document as the same may be amended, supplemented or modified from time to time. For the avoidance of doubt, all references herein to the Trust Deed shall include references to the Conditions.

2.4 References to Sections, Clauses, Paragraphs and Schedules

In this agreement references to sections, clauses, paragraphs and schedules shall, unless the context otherwise requires, be construed as references to the sections, clauses, paragraphs and schedules of this agreement.

2.5 References to Capacities of Parties

References in this agreement to any party acting in a particular capacity shall be construed as references to such party acting solely in the capacity to which reference is made.

2.6 Investments

For the avoidance of doubt, an investment will not be considered to be an "Investment" under this agreement until such time as the Issuer (in its own name through one or more authorised signatories or the Investment Managers pursuant to their authority to execute instruments on behalf of the Issuer) enters into a binding commitment to purchase such investment.

B. INVESTMENT MANAGEMENT

3. POWERS AND DUTIES OF THE INVESTMENT MANAGERS

3.1 Appointment and Authority

(a) Appointment

The Issuer appoints the Investment Managers to act jointly as investment managers in respect of the Portfolio and to perform certain investment management functions in accordance with the provisions of this agreement. The Investment Managers accept such appointment and agree to act jointly as investment managers (except where otherwise provided for in this agreement) and to take investment decisions in relation to the Portfolio on behalf of the Issuer, to perform all investment related duties and functions required to take and implement investment decisions on behalf of the Issuer in relation to the Portfolio in accordance with this agreement and to do such other things in connection with the Portfolio as required by this agreement.

(b) **Authority**

The Investment Managers' duties and authority to act as Investment Managers under this agreement are limited to the duties and authority specifically provided for in this agreement. The Investment Managers shall not be deemed to assume the obligations of the Issuer under the Notes or the Trust Deed or under any other document or agreement to which the Issuer is a party. Notwithstanding any express or implied provision to the contrary in this agreement, the activities of the Investment Managers shall be subject to the directions and supervision of the Board and the Investment Managers' performance of its obligations hereunder will be regularly reviewed by the Issuer.

(c) **Legal and Regulatory Compliance**

The parties agree and acknowledge that:

- (i) the LLP shall not be required to take any action under this agreement which would contravene the FCA Rules or any other laws, regulations and requirements applicable to the LLP; and
- (ii) the LLC shall not be required to take any action under this agreement which would contravene the SEC Rules or any other laws, regulations and requirements applicable to the LLC.

(d) **Investment Managers to act for Trustee**

At any time after an Event of Default or Potential Event of Default (as defined in the Trust Deed) shall have occurred and is continuing, the Trustee may, by notice in writing to the Issuer and the Investment Managers, require the Investment Managers until notified by the Trustee to the contrary, so far as permitted by any applicable law or by any regulation to which the Investment Managers are subject or with which they are accustomed to comply:

- (i) to act thereafter as Investment Managers on behalf of the Trustee in relation to all powers and duties of the Investment Managers otherwise owing to the Issuer pursuant to this agreement *mutatis mutandis* on the terms provided in this agreement (save that the Trustee's liability under any provisions herein contained for the indemnification, remuneration and payment of out-of-pocket expenses of the Investment Managers shall be limited to the amounts for the time being held by the Trustee on the trusts constituted by or pursuant to the Trust Deed); and/or
- (ii) to deliver up all moneys, documents and records held by them in their capacity as Investment Managers under this agreement to the Trustee or as the Trustee shall direct in such notice, provided that such notice shall be deemed not to apply to any document or record which the Investment Managers are obliged not to release by any applicable law or regulation.

3.2 **Powers and Duties of the Investment Managers**

(a) **Standard of Care**

- (i) The Investment Managers jointly and severally covenant and agree that they shall perform their obligations and discretions under this agreement and the Trust Deed and shall exercise a standard of care which is equal to the standard of care that the Investment Managers exercise with respect to comparable assets and liabilities that they manage for themselves and others and, in each case in a manner consistent with practices and

procedures followed by reputable institutional investment managers of international standing managing investments or advising in respect of assets and liabilities similar in nature and character to those which the Investment Managers are managing pursuant to this agreement; and

- (ii) The Investment Managers shall use all reasonable endeavours to achieve the Investment Objective.
- (iii) The Issuer, the Trustee, the Custodian and Collateral Administrator shall be entitled to rely on any advice or instruction of either of the Investment Managers as if such advice or instruction had been given by both Investment Managers, provided, for the avoidance of doubt, that any consent of the Investment Managers required under this agreement shall be required to be given by both Investment Managers.

(b) **Obligations and Authority**

The Issuer authorises and directs the Investment Managers, whether acting separately or jointly, to act as agents of the Issuer, and the Investment Managers agree, in each case, in accordance with the provisions of this agreement and subject to the provisions of the Trust Deed to:

- (i) select and acquire the Investments which are to comprise the Portfolio including, where appropriate, negotiating the terms of the Investments and any modifications to the Investments;
- (ii) monitor, manage and dispose of the Investments;
- (iii) acquire, manage and dispose of all assets that form part of the Portfolio other than Investments, including in relation to the reinvestment of the proceeds of the foregoing;
- (iv) exercise all rights and remedies of the Issuer in the Issuer's capacity as a holder of, or the person beneficially entitled to, any of the assets in the Portfolio, including, without limitation:
 - (A) if applicable, tendering any Investment or Eligible Investment pursuant to an Offer;
 - (B) if applicable, consenting or refusing to consent to any proposed amendment, modification or waiver pursuant to an Offer;
 - (C) retaining or disposing of any securities or property (if other than cash) received pursuant to an Offer;
 - (D) participating in a committee or group formed by creditors of an obligor under any Investment, waiving a default with respect to, or voting to accelerate the maturity of any Investment;
 - (E) attending or voting at any meeting of holders of, or other persons interested or participating in, or entitled to the rights or benefits under, any part of the Portfolio, giving any consent, waiver, indulgence, time or notification or making any declaration in relation to such part of the Portfolio, on behalf of the Issuer, exercising, giving up, waiving or foregoing any of the Issuer's rights and/or entitlements under any part of the Portfolio or agreeing any composition, compounding or other similar arrangement with respect to any part of the Portfolio;

- (F) exercising rights under any option or warrant relating to any asset held or beneficially owned by the Issuer;
 - (G) exercising any other rights or remedies with respect to any part of the Portfolio as provided in the related underlying instruments;
 - (H) the investment of amounts standing to the credit of the Collection Account and in Eligible Investments and the management of such Eligible Investments; and
 - (I) the entry by the Issuer into Derivative Instruments and/or Leverage Instruments;
- (v) exercise all discretions, make all judgements and determinations and give directions and take all other actions the Investment Managers are authorised or required to exercise, make or take under this agreement and the Trust Deed;
 - (vi) advise the Issuer in the exercise of Issuer's discretion in the purchase of Notes by the Issuer in accordance with Condition 7(h) (*Purchase*);
 - (vii) grant consent to any purchaser of Additional Notes in accordance with Condition 17 (*Additional Issuances*);
 - (viii) determine in its absolute discretion the amendments required to be made to the Conditions and the Transaction Documents in the event of any Additional Issuance in accordance with Condition 14(f) (*Further Issue Amendments*);
 - (ix) advise the Issuer in the exercise of Issuer's discretion in any request for optional redemption in accordance with Condition 7(d) (*Optional Redemption by the Noteholders*);
 - (x) request for a rating or confidential credit estimate, from any Rating Agency in the sole discretion of the Investment Managers in respect of any Investments;
 - (xi) advise the Issuer in entering into or exercise of any discretion in relation to Leverage Instruments, Derivative Instruments, interest rate swaps, caps and floors, foreign exchange hedge agreement, swaptions, options, credit default swaps, total return swaps, forward rate agreements, futures contracts or any other hedging agreement;
 - (xii) exercise the Issuer's right to defer interest in accordance with Condition 6(c) (*Deferral of Interest*);
 - (xiii) exercise all rights and remedies of the Issuer under the Portfolio Assets and the Transaction Documents;
 - (xiv) appoint a prime broker from time to time on behalf of the Issuer;
 - (xv) review the contents of each of the Reports produced by the Collateral Administrator; and
 - (xvi) effect any of the matters described above or to otherwise do all things ancillary or incidental to such matters, and to otherwise prepare or assist the Issuer in preparing any report, certificate or other information to be provided by the Investment Managers or the Issuer in connection with this agreement.

(c) **Consultation between the Collateral Administrator and the Investment Managers Regarding Exercise of Discretion**

The Collateral Administrator shall consult with the Investment Managers from time to time prior to each Determination Date in relation to the exercise by the Investment Managers of any of its discretion on behalf of the Issuer pursuant to the Priorities of Payment including but not limited to the designation of proceeds for reinvestment and the deferral of interest in respect of the Notes.

(d) **Execution**

The Investment Managers and any delegate or agent of the Investment Managers shall have the power to execute and deliver all necessary or appropriate documents, agreements, certificates and instruments on behalf of the Issuer with respect to any transaction that the Issuer may enter into, including, without limitation, assignments, or other instruments of transfer or other agreements or documents relating to any part of the Portfolio or the Investment Liabilities.

(e) **Trust Deed**

The Investment Managers shall comply with all the terms and conditions of the Trust Deed and of the Conditions affecting the duties and functions to be performed under this agreement. The Issuer agrees that it shall not permit any amendment to the Trust Deed that affects the obligations of the Investment Managers to become effective unless the Investment Managers have been given prior written notice of such amendment and have consented.

(f) **Monitoring of Portfolio**

The Investment Managers shall monitor the Portfolio on an ongoing basis, including, without limitation, reviewing all information in respect of the obligor and, if applicable, the guarantor of each Investment to which a lender, holder or party (as the case may be) is entitled and which it is able to obtain pursuant to the underlying instruments relating to such Investment.

(g) **Issuer Order**

Any acquisition or sale of a Portfolio Asset, or acceptance of any Offer in respect of a Portfolio Asset or any other action either in respect of any Portfolio Asset or the transfer of any amounts from or to the Collection Account or the purchase by the Issuer of any Notes shall only be made upon delivery of an Issuer Order to the Trustee signed (or, where delivered in electronic form, transmitted) by the Investment Managers subject to and in accordance with clause 5.4 (*Automatic Release of Security*) and clause 5.5(c) (*Deemed Release of Security pursuant to Issuer Order*) of the Trust Deed.

(h) **Information**

Subject to any confidentiality undertaking to which the Issuer and/or the Investment Managers are subject and subject to any legal or regulatory restriction to which the Issuer is subject, the Investment Managers shall provide to the Collateral Administrator, reports, data and other information reasonably required by the Collateral Administrator or its accountants (including, without limitation, any letters of representation in its possession) relating to the Collateral that the Collateral Administrator or its accountants may reasonably require in connection with the proper performance of their respective appointments.

(i) **Other Action**

The Investment Managers and the Issuer shall take such other action, and furnish such certificates, opinions and other documents as may be reasonably required by the other parties hereto in order to effect the purpose of this agreement and to facilitate compliance with applicable laws and regulations and the terms of this agreement.

3.3 Review by Board

The Board shall review the performance of the Investment Managers at regular board meetings (at least quarterly) with a view to satisfying itself that the Investment Managers are carrying out their duties properly in accordance with the provisions of this agreement.

3.4 Reliance on Collateral Administrator

In the performance of certain functions specified in this clause 3 (*Powers and Duties of the Investment Managers*), the Investment Managers are only able to fulfil their duties following receipt from the Collateral Administrator of certain assistance, determinations and/or certain confirmations. In the event the Collateral Administrator fails to give any such assistance/confirmation/determination, the Investment Managers shall not incur any liability for failing to comply with their obligations pursuant to this agreement or the Trust Deed to the extent such failure is attributable to the failure of the Collateral Administrator to provide such assistance/confirmation/determination.

3.5 Reliance on Advisers

The Investment Managers shall be entitled to rely on the advice of legal counsel and independent accountants in performing their duties under this agreement and shall be deemed to have acted in good faith if they act in accordance with such advice.

4. CONDUCT OF BUSINESS BY THE INVESTMENT MANAGERS

4.1 Brokerage

(a) Subject to the restrictions in the relevant FCA Rules and the SEC Rules, the Investment Managers may, in the allocation of investment opportunities between the Issuer and any other entities for whom they act as manager or adviser take into consideration all factors they deem relevant, including the nature of the market for the assets in question, available balances standing to the credit of the Collection Account, the timing of such investment opportunities, any general market trends or the credit worthiness of the brokers or dealers involved. Any such research or other related services provided to the Investment Managers may be used by the Investment Managers in connection with their investment management obligations under this agreement or in connection with their other advisory activities or investment operations. The Investment Managers may aggregate sales and purchase orders with respect to a transaction with similar orders being made simultaneously for other accounts managed by the Investment Managers or with accounts of their Affiliates, if in the Investment Managers' reasonable judgement (which judgement shall not be called into question as a result of subsequent events) such aggregation shall result in an overall economic benefit to the Issuer, taking into consideration the applicable selling or purchase price, brokerage commission or other expenses, although it is possible that it may work to the Issuer's disadvantage in relation to any specific transaction. When a transaction occurs (in accordance with the terms of this agreement) as part of any aggregate sales or purchase orders, the objective of the Investment Managers (and any of their Affiliates involved in such transactions) will be to allocate the executions among the accounts in an equitable manner.

- (b) The Investment Managers shall not be responsible for any loss incurred by reason of any act or omission of any broker who effects transactions with respect to the Portfolio that was selected in the exercise of reasonable care by the Investment Managers. For the avoidance of doubt, the Investment Managers may, on behalf of the Issuer, acquire any Investment from, or sell any Investment to their Affiliates or any other Person, at their discretion.

4.2 Execution

- (a) Subject to the Investment Managers' execution obligations and the authority and acknowledgements set forth in this agreement, the Investment Managers may execute any transaction they enter into on behalf of the Issuer in accordance with the terms of this agreement in relation to the Collateral with or through themselves or any of their Affiliates as agent or as principal as they shall determine in their sole discretion, and may execute transactions on behalf of the Issuer in accordance with the terms of this agreement in which they, their Affiliates and/or their personnel have interests. All such principal and agency transactions carried out by the LLC that effect the sale or purchase of a security must be approved in accordance with the Investment Advisers Act of 1940, as amended. Subject to their obligations under relevant FCA Rules and SEC Rules, this agreement and its Execution Policy, the Investment Managers may pay Affiliates and/or charge the Issuer (as appropriate) a reasonable fee for the services carried out under this clause. The Investment Managers may not, however, receive any commission or remuneration from any third party to which they introduce business, without the written consent of the Issuer.
- (b) The LLP shall use all reasonable efforts, in accordance with its published Execution Policy, to obtain best execution of all orders placed or executed by it in carrying out its obligations under this agreement, pursuant to the FCA Rules implementing the Markets in Financial Instruments Directive (2004/39/EC). The LLC shall use all reasonable efforts, in accordance with its published Execution Policy, to obtain best execution of all orders placed or executed by it in carrying out its obligations under this agreement, pursuant to SEC Rules. A summary of the Execution Policy has been provided to the Issuer and the Trustee separately. In entering into this agreement, the Issuer confirms it has received a summary of the Execution Policy and consents to it.
- (c) In entering into this agreement, the Issuer consents to the Investment Managers effecting transactions outside a regulated market or multilateral trading facility (as such terms are defined in relevant FCA Rules and SEC Rules).

4.3 Legal and Regulatory Compliance

- (a) The LLP is authorised and regulated by the FCA in relation to the conduct of its investment business in the United Kingdom. The LLP undertakes to take all such action as may be required to ensure that it is in compliance with and performs its obligations under this agreement in compliance with any laws, regulations or requirements applicable to it in the performance of its obligations under this agreement including, without limitation, the FCA Rules and any laws, regulations or requirements applicable to the performance of its obligations under this agreement to an entity such as the Issuer incorporated in Ireland. The provisions of schedule 4 (*Additional FCA Provisions*) shall apply to, and take effect in connection with, this agreement.
- (b) The LLC is registered as an investment adviser with the SEC pursuant to the Investment Advisers Act of 1940, as amended, and has all governmental and regulatory licences, registrations, consent and approvals required by law as may be necessary to perform its obligations under this agreement. The LLC undertakes to

take all such action as may be required to ensure that it is in compliance with and performs its obligations under this agreement in compliance with any laws, regulations or requirements applicable to it in the performance of its obligations under this agreement including, without limitation, the SEC Rules and any laws, regulations or requirements applicable to the performance of its obligations under this agreement to an entity such as the Issuer incorporated in Ireland.

- (c) In the event the Investment Managers determine that providing services from one or the other Investment Managers imposes a material regulatory or similar burden, the Investment Managers can, provided they first notify the other parties to this Agreement, restructure the joint Investment Managers arrangement contemplated by this agreement to reduce or eliminate such burden, provided that the Issuer receives advice and services that are substantially similar in all material respects at no additional cost to the Issuer.
- (d) To the extent the Investment Managers provide services in Ireland they will at all times comply with all applicable Irish laws and regulations.

4.4 **Acquisition from Investment Managers**

The Investment Managers, acting on behalf of the Issuer, shall not acquire any assets to be included in the Portfolio from the Investment Managers or any of their Affiliates or any account, portfolio or fund for which the Investment Managers serve as investment manager or investment adviser or sell any asset to the Investment Managers or any of their Affiliates or any such account, portfolio or fund except where it is reasonably satisfied that it is in the Issuer's interest to do so and has resolved any conflicts of interest that may be involved in such transaction.

4.5 **Principal or Agent**

In the event that the Investment Managers sell any assets to the Issuer as a principal or agent, such sale shall be effected on terms which are not less favourable than terms agreed on an arm's-length basis.

5. **CONFLICTS OF INTEREST OF THE INVESTMENT MANAGERS**

5.1 **Multiple Interests**

Subject to the provisions of this agreement, the Investment Managers and their Affiliates are authorised:

- (a) to act in multiple capacities, and, in particular in relation to the Investment Managers' execution obligations set forth in clause 4.2 (*Execution*), to effect transactions with or for the Issuer's account in instances in which the Investment Managers and their Affiliates may have multiple interests;
- (b) along with their managing directors, directors, partners, officers and employees, to have multiple advisory, financial and other interests in the Portfolio;
- (c) to act as adviser or manager to clients in investment banking, financial advisory asset management and other capacities in relation to obligations included in the Portfolio that may be purchased, sold or held on the Issuer's behalf;
- (d) to issue, or be engaged as underwriter for the issue of, instruments that the Issuer may purchase, sell or hold;
- (e) along with their managing directors, directors, partners, officers and employees to act in a proprietary capacity and to hold long or short positions in instruments of all types, including the obligations included in the Portfolio;

- (f) along with their managing directors, directors, partners, officers and employees to serve as directors, officers and employees of companies the obligations of which may comprise Collateral purchased, sold or held by the Issuer; and
- (g) along with their managing directors, directors, partners, officers and employees to advise, and take action, in respect of any of the Investment Managers' and their Affiliates' clients or proprietary accounts that may differ from the advice given, or may involve a different timing or nature of action taken, than with respect to any one or all of the Investment Managers' advisory accounts.

The Issuer acknowledges that at times, these activities may cause departments of the Investment Managers and their Affiliates to give advice to clients that may cause these clients to take actions adverse to the interests of the Issuer and could affect the price and availability of the obligations that the Investment Managers seek to buy or sell for the Issuer's account, which could adversely impact the financial returns of the Issuer in respect of the Portfolio, and, may effect transactions for such clients or proprietary accounts at prices or rates that may be more or less favourable than the prices or rates applying to transactions effected for the Issuer.

5.2 Rendering of Services

Nothing herein shall prevent the Investment Managers or any of their Affiliates from engaging in its customary businesses, or from rendering services of any kind to their Affiliates, the Issuer, the Trustee, the Noteholders or any other Person or entity to the extent permitted by applicable law. Without prejudice to the generality of the foregoing, the Investment Managers, their Affiliates or any directors, partners, officers, employees and agents of the Investment Managers or their Affiliates may, among other things:

- (a) serve as directors (whether supervisory or managing), officers, employees, agents, nominees or signatories for any obligor under any assets forming part of the Collateral provided that such activity would not have a material adverse effect on the Collateral;
- (b) provided the Investment Managers have received the Issuer's prior written consent, receive fees for services of any nature rendered to the obligor under any asset forming part of the Collateral, provided that such activity would not have a material adverse effect on the Collateral or the Portfolio;
- (c) be retained to provide services to the Issuer or to any other Person that is unrelated to this agreement, and be paid therefor, in the case of the Issuer, on terms not less favourable than terms agreed on an arm's length basis, provided that, in each case, such activity would not have a material adverse effect on the Collateral;
- (d) be a secured or unsecured creditor of any obligor under any asset included in the Collateral;
- (e) acquire or sell any asset forming part of the Collateral to the Issuer while acting in the capacity of principal or agent, but only in compliance with the provisions of this agreement;
- (f) underwrite, act as a distributor of or make a market in any Investment or Eligible Investment or the Notes;
- (g) serve as a member of any "creditors' committee" or informal workout group with respect to any asset forming part of the Collateral;
- (h) act as the manager for, or investment adviser to, any other person, entity or fund; and

- (i) maintain any other relationships with issuers of, or obligors under, obligations included in the Portfolio or other obligations provided that such activity would not have a material adverse effect on the Collateral.

5.3 **Conflicts of Interest**

It is understood that the Investment Managers and any of their Affiliates may engage in any other business and furnish investment management and advisory services to others, including Persons which may have investment policies similar to those followed by the Issuer with respect to the Portfolio and which may own assets of the same class, or which are of the same type, as assets included in the Portfolio or other obligations of the obligors under assets included in the Portfolio. The Investment Managers shall be free, in their sole discretion, to make recommendations to others, or to effect transactions on behalf of themselves or for others, which may be the same as or different from those effected with respect to assets included in the Portfolio. The Investment Managers will maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest from constituting or giving rise to a risk of material damage to the interests of the Issuer.

5.4 **Principal or Agent**

Nothing contained in this agreement shall prevent the Investment Managers or any of their Affiliates, acting either as principal or agent on behalf of others, themselves or each other, from buying or selling, or from recommending to or directing any other account to buy or sell, at any time, assets of the same kind or class, or assets of a different kind or class of the same obligor, as those eligible to be acquired or sold by the Investment Managers (acting on behalf of the Issuer) under this agreement. It is understood that, to the extent permitted by applicable law, the Investment Managers, or any Investment Manager Related Person may have an interest in a particular transaction or in assets of the same kind or class, or assets of a different kind or class of the same obligor, as those whose acquisition or sale the Investment Managers may execute under this agreement.

5.5 **Protection for Inaction**

The Investment Managers may, notwithstanding any other provisions of this agreement, at any time refrain from executing on behalf of the Issuer the acquisition or sale under this agreement of obligations of:

- (a) persons of which the Investment Managers, or any Investment Manager Related Person are partners, directors or officers; or
- (b) persons for which the Investment Managers or any of their Affiliates acts as financial adviser, investment manager, or underwriter; or
- (c) persons about which the Investment Managers or any of their Affiliates has information which the Investment Managers deem confidential, non-public, price sensitive or which otherwise might prohibit them from trading such assets in accordance with applicable laws including, without limitation, any insider dealing laws; or
- (d) a vehicle or fund in respect of whose assets the Investment Managers act as investment manager or investment adviser.

In addition, the Investment Managers shall not be obliged to pursue with respect to the Portfolio any particular investment opportunity of which it becomes aware.

5.6 Maintenance of Records

The Investment Managers will maintain appropriate records relating to services performed under this agreement, and such records will be accessible for inspection by a representative of the Issuer, the Trustee, and the Collateral Administrator at a mutually agreed time during normal business hours and upon reasonable written prior notice provided however that the Collateral Administrator shall be primarily responsible for the maintenance of all records of transactions undertaken by the Issuer or the Investment Managers on their behalf in respect of the Portfolio, the Investment Liabilities and the Collection Account.

6. OBLIGATIONS OF THE INVESTMENT MANAGERS

6.1 Restrictions on Actions of the Investment Managers

The Investment Managers shall take no action and shall not fail to take any action which action or failure, as applicable, would:

- (a) adversely affect the Issuer for purposes of Irish law or any other law which, the Investment Managers are actually aware of or acting with reasonable care should be aware of or has been advised by the Issuer is applicable to the Issuer; or
- (b) not be permitted under the Issuer's Governing Instruments (copies of which the Investment Managers acknowledge have been provided to them by the Issuer); or
- (c) violate any law, rule or regulation of any governmental body or agency having jurisdiction over the Issuer, including, without limitation, any Irish or other applicable banking or securities law of which the Investment Managers are actually aware of or acting with reasonable care should be aware of or have been advised by the Issuer is applicable to the Issuer; or
- (d) result in the Issuer violating the terms of the Trust Deed, any of the Conditions or any other Transaction Document,

in each case, to the extent that such action would have a material adverse effect on the Issuer or the Portfolio.

If the Investment Managers are requested to take any such action by the Issuer, the Investment Managers shall promptly notify the Issuer and the Trustee that in the Investment Managers' judgment such action would have one or more of the consequences set out above and need not take such action unless (i) the action would not have the consequences set forth in clause 6.1(c) above and (ii) the Issuer again requests the Investment Managers to do so and the Trustee has consented to it in writing. Notwithstanding any such request, the Investment Managers need not take such action unless arrangements satisfactory to them are made to insure or indemnify the Investment Managers and their Affiliates, directors, partners, officers, members and employees against any liability they may incur as a result of such action. Notwithstanding anything contained in this agreement to the contrary, any indemnification or insurance pursuant to this clause 6 (*Obligations of the Investment Managers*) that is payable out of the Collateral shall be payable only in accordance with the Priorities of Payment.

6.2 Compliance with Applicable Laws

The Investment Managers jointly and severally covenant that they shall comply in all material respects with applicable laws and regulations relating to their performance under this agreement.

6.3 Tax Related Covenants

The Investment Managers jointly and severally:

- (a) undertake to make the representations and comply with the covenants set out in Part A (*US Tax Covenants*) of schedule 6 on each day that this agreement is in force; and
- (b) shall use all reasonable endeavours to ensure the Issuer is not subject to UK income tax on a net income basis or to income taxation on a net income basis in any other jurisdiction from which the Investment Managers undertake investment management activities pursuant to this agreement or acquire any assets or engage in any activity that causes the Issuer to be engaged in a trade or business for U.S. federal income tax purposes.

6.4 Notification

The Investment Managers shall, upon the execution of any sale and/or acquisition of any Derivative Instrument, Investment or Eligible Investment, or the entry into a Leverage Instrument, notify the Collateral Administrator of such sale and/or acquisition, as applicable, and shall, at all times, ensure that the Collateral Administrator is notified of the composition of the Portfolio.

6.5 Additional Commentary

The Investment Managers shall provide commentary in a monthly performance and commentary report which shall be circulated to the Noteholders (or in such other form as agreed between the Investment Managers and the Noteholders) where:

- (a) the monthly return for any given month is more than two standard deviations of the previous 36 month rolling average historical monthly returns;
- (b) the notional amount of Derivative Instruments (excluding Derivative Instruments used for foreign exchange/currency hedging purposes) which are entered into exceeds ten per cent. of the Adjusted Net Asset Value;
- (c) the net cash balance of the Collection Account exceeds 30 per cent. of the Adjusted Net Asset Value; or
- (d) any Leverage Instrument is entered into or acquired by the Issuer,

provided that (i) each such report provided by the Investment Managers shall be for information purposes only; (ii) certain information included in any such report may be estimated, approximated or projected; (iii) each such report shall be provided without any representations or warranties as to accuracy or completeness (however the Investment Managers will use their commercially reasonable endeavours to ensure the accuracy and completeness of each such report); and (iv) none of the Investment Managers, the Issuer, the Trustee or the Collateral Administrator will have any liability for such estimates, approximations or projections.

None of the Investment Managers shall be liable in any way for any failure by any Investment Manager to comply with any obligation in this clause 6.5 (*Additional Commentary*), and no such failure or non-compliance shall in any way constitute a breach or violation (or otherwise) of, or failure to comply with, this Agreement or an Event of Default. If the Investment Manager becomes aware of any errors in the report provided under this clause, it shall notify the Noteholders of such errors as soon as reasonably practicable.

7. FEES AND EXPENSES OF THE INVESTMENT MANAGERS

7.1 Fees

(a) Management Fee

Subject to the Priorities of Payment, the Issuer shall pay to the LLC (unless otherwise directed by written notice of the LLC to the Trustee and the Issuer) on each Payment Date, for services rendered and performance by the Investment Managers of their respective obligations under this agreement, a fee, payable quarterly in arrear in an amount as determined by the Collateral Administrator equal to 0.65 per cent. per annum (calculated on the basis of the actual number of days elapsed and a year of 365 days) of the Gross Asset Value (determined prior to the deduction of such Management Fee or any other amounts payable by the Issuer on the same date as the Management Fee) together with, in each case, any associated VAT (whether payable to the LLC or directly to the relevant taxing authority) (the "**Management Fee**").

(b) Performance Fee

(i) In addition, subject to the Priorities of Payment, the Issuer shall pay to the LLC (unless otherwise directed by written notice of the LLC to the Trustee) on each Payment Date, for services rendered and performance by the Investment Managers of their respective obligations under this agreement, a fee, payable quarterly in arrear in an amount as determined by the Collateral Administrator equal to the product of (1) the Excess Return for the applicable Due Period, multiplied by (2) the performance fee rate of 20 per cent., provided that no Performance Fee shall be payable if the High Water Mark (as defined below) determined in accordance with this agreement is not satisfied for the purposes of such Payment Date, together with, in each case, any associated VAT (whether payable to the LLC or directly to the relevant taxing authority) (the "**Performance Fee**").

(ii) The Performance Fee will be subject to a "**High Water Mark**" being satisfied as at the Determination Date relating to the Payment Date on which such fee may be payable. The initial High Water Mark shall be determined on or prior to the Initial Issue Date in respect of each Note Outstanding. Satisfaction of the High Water Mark shall be determined by the Collateral Administrator (in consultation with and based on certain information provided by the Investment Managers) on each Determination Date by calculating each Note's proportionate share of the Net Asset Value determined as at the Determination Date of the related Due Period (such amount the "**PNNAV**") which shall be determined, in respect of each Note, as a percentage of such Net Asset Value equal to the percentage which the original face amount of such Note represents of the original aggregate principal amount of all Notes issued on any Issue Date minus the original aggregate principal amount of all Notes previously redeemed or purchased and cancelled pursuant to Condition 7 (*Redemption and Purchase*).

If the PNNAV decreases over any quarterly period and is lower than the applicable High Water Mark, no Performance Fee will be payable until such time as the PNNAV is equal to such High Water Mark. If the PNNAV on any Determination Date is higher than the existing High Water Mark it will become the new High Water Mark.

(c) **VAT**

Any VAT payable in respect of any Investment Management Fee payable to the Investment Managers shall, to the extent not included in the definitions of such fees, be payable by the Issuer to the Investment Managers or the relevant tax authority, as the case may be, on each Payment Date, subject to the Priorities of Payment.

(d) **Overdue Investment Management Fees**

Any Investment Management Fees not paid on any Payment Date shall be payable on subsequent Payment Dates pursuant to the Priorities of Payment.

(e) **Deferral of Investment Management Fee**

The Investment Managers may at their discretion defer payment of any Investment Management Fees payable on any Payment Date in whole or in part and determine that such Investment Management Fees shall be paid instead, in whole or in part, on a later Payment Date, such fees being "**Deferred Investment Management Fees**".

(f) **Interest**

Any Investment Management Fees not paid in full on the Payment Date on which they are originally scheduled to be so paid, whether as a result of deferral by the Investment Managers or as a result of there being insufficient proceeds available pursuant to the Priorities of Payment, shall not bear interest.

7.2 **Pro rating of Fees**

If the Investment Managers resign or are removed pursuant to clause 9 (*Change of the Investment Manager(s)*) or if this agreement is terminated pursuant to clause 35 (*Term and Termination*) the Investment Management Fees calculated as provided in this clause 7 (*Fees and Expenses of the Investment Managers*) shall be pro rated for any partial Due Periods during which this agreement was in effect and shall be due and payable on the first Payment Date following the date of such removal or termination, as applicable, in accordance with the Priorities of Payment.

7.3 **Adjustment of Fees**

The fees payable to any successor Investment Manager(s) may be adjusted as contemplated pursuant to clause 9.3 (*Appointment of Successor Investment Manager(s)*), subject to the prior consent of the Trustee and the Noteholders acting by Extraordinary Resolution.

7.4 **Ongoing Expenses**

The Investment Managers shall be responsible for expenses incurred in the performance of their obligations under this agreement (including, but not limited to, promotional expenses and the fees of any third party employed by the Investment Managers), provided however that:

- (a) the expenses of employing outside lawyers, independent contractors or consultants in connection with the restructuring and/or default of any transaction that the Issuer enters into or sale and/or purchase of any Investment;
- (b) any and all taxes and governmental charges that may be incurred or payable by the Investment Managers on behalf of the Issuer;

- (c) any and all legal and accountants' fees and disbursements relating to the Issuer (excluding in-house lawyers' and accountants services' provided by or on behalf of the Investment Managers to the Issuer as may be reasonably allocated to the Issuer);
- (d) any in-house lawyers' costs, accountants' services costs, and the costs of any independent contractors and consultants which in the discretion of the Investment Managers may be reasonably allocated to the Issuer;
- (e) the expenses of employing outside lawyers to provide advice with respect to any applicable laws in connection with the performance of the Investment Managers' services under this agreement including, without limitation, any due diligence investigations that the Investment Managers consider necessary or desirable in respect of any transaction that the Issuer may enter into;
- (f) any and all costs and expenses incurred in connection with the acquisition or disposition of any assets in the Portfolio, including (without limitation):
 - (i) investment related travel, communications and related expenses; and
 - (ii) amounts in connection with the termination, cancellation or abandonment of a potential acquisition or disposition of an asset that is not consummated;
- (g) any and all costs and expenses incurred in connection with the carrying or management of the assets in the Portfolio;
- (h) any and all costs and expenses incurred in connection with the Notes and other indebtedness of the Issuer;
- (i) any and all insurance premiums or expenses incurred in connection with the activities of the Issuer by the Investment Managers;
- (j) any and all costs and expenses incurred in connection with the Investment Managers' information technology systems relating to the Issuer and the assets in the Portfolio and the communications with the Noteholders (including charges related to annual meetings);
- (k) any and all costs and expenses incurred or payable by the Investment Managers on behalf of the Issuer to IT consultants and any or all costs of any IT applications which in the discretion of the Investment Managers may be reasonably allocated to the Issuer;
- (l) any and all fees, costs and expenses incurred or payable by the Investment Managers to any third party market data and/or pricing sources and/or information provider which in the discretion of the Investment Managers may be reasonably allocated to the Issuer;
- (m) any or all expenses involved in relation to further investment in or fundraising, on behalf of the Issuer, including, without limitation, entertainment expenses;
- (n) any and all expenses agreed between the Issuer and the Investment Managers;
- (o) any and all expenses incurred to comply with any law or regulation related to the activities of the Issuer and the Investment Managers; and
- (p) any or all expenses incurred by the Investment Managers on behalf of the Issuer or in connection with the Issuer or costs or expenses incurred by the Issuer and payable by the Investment Managers on their behalf,

shall be reimbursed by the Issuer on each Payment Date (and for the avoidance of doubt not at any other time) as an "Administrative Expense" subject to the Priorities of Payment.

8. LIMITS ON RESPONSIBILITY OF THE INVESTMENT MANAGERS

8.1 Liability of Investment Managers

The Investment Managers assume no responsibility under this agreement other than to render the services called for under this agreement in good faith, in each case, subject to the standard of conduct described in clause 3.2(a) (*Standard of Care*), shall not be responsible for any action of the Issuer or the Trustee in following or declining to follow any advice, recommendation or direction of the Investment Managers and shall not be liable to the Issuer, the Trustee, the Secured Parties or any other Person for any acts or omissions by them under or in connection with this agreement, or for any decrease in the value of the Collateral, except in each case, by reason of acts or omissions constituting fraud, wilful misconduct or negligence of the Investment Managers. Nothing herein shall be construed in any way to constitute a waiver or limitation of any rights that the Issuer, Trustee or Secured Parties may have under any U.S. Federal or state securities laws.

8.2 Indemnities

(a) Indemnity of the Investment Managers

The Investment Managers shall jointly and severally indemnify and hold harmless the Issuer and its directors, officers, shareholders, partners, agents and employees and controlling persons (each, a "**IM Indemnified Person**") from and against any and all Liabilities resulting directly from the fraud, negligence or wilful misconduct of either Investment Manager and shall reimburse each such IM Indemnified Person for all reasonable and documented expenses related thereto (including, without limitation, fees and expenses of counsel and all other costs of investigating, preparing, pursuing or defending any claim, action, proceeding or investigation with respect to any pending litigation caused by, or arising out of or in connection with such fraud, negligence or wilful misconduct of either Investment Manager), except to the extent that such claims result directly from the fraud, negligence or wilful misconduct of the IM Indemnified Person (other than the Investment Managers) under this agreement. The Investment Managers jointly and severally undertake to the Issuer that they shall pay to the Issuer any amount payable to any IM Indemnified Person under this agreement, which payment shall be in satisfaction of such amount payable.

(b) Indemnity of the Issuer

The Issuer shall indemnify and hold harmless each of the Investment Managers, their Affiliates and their respective directors, officers, members, partners, agents, employees and controlling persons (each, an "**Issuer Indemnified Person**") from and against any and all Liabilities (other than an Issuer UK Tax Representative Liability resulting from an Issuer Indemnification Matter, save to the extent that such Liability would not have arisen but for any fraud, bad faith, negligence or wilful misconduct of either Investment Manager, and shall reimburse each such Issuer Indemnified Person for all reasonable expenses related thereto (including, without limitation, fees and expenses of counsel and all other costs of investigating, preparing, pursuing or defending any claim, action, proceeding or investigation with respect to any pending or threatened litigation caused by, or arising out of or in connection with, any such Issuer Indemnification Matter), except to the extent that such claims result directly from any fraud, bad faith, negligence or wilful misconduct of either Investment Manager or the Issuer Indemnified Person under this agreement. The Issuer undertakes to the

Investment Managers that it shall pay to the Investment Managers any amount payable to any Issuer Indemnified Person under this agreement, which payment shall be in satisfaction of such amount payable. Notwithstanding anything contained herein to the contrary, the obligations of the Issuer under this clause 8.2(b) (*Indemnity of the Issuer*) shall be payable solely out of the Collateral subject to the Priorities of Payment (as an "**Administrative Expense**") and, subject to the foregoing, the Issuer shall make payment of all amounts required to be made pursuant to the provisions of this clause 8.2(b) (*Indemnity of the Issuer*) or for the account of the Issuer Indemnified Person from time to time promptly upon receipt of bills or invoices relating thereto.

(c) **Procedures**

With respect to any claim made or threatened against any IM Indemnified Person or Issuer Indemnified Person (each, an "**Indemnified Person**") for which such Indemnified Person is or may be entitled to indemnification, such Indemnified Person shall:

- (i) give prompt written notice to the appropriate Indemnifying Party of such claim, specifying in reasonable detail the nature and amount of the claim (provided that the failure of such Indemnified Person to provide such notice shall not relieve such Indemnifying Party of its obligations under this agreement unless such Indemnifying Party is materially prejudiced or otherwise forfeits rights or defences by reason of such failure);
- (ii) at such Indemnifying Party's expense, provide such Indemnifying Party such information and co-operation with respect to such claim as such Indemnifying Party may reasonably request; and
- (iii) upon reasonable prior notice, afford to such Indemnifying Party the right, in its sole discretion and at its sole expense, to assume the defence of such claim (including, without limitation, the right to designate counsel reasonably acceptable to such Indemnified Person and to control all negotiations, litigation, arbitration, settlements, compromises and appeals of such claim); provided that (A) if such Indemnifying Party assumes the defence of such claim, it shall not be liable for any fees and expenses of counsel for such Indemnified Person incurred thereafter in connection with such claim and (B) prior to entering into any final settlement or compromise, such Indemnifying Party shall not admit culpability on the part of such Indemnified Person or fail to keep confidential the terms of such settlement or compromise without the express written consent of such Indemnified Person.

8.3 Issuer UK Tax Representative Indemnity

The Issuer agrees to indemnify the Investment Managers and their members against any Issuer UK Tax Representative Liabilities provided that this clause 8.3 (*Issuer UK Tax Representative Indemnity*) shall not apply to the extent that such liabilities would not have arisen but for any fraud, negligence or wilful misconduct of the Investment Managers or their members.

9. CHANGE OF THE INVESTMENT MANAGER(S)

9.1 Resignation of Investment Managers

Subject to clause 9.3 (*Appointment of Successor Investment Manager(s)*), an Investment Manager may resign its appointment under this agreement upon 90 days' prior written notice to the Issuer, the Collateral Administrator and the Trustee. If one of the

Investment Managers resigns pursuant to this clause 9.1, the other Investment Manager (the "**non-resigning Investment Manager**") will be deemed to have resigned on the same terms as the resigning Investment Manager unless the Issuer consents to the non-resigning Investment Manager continuing in its role as an investment manager under this agreement.

9.2 **Removal of Investment Managers with Cause**

Subject to clause 9.3 (*Appointment of Successor Investment Manager(s)*), the appointment of either one or both the Investment Managers under this agreement may be terminated for cause at any time upon 30 days' prior written notice to the Investment Managers (and copied, if applicable, to the Issuer) by (i) the Issuer at its own discretion, or (ii) the Trustee, acting upon the instructions of an Extraordinary Resolution of the holders of the Notes.

For purposes of determining "**cause**" with respect to termination of the appointment of an Investment Manager hereunder in accordance with this clause 9.2 (*Removal of Investment Manager(s) with Cause*) such term shall mean any of the following events:

- (a) if one or both of the Investment Managers wilfully violates or wilfully breaches any material provision of this agreement or the Trust Deed applicable to it (and for the purposes of this paragraph (a) the economic performance of the Investments shall be disregarded);
- (b) if one or both of the Investment Managers breaches any material provision of this agreement or the Trust Deed applicable to it which breach (x) has a material adverse effect on the Noteholders and (y) if capable of being cured, is not cured within 30 days of its becoming aware of, or its receiving notice from the Issuer or the Trustee of, such breach;
- (c) the failure of any representation, warranty, certification or statement made or delivered by one or both the Investment Managers in or pursuant to this agreement or the Trust Deed to be correct in any material respect when made or deemed to be made and such failure (x) has a material adverse effect on the Noteholders and (y) no correction is made for a period of 30 days after the Investment Managers becoming aware of, or their receipt of notice from the Issuer or the Trustee of, such failure;
- (d) (A) any procedure being commenced with a view to the winding-up or reorganisation of either of the Investment Managers (except a voluntary liquidation for the purpose of a reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or with a view to the appointment of an administrator, receiver, trustee or such other analogous persons in the United States of America in relation to either of the Investment Managers or any of their assets (which procedure may be a court procedure or any other step which under the laws of England and Wales or the United States of America is a possible means of achieving any of those results), (B) any asset of the Investment Managers becoming subject to attachment, sequestration, the execution of distress or such other analogous proceedings in the United States of America, (C) either of the Investment Managers becoming unable to pay their debts within the meaning of section 123 of the Insolvency Act 1986 or admitting their inability to pay their debts as and when they fall due or seeking a composition or arrangement with their creditors or any class of them or such other analogous circumstances in the United States of America or (D) there is a permanent material change in the financial condition or of the business of the Investment Managers which in the reasonable opinion of the Issuer or the Trustee, after giving notice to the Investment Managers of such change and, after allowing the Investment Managers 14 days to attempt to change the Issuer's or, as the case may be, the Trustee's

opinion, is likely to adversely affect the ability of the Investment Managers to perform their obligations under this agreement or under the Trust Deed; and

- (e) the Investment Managers or any employee, officer or partner of the Investment Managers which are involved in the day to day management of the Portfolio on behalf of the Issuer being found guilty of having committed a criminal offence materially related to the management of investments similar in nature and character to those which comprise the Collateral or the Investment Managers ceasing to be permitted to act as such under the laws of United Kingdom or failing to register under the United States Investment Managers Act of 1940, as amended, if required by such Act to do so or such Investment Managers otherwise becoming unable, under applicable law, to perform its obligations under this agreement.

If any of the events specified in this clause 9.2 (*Removal of Investment Managers with Cause*) occurs, the affected Investment Manager shall give prompt written notice of such event to the Issuer, the Trustee, the Collateral Administrator and the Noteholders upon the Investment Manager becoming aware of the occurrence of such event.

9.3 Appointment of Successor Investment Manager(s)

In the event that the Investment Managers have purported to resign or to have been removed pursuant to clause 9.2 (*Removal of Investment Managers with Cause*) above, the parties specified in the table below under "Right to Nominate" shall (on a sequential basis from paragraph 1 to 4 in such table) have the right within the time period specified under "Time Period for Nominations" to nominate a successor Investment Manager or Investment Managers, the appointment of which shall be subject to the parties specified in the table below under "Disapproval Rights" not disapproving of such appointment within the time limit specified in such table under "Time Period for Disapproval". The appointment of any potential successor Investment Manager or the Investment Managers is subject to:

- (a) the proposed successor Investment Manager(s):
 - (i) in the sole opinion and determination of the Trustee based on such advice as it shall deem appropriate (which shall not be called into question by subsequent events), having demonstrated an ability professionally and competently to perform duties similar to those imposed upon the Investment Managers including offering portfolio management services to Irish residents; and
 - (ii) being legally qualified and having the regulatory capacity as a matter of Irish law to act as Investment Manager;
- (b) the Issuer not becoming an investment company under the Investment Company Act as a result of such appointment; and
- (c) not causing the Issuer to be, or being deemed to be, resident for tax purposes or be engaged or deemed to be engaged, in the conduct of a trade or business in any jurisdiction other than Ireland.

	Right to Nominate	Time Period for Nomination	Disapproval Rights	Time Period for Disapproval
1	Issuer or Trustee acting on behalf of the Noteholders acting by way of	Within 45 days after notice to Noteholders of purported resignation or	Noteholders acting by way of Ordinary Resolution	Within 21 days after notice of initial nomination to the

	Right to Nominate	Time Period for Nomination	Disapproval Rights	Time Period for Disapproval
	Ordinary Resolution	removal		Noteholders
2	Issuer or Trustee acting on behalf of the Noteholders acting by way of Ordinary Resolution	Within 21 days after expiry of disapproval period or earlier notice of disapproval under 1 above	Noteholders acting by way of Ordinary Resolution	Within 21 days after second notice of nomination to the Noteholders
3	Any Investment Manager	Within 21 days after expiry of disapproval period or earlier notice of disapproval under 2 above	Noteholders acting by way of Ordinary Resolution	Within 21 days after third notice of nomination to the Noteholders
4	Any Investment Manager	Within 21 days after expiry of disapproval period or earlier notice of disapproval under 3 above	None	N/A

Upon the resignation or removal of the Investment Managers, in either case, pursuant to this clause 9 (*Change of the Investment Managers*), the Issuer shall use its reasonable efforts to appoint a successor Investment Manager or Investment Managers within 30 days after the date of notice of resignation or removal of the Investment Managers and, failing which, the Trustee shall be entitled (but not obliged) to appoint a successor Investment Manager or Investment Managers on behalf of the Issuer. In connection with such appointment of a successor Investment Manager or Investment Managers, the Issuer may make such arrangements for the compensation of such successor as the Issuer and such successor shall agree. No compensation payable to a successor Investment Manager or Investment Managers from payments on the Collateral shall be greater than that paid to the Investment Managers without the prior written consent of holders of the Notes, acting by Ordinary Resolution.

Upon termination of the appointment of the Investment Managers as specified above, all authority and power of the Investment Managers under this agreement, whether with respect to the Collateral or otherwise, shall automatically and without action by any person or entity pass to and be vested in the successor Investment Manager or Investment Managers upon its or their appointment.

9.4 **No Voting Rights**

Any Notes held by (but not on behalf of) the Investment Managers, one or more of their Affiliates and/or any one or more partners or directors thereof will have no voting rights with respect to any vote (or written direction or consent) in connection with the removal of the Investment Managers and will be deemed not to be Outstanding in connection with any such vote; provided, however, that any Notes held by an Investment Manager, one or more of their Affiliates and/or one or more partners or directors thereof will have voting rights (including in respect of written directions and consents) with respect to all other matters as to which Noteholders are entitled to vote, including, without limitation, any

vote in connection with the appointment of a replacement Investment Manager which is not Affiliated with either Investment Manager in accordance with this agreement.

9.5 **Action upon Resignation or Removal**

- (a) From and after the effective date of their resignation or removal pursuant to this clause 9 (*Change of the Investment Managers*), the Investment Managers shall not be entitled to compensation for further services under this agreement, but shall be paid all compensation accrued and expenses incurred to the date of resignation or removal, as the case may be, as provided in clause 7 (*Fees and Expenses of the Investment Managers*), and shall be entitled to receive any amounts owing under clause 8 (*Limits on Responsibility of the Investment Managers*). Upon such resignation or removal, the Investment Managers shall as soon as practicable:
- (i) deliver to the Trustee or the Issuer (as the case may be) (or a successor Investment Manager, as directed by the Issuer or the Trustee) all property and documents of the Trustee or the Issuer or otherwise relating to the Portfolio or any of the other Collateral then in the custody of the Investment Managers; and
 - (ii) deliver to the Trustee an account of the books and records delivered to the Trustee, the Issuer or a successor Investment Manager appointed pursuant to this clause 9 (*Change of the Investment Managers*),

provided that the Investment Managers shall not be required to deliver any document or record which the Investment Managers are obliged not to release under any applicable law or regulation.

Notwithstanding such resignation or removal, each party shall remain liable for its acts or omissions under this agreement arising prior to it and for any expenses, losses, damages, liabilities, demands, charges and claims of any nature whatsoever (including reasonable attorneys' fees) to the extent provided pursuant to clause 8 (*Limits on Responsibility of the Investment Managers*) made herein or from any failure by the Investment Managers to comply with this clause 9.5 (*Action upon Resignation or Removal*).

- (b) Each party agrees that, notwithstanding any resignation or removal, it shall reasonably co-operate in any proceedings arising in connection with this agreement, the Trust Deed or any of the Collateral (excluding any such Proceedings in which claims are asserted against the relevant party or any Affiliate) upon receipt of appropriate indemnification and expense reimbursement.

C. COLLATERAL ADMINISTRATION

10. POWERS AND DUTIES OF THE COLLATERAL ADMINISTRATOR

10.1 Appointment and Authority

The Issuer appoints the Collateral Administrator to act as agent of the Issuer in connection with the administrative matters set out in this agreement and the Collateral Administrator agrees to act as agent of the Issuer in accordance with the terms of this agreement and the Collateral Administrator accepts such appointment. The Collateral Administrator's duties and authority to act as collateral administrator under this agreement are limited to the duties and authority specifically provided for in this agreement. The Collateral Administrator shall not be deemed to assume the obligations of the Issuer under the Conditions or the Trust Deed.

10.2 Collateral Administrator to Act for Trustee

At any time after an Event of Default or Potential Event of Default (as defined in the Trust Deed) shall have occurred the Trustee may, by notice in writing to the Issuer and the Collateral Administrator, require the Collateral Administrator until notified by the Trustee to the contrary, so far as permitted by any applicable law or by any regulation having general application:

- (a) to act thereafter as Collateral Administrator of the Trustee in relation to all powers and duties of the Collateral Administrator under the terms of the Trust Deed mutatis mutandis on the terms provided in this agreement (save that the Trustee's liability under any provisions herein contained for the indemnification, remuneration and payment of out-of-pocket expenses of the Collateral Administrator shall be limited to the amounts for the time being held by the Trustee on the trusts constituted by the Trust Deed) and thereafter to hold all moneys, documents and records held by them in respect of the Portfolio on behalf of the Trustee; or
- (b) to deliver up all moneys, documents and records held by them in respect of the Portfolio to the Trustee or as the Trustee shall direct in such notice, provided that such notice shall be deemed not to apply to any document or record which the Collateral Administrator is obliged not to release by any applicable law or regulation.

10.3 Duties of the Collateral Administrator

The Issuer directs and authorises the Collateral Administrator to perform the following duties in respect of the Collateral and the Notes:

- (a) to design, programme, implement and maintain a portfolio testing system for running the Investment Restrictions and for tracking cash flows;
- (b) provide daily estimates of Net Asset Value, Gross Asset Value, Aggregate Market Value and Aggregate Liabilities to the Investment Managers, save that no such estimates shall be required in respect of those dates on which determinations are made in accordance with paragraph (g) below;
- (c) to determine (in consultation with and based on certain information provided by the Investment Managers) the satisfaction of the High Water Mark;
- (d) to create and maintain a collateral database (the "**Collateral Database**") in such form as shall be agreed between the Collateral Administrator and the Investment Managers from time to time, which shall contain details of the Portfolio from time to time, which shall include:
 - (i) in respect of each Investment, the stated maturity, the Obligor, industry, principal amount, interest rate, the applicable public rating or assigned confidential credit estimate assigned thereto (if any) and any other relevant information applicable thereto;
 - (ii) in respect of each Derivative Instrument, type of Derivative Instrument, the principal amount and expiry date, the Obligor, country and industry classification;
 - (iii) in respect of each Leverage Instrument, the applicable Leverage Provider, aggregate amount drawn, aggregate available amount, commitment expiry date and maturity date;

- (iv) the balance of the Collection Account and details of the Eligible Investments standing to the credit of such account including the principal amount, stated maturity and interest rate;
- (v) details of all other arrangements entered into in respect of the Portfolio including, securities trading and repo transactions and any arrangements entered into with a prime broker;
- (vi) in respect of each Investment:
 - (A) the purchase price of the Investment;
 - (B) the current price of the Investment;
 - (C) whether such Investment is a cash or a synthetic Investment;
 - (D) whether such Investment is a leveraged or unleveraged Investment;
 - (E) whether such Investment is par or distressed;
 - (F) whether such Investment is a long or a short position;
 - (G) whether such Investment is a Senior Secured Obligation, a Mezzanine Obligation, a Second Lien Obligation, Unsecured Obligation or any other type of Investment;
 - (H) the next payment date under such Investment;
 - (I) the estimated amount of net payment under such Investment;
 - (J) whether the Investment is defaulted,

and to permit access to the Collateral Database information by the Investment Managers, to monitor public ratings and credit estimates (where publicly available) of Investments periodically and update the Collateral Database for ratings changes, to take account of the sale and/or acquisition of Investments and to monitor current rates in respect of any floating rate instruments and input changes, and track acquisition price, accrued interest disposition proceeds, gains and losses;

- (e) to assist accountants appointed by the Issuer to perform the functions in respect of the Portfolio;
- (f) to assist in the determination on each Measurement Date in respect of each Investment whether such Investment satisfies each of the Eligibility Criteria as of such Measurement Date;
- (g) to determine the Gross Asset Value, Net Asset Value, Adjusted Net Asset Value, Aggregate Market Value and Aggregate Liabilities on each Measurement Date and on each other day the Investment Managers or the Issuer may reasonably request in accordance with schedule 7 (*Determination of Net Asset Value, Gross Asset Value, Aggregate Market Value and Aggregate Liabilities*);
- (h) to consult with the Investment Managers from time to time prior to each Determination Date in relation to the exercise by the Investment Managers of any of their discretion on behalf of the Issuer pursuant to the Priorities of Payment including but not limited to the designation of proceeds for reinvestment and the deferral of interest in respect of the Notes;

- (i) to promptly notify the Investment Managers in writing of any Material Error in any previous calculations of Net Asset Value, if and to the extent such Material Error is identified by the Collateral Administrator;
- (j) to investigate and assess the cause of any Material Error at the request of the Investment Managers and to take the necessary course of action required to rectify such Material Error, to the satisfaction of the Investment Managers;
- (k) to determine compliance or non-compliance with the Investment Restrictions on each Measurement Date and to notify the Investment Managers and Issuer of the results;
- (l) to prepare and distribute each of the Reports and the Investment Manager Report in accordance with clause 12 (*Reports*);
- (m) to maintain all records of transactions undertaken by the Issuer or the Investment Managers on its behalf in respect of the Portfolio, the Investment Liabilities and the Collection Account;
- (n) to calculate all Scheduled Interest Amounts, Deferred Interest and any other interest amounts payable on the Notes on each Payment Date;
- (o) to calculate the amounts to be disbursed on each Payment Date pursuant to the Priorities of Payment;
- (p) to manage the Collection Account and monitor the balances in the Collection Account from time to time;
- (q) to calculate the issue price or subscription price of any Additional Notes in accordance with Condition 17 (*Additional Issuances*);
- (r) to calculate the Redemption Price payable upon any redemption or purchase of the Notes and the Optional Redemption Limit, Available Optional Redemption Proceeds and all other amounts required to be determined upon any redemption of the Notes in accordance with Condition 7(d) (*Optional Redemption by the Noteholders*);
- (s) to the extent that such is reasonably within its power, carry out and/or assist the Investment Managers, the Issuer and the Trustee in carrying out such other calculations and determinations as may be required in respect of the Collateral or the Notes from time to time as specified in any of the Transaction Documents to which the Collateral Administrator is a party, provided that the Collateral Administrator shall not be required to carry out and/or assist in carrying out such calculations and determinations if to do so would require the Collateral Administrator to incur any additional expense not covered within the definition of Administrative Expenses (unless the Collateral Administrator is reimbursed and/or pre-funded to its satisfaction against such additional expense by the Issuer); and
- (t) to carry out all other duties and functions, expressly required of the Collateral Administrator pursuant to the Conditions or the Trust Deed.

10.4 **Reliance on Investment Managers**

- (a) In the performance of certain functions specified in this clause 10 (*Powers and Duties of the Collateral Administrator*), the Collateral Administrator is only able to fulfil its duties following receipt from the Investment Managers of certain determinations and/or certain certifications. In the event the Investment Managers fail to give any such certification and/or determination, as applicable, the Collateral Administrator shall not incur any liability for failing to comply with its obligations pursuant to this agreement or any other Transaction Document.

- (b) Subject to any confidentiality undertaking given by the Issuer and/or the Investment Managers or to which the Issuer and/or the Investment Managers are subject, the Investment Managers shall co-operate with, and provide information to, the Collateral Administrator in connection with the Collateral Administrator's maintenance of the Collateral Database, calculation and determination (as applicable) of the Investment Restrictions, Redemption Prices and amounts payable in accordance with the Priorities of Payment and preparation of each of the Reports.
- (c) If, in performing its duties under this agreement, the Collateral Administrator is required to decide between alternative courses of action, the Collateral Administrator may request written instructions from the Investment Managers as to the course of action desired by it. If the Collateral Administrator does not receive such instructions within five Business Days after it has requested them, it may, but shall be under no duty to, take or refrain from taking any action and shall have no responsibility and incur no liability for taking or refraining from taking any such action. The Collateral Administrator shall act in accordance with instructions received after such five Business Days period except to the extent it has already taken, or committed itself to take, action inconsistent with such instructions, and the Collateral Administrator shall have no liability arising therefrom. The Collateral Administrator shall be entitled to rely on the advice of legal counsel, independent accountants and other professional advisers in performing its duties under this agreement and shall be deemed to have acted in good faith if it acts in accordance with such advice.

11. DETERMINATIONS OF AMOUNTS PAYABLE

(a) Collateral Administrator to Request

The Collateral Administrator shall request by no later than 4 p.m. (London time) on the Business Day prior to each Determination Date:

- (i) the Account Bank to notify it of the balance standing to the credit of the Collection Account (including any sub-accounts) held with it at opening of business (London time) on such Determination Date;
- (ii) the Custodian to notify it of the amount standing to the credit of the Custody Account (as defined in the Agency Agreement) held with it at opening of business (London time) on such Determination Date;
- (iii) each Derivative Counterparty to notify it of any amount due to it or owed by it (determined after setting off amounts due on the next following Payment Date), under any Derivative Transaction specifying the nature of each such payment being made;
- (iv) each Leverage Provider to notify it of any amount due to it or owed by it under each Leverage Instrument to which it is a party, specifying the nature of each such payment being made;
- (v) the Issuer to notify it of all taxes, Trustee Fees and Expenses and Administrative Expenses which are due and payable on the related Payment Date distinguishing between the different types of payment due; and
- (vi) in addition, the Collateral Administrator shall make such other requests of the parties referred to in paragraphs (iii) to (v) (inclusive) above (and shall otherwise communicate and liaise with such parties) at such times as the Collateral Administrator considers reasonable or necessary in order for it to

comply with its obligations under clause 10.3 (*Duties of the Collateral Administrator*).

(b) Consent of the Investment Managers

The Collateral Administrator shall not make any payment in accordance with Condition 8(c) (*Pre-Acceleration Priority of Payment*) without prior written consent of the Investment Managers.

(c) Calculations of the Collateral Administrator

Subject to notification to the Collateral Administrator of the information referred to in paragraph (a) above, the Collateral Administrator shall, in consultation with the Investment Managers, on each Determination Date, calculate each of the amounts payable on the related Payment Date out of the amount standing to the credit of the Collection Account pursuant to the Priorities of Payment and prepare the applicable Payment Date Report reflecting such calculations and shall notify the Issuer and the Investment Managers of the amount required to make the payments determined pursuant to such calculations.

(d) Collateral Administrator to Direct Account Bank

The Collateral Administrator shall, once the calculations referred to above have been determined in consultation with the Investment Managers on behalf of the Issuer, direct the Account Bank by no later than 12.00 noon (London time) on the Business Day in London prior to the relevant Payment Date to disburse the amounts so calculated in accordance with Condition 8(c) (*Pre-Acceleration Priority of Payments*) on the relevant Payment Date.

(e) No Liability for Collateral Administrator

The Collateral Administrator shall not incur any liability under this agreement for any instructions to the Account Bank or the Custodian, as applicable, given in good faith by the Collateral Administrator which the Collateral Administrator believes the Issuer is liable to pay and which is in accordance with the Payment Date Report. The Collateral Administrator shall not be liable to any person by reason of having given payment instructions in reliance upon any invoice submitted for the account of the Issuer, and the Collateral Administrator shall be entitled to assume the performance of the service (if any) to which the invoice relates. Until it shall have been notified in writing or have actual knowledge of it the Collateral Administrator shall be entitled to assume that no Event of Default or Potential Event of Default has occurred and is continuing.

Each of the parties hereto acknowledges that in no event shall the Collateral Administrator incur any Liability arising to the Collateral Administrator receiving or transmitting any data from the Issuer or its Authorised Person via a non-secure method of transmission or communication, such as, but without limitation, by facsimile or email.

The Issuer acknowledges that some methods of communication are not secure and that the Collateral Administrator shall incur no liability for receiving Instructions via any such non-secure method. The Collateral Administrator is authorised to comply with and rely upon such Instructions believed by it to have been sent from and given by an Authorised Person. The Issuer shall use all reasonable endeavours to ensure that Instructions transmitted to the Collateral Administrator pursuant to this agreement are complete and correct. Any Instructions shall be conclusively deemed to be valid instructions from the Issuer to the Collateral Administrator for the purposes of this agreement.

(f) **Maintenance of Records**

The Collateral Administrator shall maintain appropriate records relating to its determination in respect of the Priorities of Payment on any Determination Date, and such records shall be accessible for inspection by a representative of the Issuer, the Trustee, the Registrar, the Investment Managers and any accountants of the Issuer at any time during normal business hours and prior to an Event of Default or a Potential Event of Default occurring upon not less than three Business Days' prior notice.

12. **REPORTS**

12.1 **Compilation of Reports**

The Collateral Administrator shall, on behalf of the Issuer and in consultation with and based on certain information provided by the Investment Managers, compile each of the Reports in accordance with the requirements of schedule 3A (*Description of the Reports*), and Investment Manager Report in accordance with schedule 3B (*Investment Manager Report*) taking into account such amendments thereto as may be agreed from time to time by the Issuer, the Investment Managers, the Trustee and the Collateral Administrator.

12.2 **Information**

Each Report compiled by the Collateral Administrator shall state that it is for informational purposes only, that certain information included in the Report is estimated, approximated or projected and that the report is provided without any representations or warranties as to accuracy or completeness and that none of the Investment Managers, the Issuer, the Trustee or the Collateral Administrator will have any liability for such estimates, approximations or projections.

12.3 **Confidentiality**

Nothing, in this clause 12 (*Reports*), shall oblige the Investment Managers to disclose, whether directly or indirectly, any information held under an obligation of confidentiality.

13. **FEES AND EXPENSES OF THE COLLATERAL ADMINISTRATOR**

13.1 **Fees**

Subject to the Priorities of Payment, the Issuer agrees to pay, and the Collateral Administrator shall be entitled to receive, as compensation for the Collateral Administrator's performance of the duties called for herein, such fees as are set out in a side letter, dated on or about the Issue Date, between the Issuer and the Collateral Administrator which fees shall be payable quarterly in arrear on each Payment Date in accordance with the Priorities of Payment. If on any Payment Date there are insufficient funds to pay such fees in full, the amount not so paid shall be deferred and shall be payable on such later Payment Date on which any funds are available therefor in accordance with the Priorities of Payment.

13.2 **Expenses**

The Collateral Administrator shall be responsible for ordinary expenses incurred in the performance of its obligations under this agreement provided however that reasonable legal, printing and travel fees and expenses, and reasonable wire charges and other out-of-pocket expenses shall be reimbursed by the Issuer as an Administrative Expense provided that the Collateral Administrator shall notify the Investment Manager of all such fees, expenses and charges in respect of which it seeks reimbursement from the Issuer hereunder.

13.3 Pro-rating of Fees

If the Collateral Administrator resigns or is removed pursuant to clause 15 (*Change of the Collateral Administrator*) or otherwise or if this agreement is terminated in accordance with clause 35 (*Term and Termination*), the fee calculated as provided in this clause 13 (*Fees and Expenses of the Collateral Administrator*) shall be pro rated for any partial Due Periods during which this agreement was in effect and shall be due and payable on the first Payment Date following the date of such termination, subject to the Priorities of Payment.

14. LIMITS ON RESPONSIBILITY OF THE COLLATERAL ADMINISTRATOR

14.1 Liability of Collateral Administrator

- (a) The Collateral Administrator agrees to perform its obligations under this agreement with reasonable care and, subject to the terms and conditions of this agreement. The Collateral Administrator shall incur no liability to anyone in acting upon any signature, instrument, statement, notice, resolution, request, direction, consent, order, certificate, report, opinion, bond or other document or paper believed by it to be genuine and believed by it to be properly executed or signed by the proper party or parties. Neither the Collateral Administrator nor any of its Affiliates, directors, officers, shareholders, agents or employees shall be liable to the Investment Managers, the Issuer or others, except by reason of acts or omissions constituting material breach of this agreement, fraud, negligence, or wilful misconduct of the Collateral Administrator's duties under this agreement.
- (b) Notwithstanding any provision of this agreement to the contrary, including, without limitation, any indemnity given by the Collateral Administrator herein, the Collateral Administrator shall not in any event be liable for indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), whether or not foreseeable, even if the Collateral Administrator has been advised of the likelihood of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, fraud, wilful misconduct or material breach of contract or otherwise.

14.2 Indemnities

(a) Indemnity by Collateral Administrator

The Collateral Administrator shall indemnify and hold harmless the Issuer for, and hold it harmless against, any Liabilities properly incurred as a result of fraud, negligence or wilful misconduct, of the Collateral Administrator except such as may result from the Issuer's fraud, bad faith, negligence or wilful misconduct or that of its directors, officers, employees or agents. The Collateral Administrator shall not be liable to indemnify any person for any settlement of any such Liability effected without the Collateral Administrator's prior written consent (such consent not to be unreasonably withheld or delayed).

(b) Indemnity by the Issuer

The Issuer shall reimburse, indemnify and hold harmless the Collateral Administrator and its affiliates, directors, officers, shareholders, agents and employees with respect to any Liability (other than tax on its net income or gains) incurred in respect of or arising from any reliance on Instructions transmitted by electronic means, in respect of or arising from any acts or omissions performed or omitted by the Collateral Administrator, its Affiliates, directors, officers, shareholders, agents or employees in good faith and without fraud, negligence or wilful misconduct of its duties under this agreement. Notwithstanding anything

contained herein to the contrary, the obligations of the Issuer under this clause 14.2 (*Indemnities*) shall be payable solely out of the Collateral in accordance with the Priorities of Payment and subject to the terms of clause 27 (*Limited Recourse and Non-Petition*).

14.3 **Exemption from Liability**

The Collateral Administrator is exempted from any liability arising from or in connection with the actions or inactions of the Investment Managers pursuant to this agreement (save where such action or inaction is a direct result of the actions or inactions, as the case may be, of the Collateral Administrator).

15. **CHANGE OF THE COLLATERAL ADMINISTRATOR**

15.1 **Removal of Collateral Administrator Without Cause**

Subject to clause 15.4 (*Appointment of Successor Collateral Administrator*), the appointment of the Collateral Administrator pursuant to this agreement may be terminated without cause at any time, upon 60 Business Days' prior written notice by (a) the Issuer or (b) the Trustee at its discretion or acting upon the directions of the holders of the Notes acting by Ordinary Resolution, to the Collateral Administrator copied to the Issuer or Trustee (as applicable) and the Investment Managers and upon written notice to the Noteholders in accordance with Condition 16 (*Notices*).

15.2 **Removal of Collateral Administrator With Cause**

Subject to clause 15.4 (*Appointment of Successor Collateral Administrator*), the appointment of the Collateral Administrator pursuant to this agreement may be terminated, for cause by (a) the Issuer or (b) the Trustee at its discretion or acting upon the directions of the holders of the Notes acting by Ordinary Resolution forthwith upon prior written notice to the Collateral Administrator copied to the Issuer or the Trustee (as applicable) and the Investment Managers and upon written notice to the Noteholders in accordance with Condition 16 (*Notices*). For purposes of determining "**cause**" with respect to termination of this agreement in accordance with this clause 15 (*Change of the Collateral Administrator*) such term shall mean any one of the following events:

- (a) the Collateral Administrator shall default in the performance of any of its material duties under this agreement or any other Transaction Documents and shall not cure such default within 30 days of the occurrence of such default;
- (b) a court having relevant jurisdiction shall enter a decree or order for relief in respect of the Collateral Administrator in any involuntary case under any applicable bankruptcy, insolvency or other similar law, or appoint a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Collateral Administrator or for any substantial part of its property, or order the winding-up or liquidation of its affairs; or
- (c) the Collateral Administrator shall commence a voluntary case under applicable bankruptcy, insolvency or other similar law, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Collateral Administrator or in respect of any substantial part of its property, or shall make any general arrangement for the benefit of creditors, or shall fail generally to pay its debts as they become due.

If either of the events specified in paragraphs (b) or (c) above shall occur, the Collateral Administrator shall give written notice of such event to the Issuer, the Trustee and the Investment Manager as soon as reasonably practicable after the occurrence of such event.

15.3 **Resignation of Collateral Administrator**

Notwithstanding any other provision of this agreement to the contrary, but subject to clause 15.4 (*Appointment of Successor Collateral Administrator*), the Collateral Administrator may resign its appointment pursuant to this agreement without cause by the Collateral Administrator giving 90 days' prior written notice, and with cause by the Collateral Administrator giving ten days' prior written notice to the Issuer, the Trustee and the Investment Managers. For the purpose of determining "**cause**" in this clause 15.3 (*Resignation of Collateral Administrator*), the definition of "**cause**" set out in clause 15.2 (*Removal of Collateral Administrator With Cause*) shall apply to the Issuer mutatis mutandis.

15.4 **Appointment of Successor Collateral Administrator**

No termination of the appointment or resignation of the Collateral Administrator shall be effective until the date as of which a successor collateral administrator reasonably acceptable to the Issuer, the Trustee and the Investment Managers shall have agreed in writing to assume all of the Collateral Administrator's duties and obligations pursuant to this agreement and notice of such appointment shall have been given to the Noteholders in accordance with Condition 16 (*Notices*). Upon the termination of the appointment of the Collateral Administrator or upon the resignation of the Collateral Administrator, in either case pursuant to this clause 15 (*Change of the Collateral Administrator*), the Investment Managers on behalf of the Issuer shall use their best efforts to appoint a successor Collateral Administrator, provided, however, that if within 60 days of the resignation of the Collateral Administrator the Investment Managers on behalf of the Issuer have not appointed a successor to the Collateral Administrator, the Collateral Administrator may itself appoint a successor collateral administrator reasonably acceptable to the Issuer, the Trustee and the Investment Managers and, upon such appointment becoming effective, the resignation of the existing Collateral Administrator shall become effective.

15.5 **Effect of Resignation of Collateral Administrator**

Upon its respective resignation or removal becoming effective the Collateral Administrator shall forthwith transfer all records or other information held by it in its capacity as Collateral Administrator to the successor Collateral Administrator, but shall have no other duties or responsibilities under this agreement, and shall be entitled to the payment by the Issuer of its remuneration for the services previously rendered under this agreement in accordance with the Priorities of Payment. The provisions of clause 14.1 (*Liability of Collateral Administrator*) shall survive the resignation or removal of the Collateral Administrator.

15.6 **Merger or Consolidation of Collateral Administrator**

A corporation into which the Collateral Administrator is merged or converted or with which it is consolidated or which results from a merger, conversion or consolidation to which it is a party shall, to the extent permitted by applicable law, be the successor Collateral Administrator under this agreement. The Collateral Administrator agrees to do all such further acts and things (if any) as are necessary to give effect to this clause 15.6 (*Merger or Consolidation of Collateral Administrator*). The Collateral Administrator shall forthwith notify the other parties to this agreement as soon as practicable after it becomes aware that any such event shall occur, giving details of the date on which such event is to occur and of the successor Collateral Administrator.

15.7 **Vesting of Powers of Successor Collateral Administrator**

Upon any successor Collateral Administrator appointed under this agreement executing, acknowledging and delivering to the Issuer and the Trustee an instrument accepting such appointment under this agreement, it shall, without any further act, deed or conveyance,

become vested with all authority, rights, powers, trusts, indemnities, duties and obligations of the Collateral Administrator under this agreement.

D. REQUIREMENTS RELATING TO THE COLLATERAL

16. ACQUISITION OF INVESTMENTS

16.1 Acquisition of Investments

The Investment Managers on behalf of the Issuer will select, acquire, monitor, manage and dispose of a Portfolio of Senior Secured Obligations, Unsecured Obligations, Mezzanine Obligations, Second Lien Obligations, Derivative Instruments, Equity Securities or other investments.

16.2 Effective Date

The Collateral Administrator will as soon as practicable provide to the Issuer, with a copy to each of the Investment Managers and the Trustee, details of the Investments in the Portfolio as at the Effective Date and details of whether or not the Portfolio satisfies the Investment Restrictions.

16.3 Eligibility Criteria

Each asset acquired by the Issuer or the Investment Managers on its behalf from time to time that is intended to constitute an Investment, shall be required to satisfy each of the Eligibility Criteria on the date of entry by or on behalf of the Issuer into a legally binding commitment to acquire such asset. For the avoidance of doubt, the failure of any Investment to satisfy any of the Eligibility Criteria at any time after the date of entry by or on behalf of the Issuer into the commitment to acquire such asset shall not prevent any asset which would otherwise be an Investment from being an Investment so long as such asset satisfied the Eligibility Criteria on the date of entry into the commitment to acquire it by or on behalf of the Issuer, and shall not necessitate any action by the Issuer or the Investment Managers.

16.4 Investment Restrictions

The Collateral Administrator will measure the Investment Restrictions on the Effective Date and as at the date on which each Monthly Report is prepared. The Investment Restrictions will only be applicable following the Effective Date.

In the event that the Investment Restrictions are not in compliance as at any Measurement Date, the Investment Managers, acting on behalf of the Issuer, will use commercially reasonable efforts to bring the Investment Restrictions back into compliance. The Investment Managers will take into account any breach of the Investment Restrictions when considering changes or additions to the Investments or drawing any amounts under any Leverage Instruments.

The failure of the Portfolio to meet the requirements of the Investment Restrictions at any time shall not prevent any obligation which would otherwise be an Investment from being an Investment.

The Investment Restrictions may be amended from time to time by the Issuer, with the consent of the Investment Managers and the Trustee, provided that not more than 50 per cent. of the Noteholders object to such amendment within 60 days following notice having been given to them in accordance with Condition 16 (*Notices*).

17. MANAGEMENT OF THE PORTFOLIO

17.1 Overview

The Investment Managers acting on behalf of the Issuer are permitted, in certain circumstances, subject to the requirements specified in this agreement and subject to the overall policies, direction and control of the Issuer, to buy or sell Investments, to enter into (or cause the Issuer to enter into) and manage Derivative Instruments and to enter into (or cause the Issuer to enter into) and manage Leverage Instruments.

The activities referred to below that the Investment Managers may undertake on behalf of the Issuer are subject to the Issuer monitoring the performance of the Investment Managers under this agreement.

17.2 Investment and Reinvestment

The Investment Managers on behalf of the Issuer, may from time to time invest all or part of any Collections and drawings under Leverage Instruments standing to the credit of the Collection Account in Portfolio Assets.

17.3 The Collateral Administrator to consult the Investment Managers

The Collateral Administrator shall consult with the Investment Managers regarding the amounts to be designated for reinvestment and retained in the Collection Account from time to time prior to the applicable Payment Date.

17.4 Monitoring of the Portfolio

The Investment Managers, acting on behalf of the Issuer shall monitor the Portfolio to the extent practicable using sources of information reasonably available to it with a view to achieving the Investment Objective of the Issuer. In particular, the Investment Managers shall monitor any contingent payment obligations the Issuer may have under any Leverage Instrument or Investment with a view to ensuring that the Issuer has sufficient cash available from Collections and amounts that can be drawn under or otherwise realised through Leverage Instruments or Derivative Instruments to meet its payment obligations as they fall due.

17.5 Extension of the Maturity Date

The Issuer, acting on the recommendation of the Investment Managers, may from time to time propose the extension of the Maturity Date to a date that would constitute a Payment Date if the Maturity Date were so extended subject to the consent of the Noteholders acting by Ordinary Resolution. For so long as the Notes are listed on the Irish Stock Exchange, any extension of the Maturity Date shall be notified to the Irish Stock Exchange.

17.6 Ratings

The Issuer or the Investment Managers acting on its behalf is not required to obtain a public rating or a confidential credit estimate assigned in respect of any Investment held by or acquired by the Issuer.

17.7 Eligible Investments

The Investment Managers, acting on behalf of the Issuer, may from time to time purchase Eligible Investments out of amounts standing to the credit of the Collection Account. For the avoidance of doubt, Eligible Investments may be sold by the Investment Managers, acting on behalf of the Issuer, at any time.

17.8 **Margin Stock**

The Investment Managers, on behalf of the Issuer, shall sell any Investment which is or at any time becomes Margin Stock as soon as practicable following such event.

17.9 **Derivative Instruments**

The Issuer or the Investment Managers, acting on behalf of the Issuer, may from time to time acquire Investments which are Derivative Instruments. Derivative Instruments may comprise any of the following entered into with an Eligible Counterparty:

- (a) interest rate swap or hedge transactions;
- (b) forward foreign exchange transactions and currency swap or hedge transactions, including options;
- (c) swaptions and options;
- (d) funded or unfunded credit default transactions pursuant to which the Issuer sells credit protection in respect of a specified reference obligation or reference obligations or reference entity or reference entities;
- (e) Credit Short Obligations;
- (f) funded and unfunded total return swaps;
- (g) derivatives and options linked to the performance of indices;
- (h) any other instrument which is broadly similar in economic risk profile to any of those listed above; and
- (i) such other derivative instruments which in the sole discretion of the Investment Manager do not fall within the definition of paragraphs (a) to (h) (inclusive) but which are determined by the Investment Managers on behalf of the Issuer as being appropriate for entry into by the Issuer and which have not been objected to by the holders of more than 50 per cent of the Principal Amount Outstanding of Notes within 10 days following notification thereof by the Issuer to the Noteholders in accordance with Condition 16 (*Notices*).

17.10 **Interest Rate Swaps and other Hedging Agreements**

The Issuer or the Investment Managers, acting on behalf of the Issuer, may from time to time enter into (i) interest rate swaps, caps and floors; (ii) a variety of derivative instruments in order to hedge foreign exchange risk including rolling forward FX contracts, cross currency transactions, currency options, spot foreign exchange contracts, forward foreign exchange contracts and currency swaptions (including any option with respect to any of these transactions and any combination of the foregoing); (iii) swaptions; (iv) options; (v) credit default swaps; (vi) total return swaps; (vii) forward rate agreements; (viii) futures contracts; and (ix) prime brokerage agreements.

17.11 **Leverage Instruments**

The Issuer or the Investment Managers, on its behalf, may from time to time acting in accordance with this agreement leverage the Portfolio by entering into Leverage Instruments provided always that the Leverage Ratio Investment Restriction described above is not exceeded at any time. The Issuer shall not enter into any Leverage Instrument unless specifically advised to do so by the Investment Managers.

The Investment Managers, in managing the Portfolio on behalf of the Issuer, shall take into account all contingent payment obligations of the Issuer under any Leverage Instrument or other Investment with a view to ensuring that the Issuer has sufficient cash proceeds available to meet such obligations as and when they fall due.

The Issuer or the Investment Managers, acting on behalf of the Issuer, may draw down amounts under any Leverage Instrument in order to satisfy any payment obligation of the Issuer from time to time, including without limitation to pay any Administrative Expenses, Investment Management Fees or amounts payable by the Issuer in respect of any Investment or pursuant to the Priorities of Payment.

The Investment Managers are hereby authorised by the Issuer to make drawings on its behalf under any Leverage Instrument as and when it determines appropriate or may advise the Issuer of its recommendation to make any such drawing.

17.12 Restructurings and Workouts

The Investment Managers may either advise the Issuer to or on the Issuer's behalf, advance additional amounts in respect of any Investment in connection with any restructuring if it considers such advance to be appropriate in the circumstances and may take any other action on the Issuer's behalf in respect of any restructuring which it considers to be appropriate, having regard to its obligations under this agreement.

17.13 Equity Securities

The Issuer or the Investment Managers on its behalf may from time to time acquire Equity Securities provided that such Equity Securities are acquired:

- (a) as a package or unit with an Investment;
- (b) upon conversion of, or exchange for, or exercise of an option under, an Investment;
- (c) by the Issuer in lieu of cash in any restructuring or work-out arrangements;
- (d) by the Issuer in connection with a defaulted or restructured Investment; or
- (e) for the purposes of hedging any exposure that the Issuer has to the issuer of such Equity Security.

17.14 Non-Euro Obligations or Non-GBP Obligations

On or after the Effective Date the Investment Managers (acting on behalf of the Issuer) may in their sole discretion enter into such hedging transactions as they may deem appropriate which have the economic effect of converting non-Euro cash flows into Euro amounts. On or after the Amendment Date, the Investment Managers (acting on behalf of the Issuer) may in their sole discretion enter into such hedging transactions as they may deem appropriate which have the economic effect of converting non-GBP cash flows into GBP amounts, provided, however, the Investment Managers shall use reasonable efforts to ensure that no less than 90 per cent. and no more than 110 per cent. of the market value of Non-GBP Obligations is the subject of such hedging transactions.

17.15 Mandatory Sale of Collateral Prior to Maturity Date

In the event of any redemption of the Notes in whole prior to the Maturity Date pursuant to Condition 7(c) (*Redemption following Note Tax Event*) the Issuer will procure liquidation of the Collateral (and the Investment Managers will advise the Issuer in respect of such liquidation) in order to procure that the proceeds are in immediately available funds by the Business Day prior to the applicable Redemption Date.

17.16 **Liquidation of Collateral upon Enforcement of Security**

Upon receipt of notification from the Trustee of the enforcement of security over the Collateral, the Investment Managers shall liquidate the Collateral to the extent required by, and at the direction of, the Trustee without regard to the limitations set out in clause 16.4 (*Investment Restrictions*).

17.17 **Double Tax Treaties and Potential Withholding**

(a) **Withholding Tax**

The Investment Managers, acting on behalf of the Issuer, shall investigate whether any Investment acquired is, at the time it is committed to be purchased or entered into by or on behalf of the Issuer, subject to any withholding tax in any relevant jurisdiction and, if so, whether the obligor thereunder is required to make "gross-up" payments in respect of the full amount of any such tax withheld or whether such withholding can be eliminated pursuant to the provisions of an applicable double tax treaty. Following any determination that a claim under a double tax treaty will be required in respect of any Investment:

- (i) which is a security (as opposed to a loan), the Investment Managers will promptly notify the Issuer and the Custodian of such fact and the Issuer shall complete all requisite forms and forward the same to the Custodian who will process such claim in accordance with the provisions set out in clause 12.4(c) (*Tax Claims*) of the Agency Agreement; and
- (ii) which is a loan, the Investment Managers shall promptly notify the Issuer of such fact and, together with the Issuer, the Investment Managers will take all reasonable and necessary action under the terms of any applicable double tax treaty in order to reduce or eliminate any liability of the Issuer (or, as the case may be, the Investment Managers, Collateral Administrator or Trustee) to taxation by virtue of any of the actions permitted under the terms of this agreement (such action to include the filing of all necessary claims and the provision of all necessary information to the relevant taxation authorities for the purpose of such claim).

(b) **Claim under Double Tax Treaty**

Without prejudice to the generality of paragraph (a) above, the Issuer agrees that in the event that payments on an Investment become subject to withholding tax or increased withholding rates and, in either case, the relevant obligor is not required to gross up in respect of such tax, then if the Investment Managers advise the Issuer that such withholding can be reduced or eliminated by the making of a claim under an applicable double taxation treaty, the Issuer will promptly, at the request of the Investment Managers (with a copy to the Custodian), complete, sign and authorise all such forms as may be necessary in order to make such claim.

(c) **Document or Action in respect of Withholding Tax**

In addition, the Investment Managers shall liaise with the Custodian to determine whether there are any assets of the Issuer held with the Custodian in respect of which the presentation of any document or other action is required in order to prevent amounts receivable in respect of such Investments being received net of any withholding or any other tax and the Investment Managers and not the Custodian shall be responsible for co-ordinating the production of any such document or the taking of any such action specified by the Custodian.

(d) **Assistance in Relation to Tax Claims**

The Collateral Administrator or the Custodian, as applicable, at the request of the Investment Managers, will provide assistance from time to time in relation to any tax claims or issues relating to the Investments, for so long as such assistance is within its capacity, authority, knowledge and duties (as specified in the Transaction Documents) as Collateral Administrator or Custodian, as applicable, and each shall have no responsibility or liability with regard to the Issuer's tax position or status in any jurisdiction.

18. SUSPENSION OF INVESTMENT AND RELEASE OF SECURITY

18.1 Suspension of Investment

Notwithstanding any other provision of this agreement, the Investment Managers shall not acquire or enter into (as appropriate) any Investment or take any other action in respect of the Collateral at any time following the notification to it of the occurrence of an Event of Default under the Notes which is continuing, save to the extent that such commitment was entered into prior to the notification of such Event of Default to the Investment Managers or unless directed to do so by the Trustee.

18.2 Release of Security

The parties to this agreement acknowledge that security over the Collateral will be released pursuant to, and in accordance with, the terms of clause 5.5 (*Release of Security Pursuant to Issuer Orders*) of the Trust Deed.

E. GENERAL

19. CONFIDENTIALITY

19.1 Maintenance of Records and Confidentiality

The Investment Managers and the Collateral Administrator shall each maintain appropriate books of account and records relating to services performed under this agreement, and such books of account and records shall be accessible for inspection by a representative of the Issuer, the Trustee and any accountants appointed by the Issuer pursuant to this agreement at any time during normal business hours and, prior to an Event of Default or Potential Event of Default occurring, on not less than three Business Days' prior notice. Each of the Investment Managers and the Collateral Administrator undertake to keep confidential any and all information obtained in connection with the services rendered under this agreement and shall not disclose any such information to non-affiliated third parties except:

- (a) to any representative of the Trustee or any accountants as referred to above;
- (b) to the extent permitted with the prior written consent of the Issuer and the Trustee;
- (c) in connection with establishing trading or investment accounts or otherwise in connection with effecting transactions on behalf of the Issuer;
- (d) as required by law, regulation, court order or the rules or regulations of any self-regulatory organisation, body or official having jurisdiction over the Investment Managers;
- (e) to its professional advisers;

- (f) such information as shall have been publicly disclosed other than in breach of this agreement;
- (g) to the officers, directors, employees and professional advisers of the Collateral Administrator to the extent necessary for the Permitted Purpose and if any person to whom the confidential information is to be given pursuant to this clause 19.1 is informed in writing of its confidential nature and that some or all of such confidential information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the confidential information; or
- (h) such information that was or is obtained by the Investment Managers on a non-confidential basis, as long as the Investment Managers do not know or have reason to know of any breach by such source of any confidentiality obligations with respect thereto.

In no event, however, will the Investment Managers be required to disclose to any party any information with respect to particular Investments or Eligible Investments that the Issuer or the Investment Managers are obligated by the terms of any Underlying Instrument for such obligations to refrain from disclosing.

20. **NO PARTNERSHIP OR JOINT VENTURE**

Nothing contained in this agreement (a) shall constitute the Issuer, the Investment Managers and the Collateral Administrator members of any partnership, joint venture, association, syndicate, unincorporated business or other separate entity or (b) shall be construed to impose any liability as such on any of them. Each of the Investment Managers' and the Collateral Administrator's relationship to the Issuer shall be that of an independent contractor.

21. **DELEGATION; TRANSFERS**

21.1 **Delegation**

The Collateral Administrator may not delegate to or employ third parties, including its Affiliates, to render assistance in connection with its obligations under this agreement.

The Investment Managers, without the prior consent of the Issuer, any Noteholder or the Trustee, may employ third parties, including its Affiliates, to render assistance in connection with its obligations under this agreement. The Investment Managers shall not be liable for any loss resulting from any act or omission of any third party appointed by the Investment Managers pursuant to this clause 21.1 (*Delegation*) provided that such appointment has been made by the Investment Managers in accordance with the standard of care specified in clause 3.2(a) (*Standard of Care*) of this agreement and that monitoring (if any) is also carried out in accordance with such standard of care.

21.2 **Transfer by Investment Managers or Collateral Administrator**

Except as provided in clause 21.4 (*Successor to Business*), neither the Investment Managers nor the Collateral Administrator may assign or transfer its rights or obligations under this agreement.

21.3 **Transfer by Issuer**

This agreement (or any part of it) shall not be assigned or transferred by the Issuer without the prior written consent of the Investment Managers and the Trustee, except in the case of assignment or transfer by the Issuer (a) to an entity which is a successor to the Issuer permitted under the Trust Deed, in which case such successor organisation

shall be bound under this agreement and by the terms of said assignment in the same manner as the Issuer is bound under it or (b) by way of security to the Trustee as contemplated by clause 5 (*Security*) of the Trust Deed. In the event of any assignment or transfer by the Issuer, the Issuer shall use its best efforts to cause its successor to execute and deliver to the Investment Managers such documents as the Investment Managers shall consider reasonably necessary to effect fully such assignments.

21.4 **Successor to Business**

Any corporation, partnership or limited liability company into which the Investment Managers or the Collateral Administrator may be merged or converted or with which it may be consolidated, or any corporation, partnership or limited liability company resulting from any merger, conversion or consolidation to which the Investment Managers or the Collateral Administrator will be a party, or any corporation, partnership or limited liability company succeeding to all or substantially all of the investment management business of the Investment Managers or the Collateral Administrator, will be the successor to the Investment Managers or the Collateral Administrator (as the case may be) without any further action by the Investment Managers or the Collateral Administrator (as the case may be), the Issuer, the Trustee, the Noteholders or any other Person provided it has the regulatory capacity and authority to render the services contemplated by this agreement to Irish residents. Notwithstanding the foregoing, the LLC shall not undertake any transaction that would constitute an assignment of this agreement for purposes of the Investment Advisers Act of 1940, as amended, without the consent of the Issuer.

22. **INCUMBENCY CERTIFICATES**

Each of the Investment Managers and the Collateral Administrator agree to provide the Account Bank, prior to instructions being given by it to the Account Bank, with an incumbency certificate substantially in the form set out in schedule 2 (*Incumbency Certificate*) to the Agency Agreement or in the case of the Investment Managers in a form agreed between the Investment Managers and the Account Bank (an "**Incumbency Certificate**") as to its nominated representatives and specimen signatures of such representatives for the giving of such instructions, and to provide the Account Bank with updated Incumbency Certificates in the event of any changes to such details. A copy of the form set out in schedule 2 (*Incumbency Certificate*) to the Agency Agreement is also set out in schedule 5 (*Form of Incumbency Certificate*) to this agreement.

23. **REPRESENTATIONS, WARRANTIES AND COVENANTS**

Each Party (other than the Trustee) represents and warrants to each of the other Parties on each day during the term of this agreement as follows:

23.1 **Due Incorporation**

It has been duly incorporated or organised and is validly existing under the laws of its place of incorporation or the jurisdiction of its organisation, has the full power and authority (corporate, limited liability or partnership, as applicable) to (i) own its assets and, in the case of the Issuer, the obligations owned and proposed to be owned by it and included in the Collateral; and (ii) to transact the business in which it is presently engaged and is duly qualified, authorised or licensed under the laws of each jurisdiction where the performance of its obligations under the Notes or where the conduct of its business requires and the Transaction Documents to which it is a party would require such qualification, authorisation or licence, except for any failure to be so qualified, authorised or licensed that would not in the aggregate have a material adverse effect on the business, operations, assets or financial condition of such Party or on the ability of the Party to perform its obligations under, or on the validity or enforceability of, this agreement.

23.2 **Full Power and Authority**

It has full power and authority (corporate, limited liability or partnership, as applicable) to execute, deliver and perform its obligations under the Notes and the Transaction Documents to which it is a party and all obligations under them and has taken all necessary action to authorise the execution, delivery and performance of the Notes and the Transaction Documents to which it is a party on the applicable terms and conditions, and the performance of all obligations imposed upon it under the Notes and Transaction Documents.

23.3 **No Consent etc.**

No consent of any other person including, without limitation, shareholders, members and creditors of such Party, and no licence, permit, approval or authorisation of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority, is required by such Party in connection with the Notes and the Transaction Documents to which it is a party or the execution, delivery, performance, validity or enforceability of the Notes and the Transaction Documents to which it is a party or the obligations imposed upon it thereunder.

23.4 **Legal, Valid and Binding Obligations**

Each of the Transaction Documents to which it is a party and the Notes constitutes, and each instrument or document required thereunder, when executed and delivered hereunder, shall constitute the legally valid and binding obligations of such Party enforceable against such Party in accordance with its terms, subject as to enforcement, to (x) the effect of bankruptcy, insolvency, examinership or similar laws affecting generally the enforcement of creditors' rights, as such laws would apply in the event of any bankruptcy, receivership, insolvency, examinership or similar event applicable to such Party and (y) general equitable principles (whether enforceability of such principles is considered in a proceeding at law or in equity).

23.5 **No Breach**

The execution, delivery and performance of the Transaction Documents to which it is a party and the Notes and any documents and instruments required thereunder shall not cause a breach of any provision of any existing law or regulation binding on such Party, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on or applicable to such Party.

23.6 **No Breach of Governing Instruments**

It is not in breach of its Governing Instruments or in breach of or in default under the Trust Deed or the Notes or any contract or agreement to which it is a party or by which it or any of its assets or property may be bound, or any applicable statute or any rule, regulation or order of any court, government agency or body having jurisdiction over such Party or its properties or assets, the breach of which or default under which would have a material adverse effect on the validity or enforceability of, or the performance by such Party of its obligations under, any Transaction Document by which it is bound.

24. **FURTHER REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE ISSUER**

24.1 **Issuer representations**

The Issuer further represents and warrants to each of the Investment Managers and the Collateral Administrator on each day during the term of this agreement as follows:

(a) **Trust Deed and Governing Instruments**

True and complete copies of the Trust Deed and the Issuer's Governing Instruments have been delivered to the Investment Managers.

(b) **Amendments**

The Issuer agrees to deliver a true and complete copy of each and every amendment to the Trust Deed or the Issuer's Governing Instruments to the Investment Managers as promptly as practicable after their adoption or execution.

(c) **Board Meetings of the Issuer**

Meetings of the Board shall be held at least quarterly (and in any case sufficiently to properly exercise its management and control of the Issuer) in Ireland and shall take place and be conducted in accordance with the constitutional documents of the Issuer. Full minutes shall be taken of each such meeting of the Board, which shall accurately reflect such meeting. Telephone meetings of the Board of the Issuer shall not be held with any of the directors participating nor attending by telephone, or by other means of electronic communication, from anywhere outside Ireland.

(d) **Central Management and Control**

The Issuer will at all times maintain its central management and control and its place of effective management only in Ireland.

(e) **Directors**

The Directors of the Issuer do not comprise any United Kingdom resident individuals and a majority are resident in Ireland.

(f) **Experience of Board Members**

Each individual Board member has the expertise and experience to exercise a proper management and control function in relation to the business of the Issuer.

(g) **Independence of the Board**

The Board will act independently in the exercise of its functions and will give due consideration to decisions, including the entering into of any agreements based on information available to them.

(h) **Incorporation**

The Issuer will remain incorporated in Ireland and will maintain its registered office there.

(i) **Residence**

The Issuer is and will remain tax resident only in Ireland.

24.2 **Tax Covenants**

The Issuer covenants and agrees that, unless otherwise specifically required by any provision of this agreement or by applicable law, the Issuer shall use its best efforts to ensure that no action is taken by it, and shall not intentionally or with reckless disregard take any action, which would subject the Issuer to United Kingdom income taxation, provided that, the Issuer will not be in breach of this paragraph if it endeavours to ensure

that (A) it does not intentionally or with reckless disregard take any action which is not permitted by, and (B) it does not intentionally or with reckless disregard fail to take any action required pursuant to Part B (*Issuer Tax Measures*) of schedule 6 hereto. In addition, the Issuer agrees that, to the best of its abilities, it will comply with the investment guidelines prepared by Sullivan & Cromwell LLP and attached as Appendix A to their opinion dated 23 October 2012, except to the extent the Investment Managers have been advised in writing (which may be electronic) by Sullivan & Cromwell LLP or Ashurst LLP that any proposed deviation from those investment guidelines will not materially increase the risk that the Issuer will be considered to be engaged in a US trade or business.

25. **FURTHER REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE INVESTMENT MANAGERS**

25.1 The Investment Managers further jointly and severally represent and warrant to the Issuer and the Trustee (as to itself only) on each day during the term of this agreement as follows:

(a) **No Legal Proceedings**

There is no charge, investigation, action, suit or proceeding before or by any court pending or, to the best knowledge of the Investment Managers, threatened that, if determined adversely to the Investment Managers, might have a material adverse effect upon the performance by the Investment Managers of their duties under, or on the validity or enforceability of, this agreement.

(b) **Authority to Carry on Business**

The LLP is authorised to carry on its business in the United Kingdom and to render cross border securities services into Ireland. The LLC is qualified to do business in each jurisdiction in which the nature or conduct of its business requires such qualification.

(c) **United States Investment Advisors Act of 1940**

The LLC is registered as an investment adviser under the Investment Advisers Act of 1940, as amended and the LLP is a "participating affiliate" of the LLC.

(d) **Know-Your-Customer**

With respect to the Issuer, the Investment Managers have complied with the applicable "know-your-customer" regulations to which they are subject.

(e) **Permanent Establishment in the UK**

For times during which the LLP is exercising any discretionary authority on behalf of the Issuer in the United Kingdom:

(i) the LLP will not carry on any other activities in the United Kingdom on behalf of the Issuer other than those detailed or contemplated in the Transaction Documents;

(ii) the LLP shall at all times carry on a business of providing investment management services, and the services to be provided to the Issuer by it in accordance with this agreement shall be provided in the ordinary course of that business; and

- (iii) the fees payable by the Issuer to the LLP for investment management services pursuant to this agreement are at a rate not less than is customary for the class of business in question, in the knowledge of the LLP;.

(b) **Delegation**

The Investment Managers jointly and severally covenant that they and any person to whom they delegate any of their duties (in whole or in part) under this agreement in accordance with clause 21 (*Delegation; Transfers*) will comply with the representations and covenants provided by the Investment Managers in this agreement.

(f) **Liability of the Investment Managers**

Unless otherwise expressly stated in this agreement to be given or assumed on a several basis, all obligations and liabilities of the Investment Managers under or in connection with this agreement shall be given or assumed by the Investment Managers on a joint and several basis.

26. **FURTHER REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COLLATERAL ADMINISTRATOR**

The Collateral Administrator further represents and warrants to the Issuer and the Trustee (as to itself only) on each day during the term of this agreement as follows:

(a) **No Legal Proceedings**

There is no charge, investigation, action, suit or proceeding before or by any court pending or, to the best knowledge of the Collateral Administrator, threatened that, if determined adversely to the Collateral Administrator, might have a material adverse effect upon the performance by the Collateral Administrator of its duties under, or on the validity or enforceability of, this agreement.

(b) **Authority to Carry on Business**

The Collateral Administrator is authorised to carry on its business in the United Kingdom and to render cross border securities services into Ireland.

(c) **Prospectus**

The section entitled "Description of the Collateral Administrator and the Calculation Agent" and any information concerning the Collateral Administrator contained in the Prospectus (the "**Collateral Administrator Information**") do not purport to provide the scope of disclosure required to be included in a prospectus with respect to a registrant in connection with the offer and sale of securities of such registrant registered under the Securities Act. Within such scope of disclosure, however, as of the date of each such Prospectus and as of the Issue Date, the Collateral Administrator Information is true and accurate in all material respects and does not omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

27. **LIMITED RECOURSE AND NON-PETITION**

27.1 **Limited Recourse**

The obligations of the Issuer to pay amounts due and payable to the Investment Managers, the Collateral Administrator and to the other creditors at any time shall be limited to the proceeds available at such time to make such payment in accordance with the Conditions and the Trust Deed. Notwithstanding any other provision of this

agreement or otherwise, if the net proceeds of realisation of the security over the Collateral upon its enforcement in accordance with Condition 11 (*Enforcement*) and the other provisions of the Trust Deed are less than the aggregate amount payable by the Issuer in respect of the Notes and to the other creditors (including the Investment Managers and the Collateral Administrator) (such negative amount being referred to herein as a "**shortfall**"), the obligations of the Issuer in respect of the Notes and the Trust Deed, and its obligations to the Investment Managers and the Collateral Administrator and to the other creditors in such circumstances shall be limited to such net proceeds as applied in accordance with the Priorities of Payment. In such circumstances, the Issuer shall not be obliged to pay, and the other assets (if any) of the Issuer shall not be available for payment of, such shortfall, which shortfall shall be borne by the relevant Noteholders, the Trustee and other creditors (including the Investment Managers and/or the Collateral Administrator) in accordance with the Priorities of Payment (applied in reverse order), the rights of such persons to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders, the Trustee or the other creditors may take any further action to recover such amounts.

27.2 **Non-Petition**

None of the Noteholders, the Trustee or any other Secured Parties (including the Investment Managers and the Collateral Administrator) (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, receivership, reorganisation, arrangement, insolvency, examinership or liquidation proceedings or other proceedings under any applicable bankruptcy, insolvency or similar law in connection with any obligations of the Issuer relating to the Notes, the Trust Deed or this agreement or any other Transaction Document relating thereto, save for lodging a claim in the liquidation of the Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer in the context of non-affiliated third party action.

28. **SET-OFF**

No party to this agreement shall be entitled to exercise or claim any right of set-off, combination or lien in respect of any obligation owed to it by the Issuer or take any security interest or guarantee or other assurance therefor or take or do or omit to take or do any act or thing to prejudice or impair in any way the security and subordination contemplated by the Conditions or the Transaction Documents (unless expressly provided for under the terms of the Conditions or the Transaction Documents).

29. **NOTICES**

Any notice or demand to the Investment Managers, the Issuer, the Trustee, the Collateral Administrator or the Custodian to be given, made or served for any purposes under this agreement shall be given, made or served by sending the same by pre-paid post (first class if inland, first class airmail if overseas), facsimile transmission or e-mail (if provided below) or by delivering it by hand as follows:

To the Issuer:	Castle Hill Enhanced Floating Rate Opportunities Limited
	Attention: The Directors
	Facsimile: +353 (0) 16973300
	E-mail: Padraic.Doherty@maplesfs.com

To the Investment Managers:	Castle Hill Asset Management LLC
	Attention: Brian Bassett
	Facsimile: +1 434 284 4767
	E-mail: brian.bassett@c-hill.com

and

Castle Hill Asset Management LLP

Attention: Jaime Vieser
Facsimile: +1 434 284 4767
E-mail: jaime.vieser@c-hill.com

To the Trustee: BNY Corporate Trustee Services Limited
Attention: Trustee Administration Manager
Facsimile: +44 207 964 4637

To the Custodian and Collateral Administrator: The Bank of New York Mellon
Attention: Corporate Trust Administration (CDO)
Facsimile: +44 207 964 2531

or to such other address, facsimile number or e-mail address as shall have been notified (in accordance with this clause 29 (*Notices*) to the other parties hereto and any notice or demand sent by post as aforesaid shall be deemed to have been given, made or served three days in the case of inland post or seven days in the case of overseas post after despatch and any notice or demand sent by facsimile transmission or e-mail as aforesaid shall be deemed to have been given, made or served 24 hours after the time of despatch provided that in the case of a notice or demand given by facsimile transmission or e-mail such notice or demand shall forthwith be confirmed by post. The failure of the addressee to receive such confirmation shall not invalidate the relevant notice or demand given by facsimile transmission or e-mail.

30. **ENGLISH LANGUAGE**

Each communication and document made or delivered by one party to another pursuant to this agreement shall be in the English language or accompanied by a translation into English certified (by an officer of the person making or delivering the same) as being a true and accurate translation.

31. **PARTIAL INVALIDITY**

31.1 **Partial Invalidity**

If, at any time, any provision in this agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions under this agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

31.2 **Benefit of Agreement**

This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns as provided herein.

32. **ENTIRE AGREEMENT: AMENDMENTS**

32.1 **Entire Agreement**

This agreement contains the entire agreement and understanding among the parties with respect to the subject matter of this agreement, and supersedes all prior and contemporaneous agreements, understandings, inducements and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter of

this agreement. The express terms of this agreement control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms of this agreement.

32.2 No Modifications or Amendments

This agreement may not be modified or amended other than (i) by an agreement in writing executed by the parties hereto and (ii) with the consent of the Noteholders that would be sufficient to meet the Noteholder consent requirements for such a modification or amendment if it was made to the Trust Deed which, for the avoidance of doubt, includes the ability of the Trustee to agree, subject to satisfaction of certain conditions, without the consent of the Noteholders to (x) any modification which is of a formal, minor or technical nature or is made to correct a manifest error, and (y) any other modification (including, without limitation, any modification required to this agreement as a result of any alteration to the regulatory regime in the United Kingdom or the United States of America, and/or any rules thereunder, applicable to the Investment Managers), and any waiver or authorisation of any breach or proposed breach, of any of the provisions which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Noteholders.

33. CONSENT TO ASSIGNMENT BY WAY OF SECURITY

Each of the Investment Managers and the Collateral Administrator consents to and acknowledges the provisions regarding assignment of the Issuer's rights under this agreement set out in paragraph (vii) of clause 5.1(a) (*Charge and Assignment*) of the Trust Deed.

34. CONFLICT WITH THE TRUST DEED

In the event that this agreement requires any action to be taken with respect to any matter and the Trust Deed or the Conditions require that a different action be taken with respect to such matter, and such actions are mutually exclusive, the provisions of the Trust Deed in respect of such action shall control.

35. TERM AND TERMINATION

35.1 Term

This agreement shall commence on the date stated above and shall be automatically terminated on the earlier to occur of (a) the repayment in full of all amounts owing under or in respect of the Notes and all other amounts owing to the Secured Parties and the termination of the Trust Deed in accordance with its terms, and (b) the liquidation of the Portfolio and the final distribution of the proceeds of such liquidation in accordance with the Trust Deed.

35.2 Liability upon Termination, Resignation or Removal

If this agreement is terminated pursuant to this clause 35 (*Term and Termination*), such termination shall be without any further liability or obligation of any party to the other, except as provided in clause 7 (*Fees and Expenses of the Investment Managers*), clause 8 (*Limits on Responsibility of the Investment Managers*), clause 9.5 (*Action Upon Resignation or Removal*), clause 13 (*Fees and Expenses of the Collateral Administrator*), clause 14 (*Limits on Responsibility of the Collateral Administrator*) and clause 27 (*Limited Recourse and Non-Petition*) of this agreement. Termination is without prejudice to accrued rights of either party and provisions intended to survive termination and to the right of the Investment Managers and the Collateral Administrator, respectively, to settle outstanding obligations for transactions in progress; provided however that such obligations become legally binding prior to a termination event pursuant to this clause 35

(*Term and Termination*) or notice to that effect given by the Investment Managers or Collateral Administrator, as the case may be.

36. **COUNTERPARTS**

This agreement may be executed in any number of counterparts and all such counterparts taken together shall be deemed to constitute one and the same instrument.

37. **INDULGENCES NOT WAIVERS**

Neither the failure nor any delay on the part of any party to this agreement to exercise any right, remedy, power or privilege under this agreement shall operate as a waiver, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

38. **FURTHER ASSURANCE**

The Investment Managers, the Collateral Administrator and the Issuer shall take such other action, and furnish such certificates, opinions and other documents, as may be reasonably requested by the other parties hereto in order to effect the purposes of this agreement and to facilitate compliance with applicable laws and regulations and the terms of this agreement. The provisions of this clause 38 (*Further Assurance*) are in addition to the duties of the Investment Managers and the Collateral Administrator set forth in this agreement including, without limitation, pursuant to clause 10.4 (*Reliance on Investment Managers*).

39. **GOVERNING LAW AND JURISDICTION**

39.1 **Governing Law**

This agreement (and any dispute, controversy proceedings or claim of whatever nature arising out of or in any way relating to this agreement or its formation) shall be governed by, and shall be construed in accordance with, English law.

39.2 **Jurisdiction**

(a) Subject to paragraph (b) below for the benefit of the Trustee, each of the Issuer and the Investment Manager irrevocably agrees with the Trustee that the courts of England are to have exclusive jurisdiction for the purpose of hearing and determining any suit, action or proceedings and/or to settle any disputes arising out of or in connection with this agreement or its formation (respectively, "**Proceedings**" and "**Disputes**") and accordingly irrevocably submits to the jurisdiction of such courts.

(b) Nothing in this clause 39.2 (*Jurisdiction*) shall (or shall be construed so as to) limit the right of the Trustee to take Proceedings in any other court of competent jurisdiction nor shall the taking of any Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

39.3 **Appropriate Forum**

(a) Each of the Issuer and the Investment Manager irrevocably waives any objection which it might at any time have to the courts of England being nominated as the forum to hear and decide any Proceedings and to settle any Disputes and agrees

not to claim the courts of England are not a convenient or appropriate forum for any such Proceedings or Disputes.

39.4 Appointment of Agent for Service of Process

- (a) The Issuer appoints Maples and Calder, (currently having an office at 11th Floor, 200 Aldersgate Street, London EC1A 4HD) to receive service of process on its behalf as its authorised agent for service of process in England. If for any reason such agent shall cease to be such agent for service of process, the Issuer shall forthwith appoint a new agent for service of process in England and deliver to the Trustee a copy of the new agent's acceptance of appointment within 15 days, failing which the Trustee shall be entitled to appoint such a new agent for service of process by written notice to the Issuer. Nothing in this agreement shall affect the right to serve process in any other manner permitted by law.
- (b) The LLC appoints the LLP to receive service of process on its behalf as its authorised agent for service of process in England.

40. POWER OF ATTORNEY

If the Issuer is represented by an attorney or attorneys in connection with the signing and/or execution and/or delivery of this agreement or any agreement or document referred to or made pursuant to this agreement and the relevant power of attorney or powers of attorney is or are expressed to be governed by the laws of a particular jurisdiction, it is expressly acknowledged and accepted by the other parties that such laws shall govern the existence and extent of such attorney's or attorneys' authority and the effects of the exercise of such authority.

41. RIGHTS OF THIRD PARTIES

A person who is not a party to this agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 or otherwise to enforce any term of this agreement.

42. ACKNOWLEDGEMENT OF PRIORITIES OF PAYMENT

Each of the Investment Managers and the Collateral Administrator agrees that the payment of all amounts to which it is entitled pursuant to this agreement and the Trust Deed will be made only in accordance with the Priorities of Payment.

IN WITNESS of which this agreement has been executed on the date written at the beginning of this agreement.

SCHEDULE 1

Eligibility Criteria

Each Investment must, at the time of entry into a binding commitment to acquire such obligation by, or on behalf of, the Issuer (and, in the case of all Investments acquired by the Issuer on the Initial Issue Date, as at the Initial Issue Date), satisfy the following "Eligibility Criteria":

- (a) it is an Investment;
- (b) it is denominated in Euro or a Non-Euro Qualifying Currency and is not convertible into or payable in any other currency;
- (c) it is capable of being transferred to or entered into by the Issuer and is capable of being sold or terminated by the Issuer;
- (d) other than in the case of a Non-Cash Paying Obligation, it is an obligation that pays interest no less frequently than annually;
- (e) it is not convertible into equity save at the sole option of the Issuer and is not Margin Stock as defined under Regulation U issued by The Board of Governors of the Federal Reserve System.

The subsequent failure of any Investment to satisfy any of the Eligibility Criteria shall not prevent any obligation which would otherwise be an Investment from being an Investment so long as such obligation satisfied the Eligibility Criteria when the Issuer or the Investment Managers on behalf of the Issuer entered into a binding agreement to acquire or enter into such obligation.

"Margin Stock" has the meaning given to such term in Regulation U issued by the Board of Governors of the Federal Reserve System.

"Non-Cash Paying Obligations" means any PIK Securities, Step Up Coupon Securities and/or Zero Coupon Securities.

"Non-Euro Obligation" means any Investment purchased by or on behalf of the Issuer which is denominated in a Non-Euro Qualifying Currency and that satisfies each of the Eligibility Criteria to the extent required to do so.

"Non-Euro Qualifying Currency" means a Qualifying Currency other than Euro.

"PIK Security" means any debt security (other than any Mezzanine Obligation which by its terms provides for the deferral of interest) which, by its terms, may pay interest thereon other than on a current basis.

"Step Up Coupon Security" means a security (i) which does not pay interest over a specified period of time ending prior to its maturity, but which does provide for the payment of interest after the expiration of such specified period or (ii) the interest rate of which increases over a specified period of time other than due to the increase of the floating rate index applicable to such security.

"Zero Coupon Security" means a security (other than a Step Up Coupon Security) that, at the time of determination, does not provide for periodic payments of interest.

SCHEDULE 2

Investment Restrictions

The Investment Restrictions will consist of each of the following:

- (a) not more than 20 per cent. of the Adjusted Net Asset Value may comprise secured subordinated Investments (including Mezzanine Obligations and Second Lien Obligations);
- (b) not more than ten per cent. of the Adjusted Net Asset Value may comprise Unsecured Obligations;
- (c) not more than six per cent. of the Adjusted Net Asset Value may comprise the obligations of any single Obligor thereunder, for the purposes of which determination any Derivative Instrument which references an index or basket or does not reference an underlying Cash Asset or Cash Assets or Obligor thereunder shall be excluded;
- (d) the aggregate notional amount of Credit Short Obligations shall not exceed 100 per cent. of the Adjusted Net Asset Value, provided that for the purposes of determining compliance with this Investment Restriction the notional amount of each Credit Short Obligation which:
 - (i) references five or more reference obligations or reference entities shall be 85 per cent. of the notional amount thereof; or
 - (ii) references one or more indices, shall be 70 per cent. of the notional amount thereof;
- (e) up to 100 per cent. of the Portfolio may comprise Eligible Investments;
- (f) the Aggregate Market Value of the five largest Investments may not exceed 25 per cent. of the Adjusted Net Asset Value;
- (g) the Aggregate Market Value of the ten largest Investments may not exceed 42.5 per cent. of the Adjusted Net Asset Value;
- (h) not more than 22.5 per cent. of the Adjusted Net Asset Value may be invested in a single Industry Category (by Aggregate Market Value);
- (i) not more than 50 per cent. of the Adjusted Net Asset Value may be invested in the top three Industry Categories (by Aggregate Market Value);
- (j) the Leverage Ratio is satisfied; and
- (k) Derivative Instruments shall only be used for efficient portfolio management or hedging.

If the Issuer or the Investment Managers on behalf of the Issuer has purchased credit protection by entering into a Derivative Instrument which is a credit default swap or similar instrument in respect of an Investment then for the purposes of the calculation of the Investment Restrictions in paragraphs (a) to (c) and (f) to (i) (inclusive) above the Net Asset Value of the Investment shall be included only to the extent that the Net Asset Value of such Investment exceeds the notional amount of the Derivative Instrument for which the Issuer or the Investment Managers on behalf of the Issuer has purchased credit protection.

There is no requirement that a minimum proportion of Investments held by the Issuer be listed.

The following provisions shall apply to the determination of the Investment Restrictions:

- (i) the percentage requirements applicable to different types of Investments specified in the Investment Restrictions shall be determined by reference to the Aggregate Market Value of such type of Investments;
- (ii) the Adjusted Net Asset Value used for the purposes of measuring compliance with the Investment Restrictions shall be, for the purposes of each Report, the Adjusted Net Asset Value determined for inclusion in such Report, and otherwise, the Adjusted Net Asset Value specified in the last published Monthly Report;
- (iii) Derivative Instruments shall be included in the limits specified in the Investment Restrictions that apply to specific Investments in the event that they reference one or more assets that would fall within such category of Investments, as determined appropriate by the Investment Managers, acting on behalf of the Issuer;
- (iv) obligations which are to constitute Investments in respect of which the Issuer has entered into a binding commitment to purchase but which have not yet settled shall be included as Investments in the calculation of the Investment Restrictions at any time as if such purchase had been completed;
- (v) obligations which are to constitute Investments in respect of which the Issuer has entered into a binding commitment to sell but which have not yet settled shall be excluded as Investments in the calculation of the Investment Restrictions at any time as if such sale had been completed;
- (vi) for the purposes of calculating compliance with the Investment Restrictions, the market value of the relevant category of obligations may be rounded with any amounts equal to or less than GBP 500 rounded downwards and any amounts greater than GBP 500 rounded upwards.

"Adjusted Net Asset Value" as at any date of determination shall be the Net Asset Value plus any accrued unpaid Scheduled Interest including any Deferred Interest outstanding.

"Credit Short Obligation" means a Derivative Instrument under which the Issuer buys credit protection in respect of a specified reference obligations or reference entity(ies).

"Industry Category" means the industry classification as published by Moody's Investors Services, Inc. or any successor thereto.

"Leverage Amount" means the sum of:

- (a) the aggregate amount that may potentially be payable by the Issuer, other than at its option, under any Derivative Instrument regardless of whether the obligation to pay such amount at a future date has crystallised but for the avoidance not including any undrawn committed amounts that the Issuer may be required to advance under any Investment;
- (b) in the case of any Derivative Instrument the exposure under which is leveraged, such additional amount as the Investment Managers, acting on behalf of the Issuer, determine fairly represents such leverage,
- (c) *minus* the aggregate principal amount of any collateral provided by the Issuer in respect of the exposures referred to in (a) and (b) above,

in each case, converted into GBP where applicable at the prevailing spot rate of exchange as determined by the Collateral Administrator.

The **"Leverage Ratio"** will be satisfied if the Net Asset Value as at any date of determination is greater than or equal to the Leverage Amount divided by 3.

"Obligor" means, in respect of a Cash Asset, the borrower thereunder or issuer thereof or, in either case, the guarantor thereof (as determined by the Investment Managers on behalf of the Issuer) or, in the case of any Derivative Instrument which references one or more Cash Assets, such underlying Cash Asset, the borrower under such Cash Asset or issuer thereof or, in either case, the guarantor thereof (as determined by the Investment Manager on behalf of the Issuer) or in the case of any other Derivative Instrument the applicable Derivative Counterparty.

SCHEDULE 3

PART A

Description of the Reports

Monthly Reports

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with and based on certain information provided by the Investment Managers shall, not later than the 10th Business Day after the last calendar day of each month, (or if such day is not a Business Day, the immediately following Business Day) compile in respect of the preceding month a report (a "**Monthly Report**"), which shall contain details of:

- (a) the Net Asset Value;
- (b) the Adjusted Net Asset Value;
- (c) the Gross Asset Value;
- (d) the Aggregate Market Value;
- (e) the Aggregate Liabilities;
- (f) whether the Portfolio satisfies each of the Investment Restrictions, together with the results of the determination of each Investment Restriction;
- (g) the ratings distribution of Investments in the Portfolio;
- (h) the balance standing to the credit of the Collection Account;
- (i) Aggregate Market Value of Non-GBP Obligations;
- (j) such other information as may be agreed from time to time between the Collateral Administrator and the Investment Managers, and

in each case measured as at the last calendar day of such month (or if such day is not a Business Day, the immediately preceding Business Day) (each a "**Monthly Reporting Date**"). The Collateral Administrator shall have no obligation to produce a Monthly Report in the first eight weeks after the Initial Issue Date. For the avoidance of doubt, there will also be a Monthly Report produced in the same month in which a Payment Date Report is due.

Nothing in any of the foregoing shall oblige the Issuer or the Investment Managers to disclose, whether directly or indirectly, any information held under an obligation of confidentiality.

Payment Date Report

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with and based upon certain information provided by the Investment Managers, shall, not later than the third Business Day after related Payment Date, prepare an accounting report prepared and determined as of each Determination Date and compile in respect of the preceding month a report (the "**Payment Date Report**"), which shall contain details of:

- (a) the amount payable pursuant to the Priorities of Payments; and
- (b) the Trustee Fee and Expenses, the amount of Management Fee and the amount of Performance Fee, Administrative Expenses, Upfront Costs payable on the related Payment Date, in each case on an itemised basis.

Delivery of Reports

Each Monthly Report shall be delivered to the Issuer, the Trustee, the Investment Managers and the Arranger and Placement Agent (regardless of whether it is a Noteholder or Secured Party at such time) and, upon request therefor in accordance with Condition 4(f) (*Information Regarding the Collateral*) of the Conditions, to any Noteholder or any other Secured Party not later than the 10th Business Day after the related Monthly Reporting Date commencing from June 2009.

Each Payment Date Report shall be delivered to the Issuer, the Trustee, the Investment Managers and the Arranger and Placement Agent (regardless of whether it is a Noteholder or Secured Party at such time) and, upon request therefor in accordance with Condition 4(f) (*Information Regarding the Collateral*) of the Conditions, to any Noteholder or any other Secured Party not later than the related Payment Date

Miscellaneous

The contents of any Report may be changed as agreed between the Collateral Administrator and the Investment Managers without any requirement to get consent from the Noteholders.

The Collateral Administrator shall not publish or send any Report to any person unless such Report has been approved by the Investment Manager.

Each Report shall state that it is for the purposes of information only, that certain information included in the report is estimated, approximated or projected and that it is provided without any representations or warranties as to the accuracy or completeness thereof and that none of the Collateral Administrator, the Trustee, the Issuer or the Investment Managers will have any liability for estimates, approximations or projections contained therein.

The Issuer authorises each Noteholder to provide copies of any Reports received by it to any person with an economic exposure to the Notes directly or indirectly through or from such Noteholder (subject to such Noteholder ensuring that such person signs a confidentiality agreement prior to such Noteholder providing any Reports) with no additional liability attaching to any of the Issuer, the Trustee, the Investment Manager or the Collateral Administrator as a result of a Noteholder so providing such copies.

PART B

Description of the Investment Manager Report

The Collateral Administrator shall prepare investment manager reports (each an "**Investment Manager Report**") in accordance with the terms of this schedule. The contents of any Investment Manager Report may be changed as agreed between the Collateral Administrator and the Investment Managers without any requirement to get consent from the Noteholders.

1. Daily Reports

On a daily basis, commencing no later than two Business Days from the Initial Issue Date, the Collateral Administrator shall deliver to the Investment Managers a report (a "**Daily Report**"), with information determined as of the Business Day immediately preceding, which shall include the following information (where relevant, all such reports should carry the Castle Hill unique identifier):

Loans Processing

1. A daily cashflow statement.
2. An unsettled trade status report.
3. A loan schedule report (this information is only required on a weekly basis).

Daily Derivatives and Securities Processing

4. An unreconciled report that includes the following detailed information:
 - (a) Positions - a daily positions file to be sent for all positions for the previous day close in electronic format prior to 7am.
 - (b) Cash Balances - a daily cash balances file to be sent for all cash accounts for the previous day close in electronic format prior to 7am.
 - (c) Cash Postings - daily cash postings file to be sent for all cash postings to all accounts for previous day close in electronic format prior to 7am.
 - (d) Trades - a daily trades file to be sent for all daily trades to all accounts for previous day close in electronic form prior to 7am.
5. A reconciled report that includes the following detailed information:
 - (e) P&L Reports - showing the daily profit and loss of all derivatives and securities positions.
 - (f) Portfolio Holdings (Positions) - showing all daily derivatives and securities positions, together with an end of day report of all open derivatives positions.
 - (g) Corporate Actions - corporate actions notifications reports.
 - (h) Bank/Custody/Broker/Prime Broker Reconciliation - a copy of reconciliations performed between respective service providers identifying reconciled and unreconciled positions.
 - (i) Failed Trades - a daily status report of failed trades for securities in the portfolio.

- (j) Balance Sheet - a summary of the daily balance sheet statement.
- (k) Unconfirmed Trades - an unconfirmed trades report for securities and derivatives outlining all trades that have not been confirmed.
- (l) Confirmed Trades Report - a daily report sent for any securities and derivatives trades that have been confirmed.
- (m) Margin/Collateral - margin statements for all margin and collateral accounts.
- (n) Outstanding Confirmations/Status Report for OTC transactions - status report of all outstanding OTC confirmations with number of days outstanding.
- (o) Acknowledgements file for all trades - for every trade file sent an acknowledgement message that the file has been accepted into the Collateral Administrator's systems via an electronic confirmation.
- (p) Positions linked trades - combined derivatives/ loan reporting for positions - linked trades e.g. loans to LCDS, bond to loan, etc.
- (q) Empty trade blotter on Business Days where no trading has occurred.

In addition, commencing no later than 8 weeks from the Initial Issue Date, the Daily Report shall also include the following information:

1. The amount constituting interest collections and principal collections held in the Collection Account (for each amount not denominated in GBP, the amount in such other currency and the GBP equivalent amount).
2. The outstanding liabilities of the Issuer and their accruals.
3. For each of the Investment Restrictions: (a) the calculation, (b) the result, (c) the related minimum or maximum test level and (d) a determination as to whether such result satisfies the related test.
4. The market value of each such Investment determined in accordance with Schedule 7 of the Investment Management Agreement (calculated on both the date of acquisition thereof and the Determination Date in GBP and, if such Investment is denominated in a currency other than GBP, in GBP and such other currency of denomination and, in the case of a defaulted obligation, the date such Investment became a defaulted obligation).
5. The Net Asset Value determined in accordance with Schedule 7 of the Investment Management Agreement.
6. Balances for each asset class (including index positions), amount and percentage of the Portfolio, and the Net Asset Value contribution.
7. Leverage calculation for each position, gross leverage of the position (in local currency and GBP), information for previous period, total leverage of fund over time, total for the benefit of the applicable Investment Restriction.
8. Short bucket calculation for each short position, par amount, market value of position (in local currency and in GBP), short type (e.g. single name, basket, index), short exposure.
9. Synthetic exposures.

10. Industry breakdowns.
11. Projected cashflows of the Portfolio, including for each position the next payment date, expected payment amount (in local currency and in GBP).
12. Positions added during the period since the last Monthly Reporting Date.
13. Positions disposed of during the period since the last Monthly Reporting Date.
14. Ratings for each position (if any), including Moody's rating, S&P rating, other rating (public/private), and whether on watchlist.
15. Defaulted assets, purchase price, current price.

2. **Investment Manager Monthly Reports**

On a monthly basis, commencing no later than 8 weeks from the Initial Issue Date and within 10 Business Days following the Monthly Reporting Date, the Collateral Administrator shall deliver to the Investment Managers a report (an "**Investment Manager Monthly Report**"), with information determined as of the last Business Day of the month (each, an "**Investment Manager Monthly Reporting Date**"), which shall include the following information (where relevant, all such reports should carry the Castle Hill unique identifier):

1. A list of Investments, including, with respect to each such Investment, the following detailed information:
 - (a) the obligor (including the issuer ticker, if any);
 - (b) the Loan X Identifier or any subsequent identifier adopted by the market (where available);
 - (c) the outstanding principal amount (for each amount not denominated in GBP, the amount in such other currency and the GBP equivalent amount);
 - (d) the percentage of the outstanding principal amount of the Investments represented by such Investment (determined on the basis of the purchase price of each Investment as reduced by all Collections received with respect thereto which have been applied to the repayment of the Investments);
 - (e) the related interest rate or spread;
 - (f) the stated maturity;
 - (g) the related Moody's Industry Classification;
 - (h) the Moody's Facility Rating (if any);
 - (i) the country of domicile of the obligor(s); and
 - (j) whether each such Investment is (i) a defaulted obligation, (ii) a Senior Secured Obligation, (iii) a Second Lien Obligation or a Mezzanine Obligation, (iv) an Equity Security, (v) an Unsecured Obligation, or (v) any other type of obligation.
2. All information normally contained in the Daily Report (as of Monthly Reporting Date).
3. Positions added or disposed of during the period.

4. For each Investment with a rating, the most recent rating assignment date.
5. For any Investment that is rated, whether the rating of such Investment has been upgraded, downgraded or put on credit watch (positive/negative) by the relevant rating agency since the date of the immediately preceding Monthly Reporting Date.
6. Withholding tax receivables (tax deducted and due to be reclaimed).
7. Position balances for each Investment (broken down by asset class), including position, industry, par amount, Market value, purchase price, currency, par in GBP, market value in GBP, whether cash or synthetic, long or short, whether a structured instrument, or leveraged Investment.

3. Investment Manager Weekly Report

On a weekly basis on every Friday or if such Friday is not a Business Day then on the preceding Business Day, commencing no later than the second Friday after the delivery of the first Investment Manager Monthly Report, the Collateral Administrator shall deliver to the Investment Managers a report (an "**Investment Manager Weekly Report**"), (where relevant, all such reports should carry the Castle Hill unique identifier), which shall include an overview for the period since the last Monthly Reporting Date of the following information:

- (a) Test compliance breakdown, including historical data;
- (b) Total long positions, total short positions, net exposure;
- (c) Net Asset Value, together with gain or loss from previous periods;
- (d) Gross Asset Value; and
- (e) Liquidation value of the Portfolio.

4. Monthly Fund Accounting Reporting

On a monthly basis, commencing on the date which is 10 Business Days following May 2009 month end, the Collateral Administrator shall deliver to the Investment Manager a report, with information determined as of the last Business Day of the month, which shall include the following information (where relevant, all such reports should carry the Castle Hill unique identifier):

1. Net Asset Value Activity - including prior month Net Asset Value, details of additional issuances/subscriptions/redemptions and the current months final Net Asset Value.
2. Net Asset Value Summary - including performance information such as the month-to-date change in Net Asset Value, percentage month-to-date change, and percentage inception-to-date change.
3. Balance Sheet.
4. Trial Balance and General Ledger - showing activity for each account in a format to be agreed between the Investment Manager and the Collateral Administrator.
5. Purchases and Sales - a trading statement showing all trades executed in the period.
6. Realised Gain/Loss Report - showing the book cost and sale proceeds and foreign exchange rates used.

7. Cash statements and cash reconciliation – comparison of fund accounting cash balances to custody cash balances. The cash statement must show opening/closing balances and activity.
8. Portfolio Holdings - list of current holdings, price, quantity, bookcost, market value, foreign exchange rates.
9. Monthly transactions - detailed list of positions that have been bought/sold during the month detailing transaction price, foreign exchange rates, quantity, and accrued interest.
10. Cashflow forecasting - annual cash forecast per month summarised into cash type and detailing all cash items.
11. Accruals schedule - report showing prior month accrual, current month accrual, amount posted as paid and monthly increase in accrual for all fees, costs, and expenses payable by the Issuer, including Upfront Costs amortised on a monthly basis until the first Payment Date (or to such other date as the Investment Manager may require).
12. Fees schedule - clear workings to support calculation of Investment Management Fees and a schedule of all other fees, costs, and expenses for the month included in the Net Asset Value in accordance with the budget to be provided by the Investment Manager.

4. Valuation Policy

For the avoidance of doubt, the Collateral Administrator shall determine the Net Asset Value for the purposes of all reporting requirements in accordance with schedule 7 (*Determination of Net Asset Value, Gross Asset Value, Aggregate Market Value and Aggregate Liabilities*) of this agreement.

SCHEDULE 4

Additional FCA Provisions

1. The LLP is authorised and regulated by the FCA. Words or expressions defined in the FCA Rules have the same meaning when used in this schedule 4 (save where the context otherwise requires).
2. The LLP has classified each of the Issuer and the Borrower in accordance with the FCA Rules as a professional client (as defined in the FCA Rules) under FCA COBS Rule 3.5.2(5), which states that institutional investors whose main activity is to invest in financial investments are professional clients. The Issuer and the Borrower have a right under the FCA Rules to request re-classification as a retail client, although the LLP would not be able to provide investment if Issuer or the Borrower requested to be treated as a retail client.
3. This agreement is to enter into force on the date on which it is made.
4. The investment criteria of the Issuer are stated in this agreement and the Trust Deed (including the Conditions). Except as stated in the Prospectus and this agreement, there are no restrictions on the types of investments in which the Issuer intends to invest or the markets on which the Issuer wishes transactions to be executed. Except as stated in this agreement, there are no restrictions on the value of any one investment or the proportion of the Portfolio which any one investment or any particular kind of investment may constitute.
5. The Investment Managers shall not have authority to commit the Issuer to incur additional liabilities for the purpose of supplementing the Portfolio (including by borrowing on its behalf) except as expressly stated in the agreement.
6. Reports shall be prepared by the Collateral Administrator in accordance with clause 12 (*Reports*). The LLP will not produce separate transaction-by-transaction reports as contemplated by the FCA Rules, and the Issuer confirms that it does not wish the LLP to produce such reports. Assets comprised in the Portfolio shall be valued by the Collateral Administrator in accordance with that clause.
7. The LLP shall not hold any cash or investments on behalf of the Issuer. The Issuer has appointed the Collateral Administrator as the Issuer's agent to provide the administrative services in relation to the Portfolio, and to account to the Issuer in respect of transactions for the account of the Portfolio, as stated or referred to in clause 10 (*Powers and Duties of the Collateral Administrator*).
8. The LLP may aggregate transactions for the Portfolio with transactions for other clients or with transactions for their own accounts where it is unlikely that it would work to the disadvantage of the Issuer, although it may do so in relation to any particular transaction.
9. The LLP maintains a conflict of interests policy as required by the FCA Rules. In particular during the course of providing services in accordance with this agreement, the Investment Managers may advise the Issuer with regard to transactions in investments in respect of which the Investment Managers or any of their associates has directly or indirectly a material interest (as defined in the FCA rules). Examples of such material interests, and potential conflicts of interest, which the Investment Managers or any of their associates may have from time to time are referred to in clauses 5.2 (*Rendering of Services*), 5.3 (*Conflicts of Interest*) and 5.4 (*Principal or Agent*) of this agreement. The Investment Managers may act as principal in a transaction with the Issuer subject as stated in clause 5.2 (*Rendering of Services*). Further details are available on request.
10. The fees, costs and expenses payable to the Investment Managers for services rendered and performance of their obligations are set out in clause 7 (*Fees and Expenses of the*

Investment Managers) of this agreement. Save for any fee, commission, mark-up, mark-down or other amount earned by the Investment Managers or any of their associates which is received in respect of any service or activity which is permitted under this agreement, the said fees and amounts payable under clause 7 (*Fees and Expenses of the Investment Managers*) shall not be supplemented or abated by any other remuneration receivable by the Investment Managers (or to their knowledge by any of their affiliates) in connection with any transaction effected by the Investment Managers with or for the Issuer. The Investment Managers may share their fees with any other person (including their associates). The Investment Managers shall on request notify the Issuer of the basis of any such shared fees or charges and shall in any event comply with the relevant requirements of clause 5.2 (*Rendering of Services*).

11. The provisions relating to termination of the Investment Managers' appointment are set out in clause 9 (*Change of the Investment Managers*) of the agreement. Termination shall be without prejudice to the completion of transactions already initiated on behalf of the Issuer.
12. Details of the nature and risks of the investments that may form part of the Portfolio are included in the Prospectus. The Issuer confirms that it requires no further information on the nature and risks of these investments, although further details are available from the Investment Managers on request.
13. The LLP will owe the Issuer a duty of Best Execution in the circumstances set out in the FCA Rules. Further details are set out in clause 4 (*Conduct of Business by the Investment Managers*) of this agreement.
14. Any complaints regarding the service provided by the Investment Managers shall be made in writing and shall be addressed to the chief compliance officer of the LLC. The Issuer has no right to complain directly to the Financial Ombudsman Service because it is not an eligible complainant.
15. The Issuer is not an eligible claimant under the FCA rules relating to the Financial Services Compensation Scheme.
16. Nothing in this agreement shall affect any obligation or liability owed by the Investment Managers under any applicable regulatory system which cannot be excluded or modified by agreement or notice.

SCHEDULE 5

Form of Incumbency Certificate

[●] [●]

The Bank of New York Mellon

**CASTLE HILL ENHANCED FLOATING RATE OPPORTUNITIES LIMITED
Up to £2,000,000,000 Senior Secured Deferrable Floating Rate Notes
(the "Notes")**

We refer to the Agency Agreement dated 1 May 2009 as supplemented, novated, amended and/or restated from time to time between, amongst others, Castle Hill Enhanced Floating Rate Opportunities Limited as the Issuer, BNY Corporate Trustee Services Limited as the Trustee, The Bank of New York Mellon as the Collateral Administrator, Principal Paying Agent, Custodian, Account Bank and Calculation Agent, Castle Hill Asset Management LLC and Castle Hill Asset Management LLP as the joint Investment Managers, The Bank of New York Mellon (Luxembourg) S.A. as Registrar and Transfer Agent (the "**Agency Agreement**").

We confirm that the following persons are duly authorised signatories of the *[Investment Managers] [Collateral Administrator] with authority to give instructions to the Account Bank on behalf thereof as contemplated by the Agency Agreement.

Name	Position	Signature

Terms not otherwise defined herein shall bear the same meaning as in the Agency Agreement.

.....

for and on behalf of

[]

In its capacity as

SCHEDULE 6

PART A

US Tax Covenants

The Investment Managers will not acquire any assets, conduct any activity in the United States or take any action in the United States that would cause the Issuer to be engaged, or deemed to be engaged, in the conduct of a trade or business in the United States for United States federal income tax purposes or otherwise to be subject to United States federal or state income tax on a net income basis. In furtherance and not in limitation of the foregoing, the Investment Managers (or any of their respective Affiliates) will not:

- (a) in the case of a loan or debt security as to which a borrower, issuer or guarantor thereof is a United States person or entity (a "**US Debt Obligation**") commit on behalf of the Issuer to acquire, or cause the Issuer to commit to acquire such U.S. Debt Obligation (A) until after the terms of such U.S. Debt Obligation are fully negotiated and (B) until after the initial lender under the loan is legally committed to make such loan or the initial purchaser of the debt security is legally committed to purchase such debt security, in either case, on those terms;
- (b) commit on behalf of the Issuer to acquire, or recommend that the Issuer acquire any U.S. Debt Obligation if any of the Issuer, the Investment Managers or any person related to or acting on behalf of the Issuer or the Investment Managers participated in originating, structuring or negotiating the terms of such U.S. Debt Obligation, provided that this shall not preclude the acquisition of a U.S. Debt Obligation negotiated by a non-U.S. Affiliate of the Investment Managers if (1) (i) it is a loan or facility entered into with a corporate group that provides for multiple obligors within the group only certain of which are U.S. subsidiaries, (ii) the personnel who originated such loan are based outside of the United States and (iii) all of the negotiations and all other activities incident to the origination of such loan were conducted outside of the United States and the closing of such loan or facility occurred outside the United States; or (2) the Issuer receives in connection therewith an opinion of internationally recognized U.S. tax counsel to the effect that, having regard to the circumstances of such U.S. Debt Obligation and the origination thereof, the acquisition will not cause the Issuer to be engaged in a U.S. trade or business; or
- (c) have any discussions with any borrower, issuer or guarantor of a U.S. Debt Obligation in relation to the negotiation, structuring or origination of such U.S. Debt Obligation, provided that this shall not preclude any discussions with any such borrower, issuer or guarantor for due diligence purposes after all the material terms and conditions of the U.S. Debt Obligation are fixed and binding; or
- (d) commit on behalf of the Issuer to acquire or recommend the acquisition of any U.S. Debt Obligation on terms such that the Issuer receives, directly or indirectly, the benefit of a fee for underwriting services, syndication services, placement services or other services connected with structuring the terms of, marketing or placement of the loan or debt security (which, for avoidance of doubt, does not include any discount or fee for the use of or time value of money or commitment fees).

In addition, the Investment Managers agree to comply with the investment guidelines prepared by Sullivan & Cromwell LLP and attached as Appendix A to their opinion dated 23 October 2012, except to the extent the Investment Managers have been advised in writing (which may be electronic) by Sullivan & Cromwell LLP or Ashurst LLP that any proposed deviation from those investment guidelines will not materially increase the risk that the Issuer will be considered to be engaged in a US trade or business.

PART B

Issuer Tax Measures

1. GENERAL GUIDELINES

Measures to be taken by Issuer:

- (a) the Issuer will remain incorporated in Ireland and will continue to maintain its registered office there;
- (b) the Issuer will have its head office only in Ireland and will operate its business only from that head office;
- (c) all meetings of the Board will be physically held in Ireland and no member of the Board will be permitted to attend by telephone or any other electronic communication from outside Ireland;
- (d) the Board of the Issuer do not comprise any UK resident individuals and a majority are resident in Ireland;
- (e) each individual Board member has the expertise and experience to exercise a proper management and control function in relation to the business of the Issuer;
- (f) the Board will act independently in the exercise of its functions and will not merely uncritically endorse decisions effectively already taken by a person in the UK, but rather will give due consideration to decisions, including the entering into of any agreements based on information available to them;
- (g) the Board will set the overall investment objectives of the Issuer which are required to be acted upon by the Investment Managers and the parameters within which the Investment Managers can exercise any discretionary powers given to it (all as set forth in this agreement or as determined at meetings of the Board);
- (h) at meetings of the Board, the directors will:
 - (i) take the strategic decisions required for the purposes of the Issuer's business and will review the activities and performance of the Investment Managers pursuant to this agreement;
 - (ii) review the activities undertaken on behalf of the Issuer to ensure that the detailed procedures and investment criteria and restrictions set out in this agreement are being complied with and will review in detail any report supplied by the Investment Managers or the Collateral Administrator. In addition to any matters that the Investment Manager considers relevant to the good management of the Portfolio, such report will cover the performance of the Portfolio since the previous report and list acquisitions and disposals of Investments since the previous report with the reasons for entering into those transactions;
- (i) full minutes will be taken of all meetings of the Board;
- (j) the Board will meet at least quarterly and in any case sufficiently to properly exercise its management and control of the Issuer having regard to the frequency of transactions being undertaken and such meetings shall be attended by a quorum made up of at least two directors. Any proxies for directors shall also satisfy the above conditions for directors; and

- (k) the Board will properly and fully consider the terms of each Transaction Document in the context of the Issuer's business plan and in particular including the terms relating to the appointment and removal of the Investment Managers, and the provisions relating to the Portfolio contained therein, before resolving that the Issuer shall enter into such agreements.

SCHEDULE 7

Determination of Net Asset Value, Gross Asset Value, Aggregate Market Value and Aggregate Liabilities

The Collateral Administrator shall determine the Aggregate Market Value, Gross Liabilities, Net Liabilities, Gross Asset Value, Net Asset Value and Adjusted Net Asset Value as at each Measurement Date, each Determination Date and each other date on which it is requested to do so by the Issuer or the Investment Managers acting on its behalf in accordance with the following:

- (a) the Issuer's assets for the purpose of determining the **"Aggregate Market Value"** shall include:
 - (i) all Investments and Eligible Investments;
 - (ii) all interest premia and other amounts accrued on or in respect of such Investments and/or Eligible Investments but not yet paid to the Issuer unless such amount is included in the principal amount of any such Investment or Eligible Investment;
 - (iii) the Issuer's formation costs and all other costs incurred in connection with the issuance of the Notes, to the extent that these have not yet been amortised;
 - (iv) without double counting any of the amounts referred to in (i) to (iii) above (inclusive), all other assets of the Issuer of whatever nature including amounts payable to the Issuer under Derivative Instruments, drawings under any Leverage Instrument and any increase in value of any unfunded commitment of the Issuer above the original purchase price paid by the Issuer;
- (b) the Issuer's liabilities for the purpose of determining the **"Gross Liabilities"** shall include the following but shall ***exclude the Notes issued by the Issuer:***
 - (i) all borrowings outstanding under Leverage Instruments, bills due and accounts payable;
 - (ii) all interest accrued and unpaid on any borrowings outstanding under Leverage Instruments;
 - (iii) all known liabilities whether due or not, including all matured contractual liabilities payable either in cash or in the form of assets;
 - (iv) all provisions for capital gains tax and income tax up to the Determination Date and any other provisions authorised or approved by the Directors of the Issuer;
 - (v) any decrease in value of any unfunded commitment of the Issuer below the original purchase price paid by the Issuer;
 - (vi) all of the Issuer's other accrued and outstanding liabilities regardless of their nature, including all Administrative Expenses, Investment Management Fees and Trustee Fees and Expenses and all other operating expenses. The Collateral Administrator may calculate any such fees and expenses which are of a regular or recurring nature in advance on the basis of an estimated figure for one year or other periods and may fix, in advance, proportional fees or expenses for any such period;
- (c) the Issuer's **"Net Liabilities"** as at any date of determination shall be the Gross Liabilities excluding all accrued and unpaid Investment Management Fees and Scheduled Interest and all other amounts payable in priority to Scheduled Interest on the Notes pursuant to the Priorities of Payment on the next following Payment Date;

- (d) the "**Gross Asset Value**" as at any date of determination shall be the Aggregate Market Value less the Net Liabilities;
- (e) the "**Net Asset Value**" as at any date of determination shall be the Aggregate Market Value less the Gross Liabilities;
- (f) the "**Aggregate Market Value**" of the Issuer's assets will be determined as follows:
 - (i) any Eligible Investments (other than money market instruments), receivables, prepaid expenses, cash dividends and interest or premia or other amounts declared or accrued and not yet received will be valued taking their full value into account, unless it is unlikely that such amount will be paid or received in full in the opinion of the Investment Managers, acting on behalf of the Issuer, in which case the value thereof will be determined applying a discount that the Investment Managers deem appropriate in order to reflect the true value of the asset;
 - (ii) money market instruments or derivatives admitted to an official stock exchange or traded on any other regulated market, will be based on the last available price on the principal market on which these securities, money market instruments or derivatives are traded, as provided by a recognised listing service approved by the Investment Managers, acting on behalf of the Issuer. If such prices are not representative of the fair value, these securities, money market instruments or derivatives will be valued on the basis of their foreseeable sale prices, as determined in good faith by the Investment Managers, acting on behalf of the Issuer;
 - (iii) money market instruments which are not listed or traded on any regulated market will be valued based on the last available price, unless such price is not representative of their true value; in this case, the valuation will be based on the foreseeable sale price of the security, as determined in good faith by the Investment Managers, acting on behalf of the Issuer;
 - (iv) loans and securities will be valued as follows:
 - (A) firstly, using the bid price shown on any internationally recognised independent price quotation service for such Investment, if available and applicable to such Investment; or
 - (B) secondly, using the mean of the bid prices determined by two independent broker-dealers active in the trading of Investments of the applicable type; or
 - (C) thirdly, using the bid price obtained from the institution that originally underwrote or arranged such Investment; or
 - (D) fourthly, if the determinations of such independent pricing service, broker-dealers or underwriter/arranger are not available or if, in the opinion of the Investment Managers, such price does not represent a fair and actionable bid price for such Investment, then the fair market value thereof determined by the Investment Managers on a best efforts basis in a manner consistent with reasonable and customary market practice;
 - (v) the valuation of swaps is based on their market value, which itself depends on various factors such as the level and volatility of the underlying indices, market interest rates or the residual duration of the swap;
 - (vi) the valuation of derivatives traded over-the-counter, such as futures, forwards or options not traded on a stock exchange or another regulated market, will be based on their net liquidation value as determined by the Investment manager, acting on behalf of the Issuer, in a manner consistently applied for each type of contract. The net liquidation value of a derivative position corresponds to the unrealised profit/loss

with respect to the relevant position. This valuation is based on or controlled by the use of a model recognised and commonly practiced on the market; and

- (vii) the value of other assets will be determined prudently and in good faith by the Investment Managers, acting on behalf of the Issuer in accordance with generally accepted valuation principles and procedures;
- (g) the "**Adjusted Net Asset Value**" as at any date of determination shall be the Net Asset Value plus any accrued unpaid Scheduled Interest including any Deferred Interest outstanding;
- (h) the Directors of the Issuer may, at their complete discretion, authorise an alternative valuation method suggested by the Investment Managers to be used if it considers that such a valuation better reflects the fair value of any asset of the Company; and
- (i) the valuation of the Issuer's assets and liabilities expressed in currencies which are not GBP will be converted into GBP at the applicable spot rate of exchange as determined by the Collateral Administrator.

EXECUTION PAGE

SIGNATORIES

The Issuer

CASTLE HILL ENHANCED FLOATING RATE OPPORTUNITIES LIMITED

By:

Authorised Signatory:

Authorised Signatory:

The Investment Managers

CASTLE HILL ASSET MANAGEMENT LLC

By:

Name:

CASTLE HILL ASSET MANAGEMENT LLP

By:

Name:

Trustee

SIGNED for and on behalf of
BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED

by two lawful attorneys

Attorney: _____

Name:

Title:

Attorney: _____

Name:

Title:

Custodian and Collateral Administrator

SIGNED for and on behalf of
THE BANK OF NEW YORK MELLON

By:

Name:

SIGNATORIES TO THE AMENDMENT AND RESTATEMENT AGREEMENT

Issuer

SIGNED for and on behalf of)
CASTLE HILL ENHANCED FLOATING RATE)
OPPORTUNITIES LIMITED)

By: _____

Name:

Title:

By: _____

Name:

Title:

Investment Advisors

SIGNED for and on behalf of)
CASTLE HILL ASSET MANAGEMENT LLP)
)

By: _____

Name:

Title: Member

SIGNED for and on behalf of)
CASTLE HILL ASSET MANAGEMENT LLC)
)

By: _____

Name:

Title: Member

Trustee

SIGNED for and on behalf of)
BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED)
)

By: _____

Name:

Collateral Administrator and Custodian

SIGNED for and on behalf of)
THE BANK OF NEW YORK MELLON)
acting by its duly authorised signatory)

Name:

Title: