THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or the contents of this document, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank, solicitor, accountant, or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000, as amended ("FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

A copy of this document, which comprises a prospectus (the "Prospectus") relating to Blackstone / GSO Loan Financing Limited (the "Company") in connection with the issue of Placing Shares in the Company, prepared in accordance with the prospectus rules of the Financial Conduct Authority (the "FCA") made pursuant to section 73A of FSMA (the "Prospectus Rules"), has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

The Placing Shares are only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the Placing Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment programme. It should be remembered that the price of the Placing Shares and the income from them can go down as well as up and that investors may not receive, on the sale or cancellation of the Placing Shares, the amount that they invested.

Applications will be made to the London Stock Exchange for the Placing Shares issued to be admitted to the Specialist Fund Market of the London Stock Exchange ("**Admission**"). It is expected that Admission will become effective and dealings in Placing Shares will commence on or about 23 July 2014.

The Company and its directors (whose names appear in Part V of this Prospectus) (the "**Directors**") accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in the Prospectus is in accordance with the facts and contains no omission likely to affect its import. To the best of the knowledge of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the facts stated in the Prospectus are true and accurate in all material respects and there are no other facts the omission of which would make misleading any statement in this Prospectus, whether of fact or opinion.

GSO Capital Partners LP ("**GSO**") accepts responsibility for the information contained in this Prospectus relating to it and all statements made by it, as well as the information contained in Part III of this Prospectus. To the best of the knowledge of GSO (which has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus for which it is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

Blackstone / GSO Debt Funds Management Europe Limited ("**DFME**") accepts responsibility for the information contained in this Prospectus relating to it and all statements made by it, as well as the information contained in Part III of this Prospectus. To the best of the knowledge of DFME (which has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus for which it is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

Potential investors should read the whole of this Prospectus when considering an investment in the Placing Shares and, in particular, attention is drawn to the section entitled "Risk Factors" on pages 22 to 55 of this Prospectus.

Blackstone / GSO Loan Financing Limited

(a closed-ended investment company limited by shares incorporated under the laws of Jersey with registered number 115628)

Placing for a target issue in excess of 200 million Placing Shares at

€1 per Placing Share

Joint Financial Advisers, Global Co-ordinators and Bookrunners

Dexion Capital plc and Nplus1 Singer Advisory LLP

This Prospectus does not constitute or form part of any offer or invitation to sell, or the solicitation of an offer to acquire or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for such securities by any person in any circumstances in which such offer or solicitation is unlawful.

The Placing Shares have not been and will not be registered under the U.S. Securities Act of 1933 (the "**U.S. Securities Act**") or under the securities laws of any state or other jurisdiction of the United States or under the securities laws of South Africa, Canada or Japan. The Placing Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable

securities laws of any state or other jurisdiction in the United States. The Placing Shares may not be offered or sold into or within South Africa, Canada or Japan or to, or for the account or benefit of any national, resident or citizen of South Africa, Canada or Japan. Subject to certain exceptions as described herein, the Placing is only being made outside the United States to non-U.S. Persons in reliance on Regulation S under the U.S. Securities Act.

The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**") and investors will not be entitled to the benefits of the U.S. Investment Company Act. There will be no public offer of the Placing Shares in the United States.

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of the Placing Shares or passed upon or endorsed the merits of the offering of the Placing Shares or the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

Except with the express written consent of the Company given in respect of an investment in the Company, the Placing Shares may not be acquired by: (i) investors using assets of: (A) an "employee benefit plan" as defined in Section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") that is subject to Title I of ERISA; (B) a "plan" as defined in Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "**U.S. Tax Code**"), including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Tax Code; or (C) an entity whose underlying assets are considered to include "plan assets" by reason of investment by an "employee benefit plan" or "plan" described in preceding clause (A) or (B) in such entity pursuant to the U.S. Plan Assets Regulations; or (ii) a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Tax Code, unless its purchase, holding, and disposition of the Placing Shares will not constitute or result in a non-exempt violation of any such substantially similar law.

The distribution of this Prospectus and the offer of the Placing Shares in certain jurisdictions may be restricted by law. Other than in the United Kingdom, no action has been or will be taken to permit the possession, issue or distribution of this Prospectus (or any other offering or publicity material relating to the Placing Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this Prospectus, nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. None of the Company, the Originator, Dexion or N+1 Singer or any of their respective affiliates or advisors accepts any legal responsibility for any breach by any person, whether or not a prospective investor, of any such restrictions.

In addition, the Placing Shares are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors may be required to bear the financial risks of their investment in the Placing Shares for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. For further information on restrictions on offers, sales and transfers of the Placing Shares, please refer to the section entitled "Purchase and Transfer Restrictions" in Part VI of this Prospectus.

In making an investment decision, each investor must rely on their own examination, analysis and enquiry of the Company and the terms of the Placing including the merits and risks involved. The investors also acknowledge that: (i) they have not relied on Dexion or N+1 Singer or any person affiliated with Dexion or N+1 Singer in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision; and (ii) they have relied only on the information contained in this document. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorised. Neither the delivery of this Prospectus nor any subscription or sale made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in it is correct as of any subsequent time.

None of the Company, the Originator, Dexion or N+1 Singer or any of their respective representatives, is making any representation to any prospective investor in respect of the Placing Shares regarding the legality of an investment in the Placing Shares by such prospective investor under the laws applicable to such prospective investor.

The contents of this Prospectus should not be construed as legal, financial or tax advice. Each prospective investor should consult his, her or its own legal, financial or tax adviser for legal, financial or tax advice.

Dexion, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and no one else in connection with the Placing. It will not regard any person (whether or not a recipient of this Prospectus) as its client in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the Placing, Admission, the contents of this Prospectus or any other transaction or arrangement referred to herein.

N+1 Singer, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and no one else in connection with the Placing. It will not regard any person (whether or not a recipient of this Prospectus) as its client in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the Placing, Admission, the contents of this Prospectus or any other transaction or arrangement referred to herein.

Apart from the responsibilities and liabilities, if any, which may be imposed on Dexion or N+1 Singer by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Dexion nor N+1 Singer accept any responsibility whatsoever for, and make no representation or warranty, express or implied, as to the contents of this Prospectus or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Placing Shares and nothing in this Prospectus will be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of Dexion and N+1 Singer accordingly disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement.

The Company has been established in Jersey as a listed fund under a fast-track authorisation process. It is suitable therefore only for professional or experienced investors, or those who have taken appropriate professional advice. Further information in relation to the regulatory treatment of listed funds domiciled in Jersey may be found on the website of the Jersey Financial Services Commission at www.jerseyfsc.org. This Prospectus is prepared, and a copy of it has been sent to the Jersey Financial Services Commission, in accordance with the Collective Investment Funds (Certified Funds — Prospectuses) (Jersey) Order 2012. The Jersey Financial Services Commission does not take any responsibility for the financial soundness of the Company or for the correctness of any statements made or expressed in this Prospectus. The applicant is strongly recommended to read and consider this Prospectus before completing an application.

Certain Jersey regulatory requirements which may otherwise be deemed necessary by the Jersey Financial Services Commission for the protection of retail or inexperienced investors, do not apply to listed funds. By investing in the Company you will be deemed to be acknowledging that you are a professional or experienced investor, or have taken appropriate professional advice, and accept the reduced Jersey requirements accordingly.

You are wholly responsible for ensuring that all aspects of the Company and the Originator are acceptable to you. Investment in listed funds may involve special risks that could lead to a loss of all or a substantial portion of such investment. Unless you fully understand and accept the nature of the Company and the potential risks inherent in this Company you should not invest in the Company.

This Prospectus is dated 10 July 2014.

CONTENTS

SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in sections A — E (A.1 — E.7). This summary contains all the Elements required to be included in a summary for this type of securities and the Company. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and the Company, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the element is included in the summary with the mention of "not applicable".

PART A – THE COMPANY

SECTION A – INTRODUCTION AND WARNINGS		
Element	**Disclosure requirement**	**Disclosure**
A1	Warning	This summary should be read as an introduction to the Prospectus. Any decision to invest in the Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Union, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Shares.
A2	Use of prospectus by financial intermediaries	Not applicable. The Company has not given its consent to the use of the Prospectus for subsequent resale or final placement of securities by financial intermediaries.

SECTION B – ISSUER		
Element	**Disclosure requirement**	**Disclosure**
B1	Legal and commercial name	Blackstone / GSO Loan Financing Limited
B2	Domicile and legal form	The Company is a closed-ended investment company limited by shares incorporated on 30 April 2014 under the laws of Jersey with registered number 115628.
B5	Group description	The Company has a wholly owned subsidiary, Blackstone / GSO Loan Financing 2 Limited, which is a company incorporated in Jersey with limited liability on 23 May 2014 under the provisions of the Companies Law, with registered number 115812. Its registered office and principal place of business is the same as that of the Company.

B6	Notifiable interests/voting rights	Not applicable. No interest in the Company's capital or voting rights is notifiable under the Company's national law. None of the Company's shareholders have voting rights attached to the shares they hold which are different from the voting rights attached to any other shares in the same class in the Company. As at the date of this document the Company, insofar as it is aware, is not directly or indirectly owned or controlled by any single person or entity and there are no arrangements known to the Company the operation of which may subsequently result in a change of control of the Company.
B7	Key financial information	Not applicable. The Company has been recently incorporated, has not commenced operations, and no financial statements have been made up.
B8	Key *pro forma* financial information	Not applicable. The Company has been recently incorporated, has not commenced operations, and no financial statements have been made up.
B9	Profit forecast	Not applicable. No profit estimate or forecast is made.
B10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. The Company has been recently incorporated, has not commenced operations, and no financial statements have been made up.
B11	Explanation if working capital not sufficient for present requirements	Not applicable. On the assumption that the Minimum Gross Proceeds are raised pursuant to the Placing, the Company is of the opinion that the working capital available to the Group is sufficient for the present requirements of the Group, that is, for at least the next 12 months from the date of this Prospectus.
B34	Investment objective and policy	**Investment objective** The Company's investment objective is to provide Shareholders with stable and growing income returns, and to grow the capital value of the investment portfolio by exposure predominantly to floating rate senior secured loans directly and indirectly through CLO Income Notes. The Company will seek to achieve its investment objective solely through exposure to the Originator. **Investment policy** The Company's investment policy is to invest predominantly in a diverse portfolio of senior secured loans and in CLO Income Notes, and generate attractive risk-adjusted returns from such portfolios. The Company intends to pursue its investment policy by investing the Net Placing Proceeds in Profit Participating Notes issued by the Originator and the acquisition of 15 Class B2 Shares in the Originator (which will be non-voting, and which will be held by a wholly owned subsidiary of the Company).

		The Originator will use the proceeds from the issue of the Profit Participating Notes and the equity investment to initially invest predominantly in senior secured loans. Subsequently, on the availability of appropriate market opportunities, the Originator will also invest in CLO Income Notes issued by Originator CLOs. Initially, the Originator's investments will be focussed predominantly in European senior secured loans, but the Originator may in due course also invest in U.S. senior secured loans. As such, there is no limit on the maximum U.S. or European exposure. The Originator does not intend to invest directly in senior secured loans domiciled outside North America or Western Europe. The Company's investment strategy is to implement its investment policy by investing, through the Originator, in a portfolio of predominantly senior secured loans. It is intended that the Originator will periodically securitise these loans into Originator CLOs managed by DFME (or any affiliate) in its capacity as the CLO Manager. The Originator will retain CLO Income Notes equal to between 51 per cent. and 100 per cent. of the CLO Income Notes in the Originator CLOs. It is anticipated that once substantially invested, the Originator will retain CLO Income Notes in no less than four CLOs, and will also continue to directly hold floating rate senior secured loans. It is further intended that the value of the CLO Income Notes retained by the Originator in any Originator CLO will not exceed 25 per cent. of the Originator's NAV at the time of investment. The following limits (the "**Eligibility Criteria**") apply to senior secured loans (and, to the extent applicable, other corporate debt loan instruments) directly held by the Originator (and not through CLO Income Notes): *Maximum exposure* — *% of Originator's gross asset value* Per obligor — 5 Per industry sector — 15 (with the exception of one industry which may be up to 20 per cent.) To obligors with a rating lower than B-/B3/B- — 7.5 To second lien loans, unsecured loans, mezzanine loans and high yield bonds — 10 For the purposes of these Eligibility Criteria, 'gross asset value' shall mean gross assets including any investments in CLO Income Notes and any undrawn commitment amount of any gearing under any term Revolving Credit Facility. Further, for the avoidance of doubt, the 'maximum

		exposures' set out in the Eligibility Criteria shall apply on a trade date basis. Each of these Eligibility Criteria will be measured at the close of each Business Day on which a new investment is made, and there will be no requirement to sell down in the event the limits are breached at any subsequent point (for instance, as a result of movement in the gross asset value, or the sale or downgrading of any assets held by the Originator). In addition, each CLO in which the Originator holds CLO Income Notes will have its own eligibility criteria and portfolio limits. These limits are designed to ensure the portfolio of assets within the CLO meets a prescribed level of diversity and quality as set by the relevant rating agencies rating securities issued by such CLO. The CLO Manager will seek to identify and actively manage assets which meet those criteria and limits within each CLO. The eligibility criteria and portfolio limits within a CLO will include the following: • a limit on the weighted average life of the portfolio; • a limit on the weighted average rating of the portfolio; • a limit on the maximum amount of portfolio assets with a rating lower than B-/B3/B-; and • a limit on the minimum diversity of the portfolio; CLOs in which the Originator may hold CLO Income Notes are also expected to have certain other criteria and limits, including: • a limit on the minimum weighted average of the prescribed rating agency recovery rate; • a limit on the minimum amount of senior secured assets; • a limit on the maximum aggregate exposure to second lien loans, high yield bonds, mezzanine loans and unsecured loans; • a limit on the maximum portfolio exposure to covenant-lite loans; • an exclusion of project finance loans; • an exclusion of structured finance securities; • an exclusion on investing in the debt of companies domiciled in countries with a local currency sub investment grade rating; and • an exclusion of leases. This is not an exhaustive list of the eligibility criteria and portfolio limits within a typical CLO and the inclusion or

		exclusion of such limits and their absolute levels are subject to change depending on market conditions. Any such limits applied shall be measured at the time of investment in each CLO.
B35	Borrowing limits	The Company will not utilise borrowings for investment purposes. However, the Directors will be permitted to borrow up to 10 per cent. of the NAV for day to day administration and cash management purposes. The Company may use hedging or derivatives (both long and short) for the purposes of efficient portfolio management.
B36	Regulatory status	The Company is a registered closed-ended investment company incorporated in Jersey with limited liability on 30 April 2014 under the provisions of the Companies Law, with registered number 115628. The Company is regulated by the JFSC, and is not regulated by any regulator other than the JFSC. The JFSC is protected by both the Collective Investment Funds (Jersey) Law 1988 and the Financial Services (Jersey) Law 1998, as amended, against liability arising from the discharge of its functions under such laws.
B37	Typical investors	Investment in the Company is only suitable for institutional, professional and high net worth investors, private client fund managers and brokers and other investors who understand the risks involved in investing in the Company and/or who have received advice from their fund manager or broker regarding investment in the Company.
B38	Investment of 20 per cent. or more in single underlying asset or investment company	Please see B39 below.
B39	Investment of 40 per cent. or more in single underlying asset or investment company	The Company will invest the Net Placing Proceeds in unsecured Profit Participating Notes issued by the Originator and in the acquisition of 15 Class B2 Shares in the Originator (which will be non-voting and which will be held through a wholly owned subsidiary of the Company). Please see Part B below of this "Summary" for additional information in relation to the Originator.
B40	Applicant's service providers	*Adviser* DFME has been appointed as an Adviser to the Company pursuant to the Advisory Agreement. The Adviser is entitled to out of pocket expenses, all reasonable third party costs and other expenses incurred by the Adviser in the performance of its obligations under the Advisory Agreement. *Joint Financial Advisers, Global Co-ordinators and Bookrunners* Dexion and N+1 Singer have been appointed as joint financial advisers, global co-ordinators and bookrunners to the Company. Under the terms of the Placing Agreement,

		Dexion and N+1 Singer are entitled to a commission in connection with the Placing. *Administrator* State Street Fund Services (Jersey) Limited has been appointed as administrator to the Company pursuant to the Administration Agreement. In such capacity, the Administrator is responsible for the day-to-day administration of the Company. Under the terms of the Administration Agreement, the Administrator is entitled to an annual administration fee of up to 0.08 per cent. per annum of the Net Asset Value of the Company per annum, payable monthly in arrears, and other miscellaneous fees and expenses reimbursed, in each case, as determined in the Administration Agreement. *Registrar* Capita Registrars (Jersey) Limited has been appointed as Registrar of the Company. Under the terms of the Registrar Agreement, the Registrar is entitled to receive a minimum annual fee of £5,500.
B41	Regulatory status of investment manager, investment adviser and custodian	The Company will be self-managed and will not have an investment manager. The Custodian of the Company is State Street Custodial Services (Jersey) Limited which is registered under the Financial Services (Jersey) Law 1998, as amended, with the JFSC.
B42	Calculation of Net Asset Value	*Calculation of Net Asset Value* The Company intends to publish the Net Asset Value per Share on a monthly basis, within 15 Business Days following the relevant month-end. Such Net Asset Value per Share will be published by RIS announcement and will be available on the website of the Company. The Originator will be obliged, pursuant to the terms and conditions of the unsecured Profit Participating Notes and/or the NPA, to provide the Company and the Administrator with such information as they may reasonably require in order to facilitate such announcements.
B43	Cross liability	Not applicable. The Company is not an umbrella collective investment undertaking.
B44	No financial statements have been made up	The Company has not commenced operations and no financial statements have been made up as at the date of the Prospectus.
B45	Portfolio	Not applicable. The Company has not commenced operations and so has no portfolio as at the date of the Prospectus.
B46	Net Asset Value	Not applicable. The Company has not commenced operations and so has no Net Asset Value as at the date of this Prospectus.

SECTION C – SECURITIES		
Element	**Disclosure requirement**	**Disclosure**
C1	Type and class of securities	The Shares being offered under the Placing are ordinary shares of no par value in the capital of the Company. The ISIN for the Shares is JE00BNCB5T53 and the SEDOL is BNCB5T5.
C2	Currency of the securities issue	Euro
C3	Number of securities in issue	It is expected that the issued share capital of the Company (all of which shares will be fully paid) immediately following the Placing will consist of in excess of 200 million Shares. There are no non-paid up Shares in issue.
C4	Description of the rights attaching to the securities	*Dividends* Subject to the provisions of the Companies Law, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the shareholders, but no such dividend shall exceed the amount recommended by the Directors. Subject to the provisions of the Companies Law, the Directors may pay fixed rate and interim dividends. If the Directors act in good faith, they shall not incur any liability to the holders of any shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights. A general meeting declaring a dividend may, upon the recommendation of the Directors, direct that payment of a dividend shall be satisfied wholly or partly by the issue of shares or the distribution of assets and the Directors shall give effect to such resolution. Except as otherwise provided by the rights attaching to or terms of issue of any shares, all dividends shall be apportioned and paid *pro rata* according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. No dividend or other moneys payable in respect of a share shall bear interest against the Company, unless otherwise provided by the rights attached to the share. The Directors may deduct from any dividend or other moneys payable to a shareholder all sums of money (if any) presently payable by the holder to the Company on account of calls or otherwise in relation to such shares. Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the holder or the person recognised by the Directors as entitled to the share or, if two or more persons are the holders or are recognised by the Directors as jointly

		entitled to the share, to the registered address of the first holder named in the register or to such person or persons entitled and to such address as the Directors shall in their absolute discretion determine. Any dividend unclaimed after a period of 10 years from the date on which it became payable shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company. *Voting rights* Subject to any rights or restrictions attached to any shares, on a show of hands every member who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder. On a poll, a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A member may appoint more than one proxy. Unless the Directors decide otherwise, no member shall be entitled to vote at a general meeting or at a separate meeting of the holders of any class of shares unless all moneys presently payable by him in respect of his shares have been paid. In the case of joint shareholders only the vote of the senior joint holder shall be accepted. *Winding up* On a winding up, the Company may, with the sanction of a special resolution and any other sanction required by the Companies Law, divide the whole or any part of the assets of the Company among the shareholders *in specie* provided that no holder shall be compelled to accept any assets upon which there is a liability. On return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after payment of its liabilities shall subject to the rights of the holders of other classes of shares, be applied to the holders of Shares equally *pro rata* to their holdings of Shares. *Variation of rights* The special rights attached to any class of shares may be varied or abrogated either with the written consent of the holders of not less than two thirds in nominal value of the issued shares of that class or the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. *Pre-emption rights* Subject to the provisions of the Companies Law, the Articles and any resolution of the Company passed by the Company conferring authority on the Directors to allot shares and without prejudice to any rights attached to

		existing shares, all unissued shares are at the disposal of the Directors and they may allot, grant options over, grant warrants in respect of or otherwise dispose of them to such persons at such times and generally on such terms as they think fit. Although the Companies Law does not provide any statutory pre-emption rights, the Articles provide that when proposing to allot shares or fractions of shares of any class, the Company must first offer such shares to existing holders of shares of the relevant class on the same or more favourable terms in proportion to their respective holdings of the relevant shares then in issue. Such pre-emption rights shall not apply: (a) where the shares to be allotted are or are to be wholly or partly paid otherwise than in cash; (b) where the shares are being allotted pursuant to the terms of an Employee Share Scheme (as defined in the Articles); or (c) where they have been disapplied by way of a special resolution.
C5	Restrictions on the free transferability of the securities.	Shares are free from any restriction on transfer and a Shareholder may transfer all or any of his Shares in any manner which is permitted by the Companies Laws or in any other lawful manner which is from time to time approved by the Board. The Company has elected to impose certain restrictions (pursuant to its Articles) on the Placing and on the future trading of the Shares so that the Company will not be required to register the offer and sale of the Shares under the U.S. Securities Act, so that the Company will not have an obligation to register as an investment company under the U.S. Investment Company Act and related rules and to address certain ERISA, U.S. Tax Code and other considerations. These transfer restrictions, which will remain in effect until the Company determines in its sole discretion to remove them, may adversely affect the ability of Shareholders to trade the Shares. Due to the restrictions described below, potential investors in the United States and U.S. Persons (including persons acting for the account or benefit of any U.S. Person) are advised to consult legal counsel prior to making any offer, resale, exercise, pledge or other transfer of the Shares. Subject to certain exceptions, the Placing is only being made outside the United States to non-U.S. Persons in reliance on Regulation S under the U.S. Securities Act.
C6	Admission to trading on a regulated market	Applications will be made to the London Stock Exchange for the Placing Shares issued to be admitted to the Specialist Fund Market of the London Stock Exchange. It is

		expected that Admission will become effective and dealings in Placing Shares will commence on or about 23 July 2014.
C7	Dividend policy	Whilst not forming part of the investment objective or policy of the Company, dividends will be payable in respect of each calendar quarter, payable in the month following the end of such quarter. On the basis of current market conditions as at the date of this Prospectus, the Company will target a dividend in respect of the period from Admission to 31 December 2014, payable in February 2015 equating to a 6 per cent. annualised return and, thereafter, will target 2 per cent. a quarter equating to an 8 per cent. annualised return (in each case, based on the Placing Price), with the expectation of progressive growth. Excess cash or interest from the portfolio will be reinvested by the Originator with the objective of growing the NAV. The Articles permit the Directors, in their absolute discretion, to offer a scrip dividend alternative to Shareholders when a cash dividend is declared from time to time. In the event a scrip dividend is offered in future, an electing Shareholder would be issued new, fully paid up Shares (or Shares reissued from treasury) pursuant to the scrip dividend alternative calculated by reference to the higher of: (i) the prevailing average mid-market quotation of the Shares over the five trading days following and including the relevant ex-dividend date; or (ii) the Net Asset Value per Share, at the date selected by the Directors for such purposes. The scrip dividend alternative would be available only to those Shareholders to whom Shares might lawfully be marketed by the Company.

SECTION D – RISKS		
Element	**Disclosure requirement**	**Disclosure**
D1 D2	Key information on the key risks specific to the issuer or its industry.	• The Company is a newly formed company incorporated under the laws of Jersey with no operating history and no revenues, and investors have no basis on which to evaluate the Company's ability to achieve its investment objective. • The Originator's failure to comply with its contractual obligations to manage its assets in accordance with the Company's investment policy could have adverse tax and other consequences which could have a significant adverse effect on the Company's business, financial condition and results of operations. • The Company and the Originator are to some extent reliant on DFME (acting in its different capacities) and other third party service providers to carry on their businesses and a failure by one or more service providers may materially disrupt the businesses of the Company and the Originator.

		• The investment policy of the Originator includes investing predominantly in senior secured loans and CLO Income Notes which are subject to a risk of loss of principal. • The use of leverage by the Originator may increase the volatility of returns and providers of leverage would rank ahead of investors in the Originator in the event of insolvency. • In the event of the insolvency of an obligor in respect of an investment, or of an underlying obligor in respect of an investment, the return on such investment to the Originator may be adversely impacted by the insolvency regime or insolvency regimes which may apply to that obligor or underlying obligor and any of their respective assets. • CLO Income Notes are volatile and interest and principal payments payable on the CLO Income Notes are not fixed. CLO Income Notes are a limited recourse obligation of the CLO issuer. CLO Income Notes have limited liquidity. • The Originator will be unable to liquidate, sell, hedge or otherwise mitigate its credit risk under or associated with the CLO Retention Income Notes until such time as the securities of the relevant CLO have been redeemed in full (whether at final maturity or early redemption), which places limitations on the Company's ability to redeem the Profit Participating Notes.
D3	Key information on the key risks specific to the securities.	• An investment in the Shares carries the risk of loss of capital. The value of a Share can go down as well as up and Shareholders may receive back less than the value of their initial investment and could lose all of the investment. • The Shares may trade at a discount to the Net Asset Value per Share for a variety of reasons, including due to market or economic conditions or to the extent investors undervalue the Originator. Subject to the Companies Law, under its Articles, the Company may issue additional securities, including Shares, for any purpose. Any additional issuances by the Company, or the possibility of such issue, may cause the market price of the Shares to decline. • The Company has been established as a closed-ended vehicle. Accordingly, there is no right or entitlement attaching to Shares that allows them to be redeemed or repurchased by the Company at the option of the Shareholder. • The Shares will be admitted to the Specialist Fund Market of the London Stock Exchange, however there can be no guarantee that a liquid market in the

		Shares will develop or be sustained or that the Shares will trade at prices close to Net Asset Value. The number of Shares to be issued pursuant to the Placing is not yet known, and there may be a limited number of holders of Shares. Limited numbers and/or holders of Shares may mean that there is limited liquidity in such Shares which may affect: (i) a Shareholder's ability to realise some or all of their investment; (ii) the price at which such Shareholder can effect such realisation; and/or (iii) the price at which Shares trade in the secondary market. Accordingly, Shareholders may be unable to realise their investment at Net Asset Value or at all.

SECTION E – OFFER		
Element	**Disclosure requirement**	**Disclosure**
E1	The total net proceeds and an estimate of the total expenses of the issue/offer, including estimated expenses charged to the investor by the issuer or the offeror.	On the basis that 200 million Shares are issued under the Placing, Net Placing Proceeds are expected to be not less than €200 million. The initial expenses of the Company are those which are necessary for the Placing, and are expected to be approximately 2 per cent. of the Gross Placing Proceeds. These expenses will be paid on or around Admission and will include, without limitation: registration, listing and admission fees; placing commission; the cost of settlement and escrow arrangements; printing, advertising and distribution costs; legal fees; and any other applicable expenses. All costs associated with the Placing will be borne by GSO and therefore the Net Placing Proceeds will be equal to the Gross Placing Proceeds (less any amounts retained for working capital purposes) immediately following Admission. However, GSO will be reimbursed for the Placing costs by the Originator to the extent that the Originator earns Upfront Fees at the close of each Originator CLO. If the Placing costs have not been repaid to GSO within 24 months after Admission, GSO will have no further reimbursement claim for any amount outstanding as at that date.
E2a	Reasons for the offer and use of proceeds	This document comprises a prospectus of the Company prepared in accordance with the Prospectus Rules of the UK Listing Authority made pursuant to section 73A of the Financial Services and Markets Act 2000, in connection with the public offer of Shares by way of a placing and admission of the Shares to the Specialist Fund Market of the London Stock Exchange, a regulated market. The Company is making the offer in order to raise the Net Placing Proceeds which will be invested in accordance with the Company's investment objective and policy.

E3	Terms and Conditions of the offer	In excess of 200 million Shares are being marketed and are available under the Placing. Shares will be issued under the Placing at a price of €1.00 per Share. The maximum number of Shares to be issued pursuant to the Placing is 500 million and the minimum number of Shares will be 150 million. The Placing is not being underwritten. No fractions of Shares will be issued. If a fractional entitlement to a Share arises on an application, the number of Shares issued will be rounded down to the nearest whole number. Any rounding will be retained for the benefit of the Company. The Placing shall not proceed if the Minimum Gross Proceeds are not raised.
E4	Material interests	Not applicable. No interest is material to the Placing.
E5	Name of person or entity offering to sell securities Lock up agreements	No person is selling securities. Blackstone Treasury Asia Pte Ltd has entered into a Lock-up Agreement with the Company pursuant to which it undertakes not to dispose of Shares acquired pursuant to the Placing for a period of 12 months from Admission.
E6	Dilution	Not applicable. No dilution will result from the Placing.
E7	Estimated expenses charged to the investor by the issuer or the offeror	Please see E1 above.

PART B – THE ORIGINATOR

SECTION B – ISSUER (ORIGINATOR)		
Element	**Disclosure requirement**	**Disclosure**
B1	Legal and commercial name	Blackstone / GSO Corporate Funding Limited
B2	Domicile and legal form	Irish private limited liability company.
B5	Group description	Not applicable. The Originator is not a part of a group and does not have any subsidiaries.
B6	Notifiable interests/voting rights	Not applicable. No interest in the Originator's capital or voting rights is notifiable under the Originator's national law. None of the Originator's shareholders have voting rights attached to the shares which are they hold different from the voting rights attached to any other shares in the same class in the Originator.

B7	Key financial information	***STATEMENT OF FINANCIAL POSITION*** ***As at 31 May 2014*** *EUR* **Assets:** Receivable for shares issued 1 **Total assets** 1 Total liabilities – **Capital and reserves** Share capital 1 Retained earnings – Total equity 1 **Total equity and liabilities** 1 ***STATEMENT OF CHANGES IN EQUITY*** ***For the period from 16 April 2014 to 31 May 2014*** *Share Capital EUR* / *Total Equity EUR* **As at 16 April 2014** **–** **–** Shares issued 1 1 Total comprehensive income for the year – – **As at 31 May 2014** **1** **1** ***STATEMENT OF CASH FLOWS*** ***For the period from 16 April 2014 to 31 May 2014*** The Originator did not trade from inception (16 April 2014) to 31 May 2014, nor did it have any cash flows in or out during the period. ***SIGNIFICANT CHANGE*** Blackstone Treasury Asia Pte Ltd subscribed for 5 class B1 shares of €1.00 in the capital of the Originator for €5,000,000 representing a share premium of €4,999,995. Total proceeds of €5,000,000 were received. Intertrust Nominees (Ireland) Limited subscribed for 199 ordinary shares of €1.00 in the capital of the Originator for €199. Total proceeds of €199 were received. The Originator entered into a Senior Facility Agreement with Bank of America N.A., London Branch for funding of up to €366,670,000. Citibank, N.A. London Branch was appointed as the security trustee to the facility. The Originator entered into a Subordinated Facility Agreement with Blackstone Treasury Asia Pte Ltd for funding of €45,000,000. The Originator intends to use this facility to cover loan and bond purchases as noted below and for future purchases. As at the date of this Prospectus the purchase of the loans has yet to be settled except for €6,530,141 funded from the Subordinated Facility Agreement. To date the Originator has purchased loans of par €206,301,043 at a cost of €205,531,145 with a weighted

		average spread of 4.13 per cent. and a weighted average maturity of 4 years and 11 months. All of these loans were added to the Phoenix Park CLO Forward Purchase Agreement for the value of €205,531,145. There have been no other significant changes to the Originator's financial condition and operating results during or subsequent to the period from 16 April to 31 May 2014.
B8	Key *pro forma* financial information	Not applicable. No pro forma financial information has been prepared.
B9	Profit forecast	Not applicable. No profit estimate or forecast is made.
B10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. The accountant's report on the historical financial information contained within this Prospectus is not qualified.
B34	Investment objective and policy	The investment objective and policy of the Originator mirrors the investment objective and policy of the Company set out above. Any proposed changes to the Originator's investment policy will be subject to the process described in the Company's investment policy.
B35	Borrowing limits	It is expected that the Originator will have access to a committed Revolving Credit Facility which will equal no more than 250 per cent. of: (i) the Net Placing Proceeds (together with the net proceeds from any additional Share issues and less the value of any Shares repurchased); plus (ii) retained net income from time to time; less (iii) the aggregate amount invested in CLO Income Notes at cost. It is anticipated that any borrowing will be in the form of a term Revolving Credit Facility and loans purchased using such borrowings will typically be held for no more than 12 months before being sold to a CLO. Except in relation to the CLO Income Notes it holds, the Originator may enter into hedging and derivatives transactions pursuant to its investment activities, for the purposes of efficient portfolio management.
B36	Regulatory status	Unregulated
B37	Typical investors	Investment in the Originator is only suitable for institutional, professional and high net worth investors, private client fund managers and brokers and other investors who understand the risks involved in investing in the Originator and/or who have received advice from their fund manager or broker regarding investment in the Originator.
B38	Investment of 20 per cent. or more in single underlying asset or investment company	Not applicable. There are no investments of 20 per cent. or more in a single underlying asset or investment company.

B39	Investment of 40 per cent. or more in single underlying asset or investment company	Not applicable. There are no investments of 40 per cent. or more in a single underlying asset or investment company.
B40	Applicant's service providers	*Service Support Provider* Blackstone / GSO Debt Funds Management Europe Limited has been appointed as the Service Support Provider to the Originator pursuant to the Portfolio Service Support Agreement. *Corporate Services Provider* Intertrust Management (Ireland) Limited, an Irish company, has been appointed as the Corporate Services Provider to the Originator pursuant to the terms of the Corporate Services Agreement entered into on 15 May 2014 between the Originator and the Corporate Services Provider. State Street Fund Services (Ireland) Limited will be appointed to provide the Originator with certain valuation, financial reporting and fund accounting services pursuant to the terms of the Valuation, Fund Accounting and Financial Reporting Agreement. *Originator Custodian and Originator Account Bank* Citibank, N.A. London Branch has been appointed as Originator Custodian and Originator Account Bank of the Originator pursuant to the Originator Custody Agreement dated 2 July 2014, and the Originator Account Bank Agreement dated 2 July 2014 between (i) the Originator, and (ii) Citibank, N.A. London Branch. Pursuant to these agreements, the Originator Custodian and Originator Account Bank will act as account bank of the Originator and also act as custodian of certain of the Originator's investments and other assets.
B41	Regulatory status of investment manager, investment adviser and custodian	The Originator will be self-managed and will not have an investment manager. The Originator Custodian is Citibank, N.A. London Branch.
B42	Calculation of Net Asset Value	Please see Section B of Part A above of this "Summary".
B43	Cross liability	Not applicable. The Originator is not an umbrella collective investment undertaking.
B44	No financial statements have been made up	The Originator's financial statements are contained in this Prospectus.
B45	Portfolio	As at the date of this Prospectus, the Originator's portfolio comprises the Warehouse Assets, which satisfy the Warehouse Eligibility Criteria and have been acquired in order to facilitate a timely investment of the proceeds of the Placing and to take advantage of existing opportunities. The Warehouse Assets will, subject to certain conditions (such as the assets being eligible for the Seed CLO on its closing date and the closing date occurring) form part of the initial

		portfolio for the Seed CLO, and the Originator will acquire CLO Income Notes in the Seed CLO (on or around 24 July 2014).
B46	Net Asset Value	As at the latest practicable date, the unaudited Net Asset Value per share of the Originator was €24,972.61.

SECTION C – SECURITIES		
Element	**Disclosure requirement**	**Disclosure**
C3	Number of securities in issue	As at the date of this Prospectus, the share capital of the Originator is held as follows: *Share Class* / *Number issued* / *Nominal Value of each share* / *Share Premium* Ordinary / 200 / €1 / N/A Class B1 / 5 / €1 / €4,999,995 It is anticipated that on or around Admission, the share capital of the Originator will consist of: *Share Class* / *Number issued* / *Nominal Value of each share* / *Share Premium* Ordinary / 200 / €1 / N/A Class B2 / 15 / €1 / €14,999,985
C7	Dividend policy	The Originator's profits available for distribution and resolved to be distributed in accordance with the Originator's Articles of Association are distributable by way of dividend to the holders of the ordinary shares. Neither the Class B1 Shares nor the Class B2 Shares carry any entitlement to receive a dividend. For so long as the unsecured Profit Participating Notes of the Originator are in issue, it is not anticipated that any dividends will be paid in respect of the shares of the Originator.

SECTION D – RISKS		
Element	**Disclosure requirement**	**Disclosure**
D2	Key information on the key risks specific to the issuer or its industry	Please see Section D of Part A above of this "Summary".

RISK FACTORS

Investment in the Company should be regarded as long-term in nature and involving a high degree of risk. Accordingly, prospective investors should consider carefully all of the information set out in this Prospectus and the risks relating to the Company, the Shares and the Originator including, in particular, the risks described below which are not presented in any order of priority and may not be an exhaustive list or explanation of all the risks which investors may face when making an investment in the Shares and should be used as guidance only.

Only those risks which are believed to be material and currently known to the Company in relation to itself and its industry and in relation to the Originator as at the date of this Prospectus have been disclosed. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem immaterial at the date of this Prospectus, may also have an adverse effect on the business, results of operations, financial conditions and prospects of the Company, the Originator, their respective net asset values, and the market price of the Shares. Potential investors should review this Prospectus carefully and in its entirety and consult with their professional advisers before making an application to invest in the Shares.

Prospective investors should note that the risks relating to the Company, the Originator and the Shares summarised in the section of this document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

RISKS RELATING TO THE COMPANY

The Company is a newly formed company incorporated under the laws of Jersey with no operating history and no revenues, and investors have no basis on which to evaluate the Company's ability to achieve its investment objective

The Company was incorporated under the laws of Jersey on 30 April 2014, and is a newly formed company with no operating results. It will not commence operations until it has obtained funding through the Placing. As the Company lacks an operating history, investors have no basis on which to evaluate the Company's ability to achieve its investment objective or implement its investment strategy and provide a satisfactory investment return. An investment in the Company is therefore subject to all the risks and uncertainties associated with a new business, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence. Any failure by the Company to do so may adversely affect its business, financial condition, results of operations, NAV and/or the market price of the Shares.

The Company's returns and operating cash flows will depend on many factors, including the price and performance of the investments, the availability and liquidity of investment opportunities falling within the Company's investment objective and policy, the level and volatility of interest rates, readily accessible short-term borrowings, the conditions in the financial markets and economy, the financial performance of obligors under the investments and the Company's ability successfully to operate its business and execute its investment strategy. There can be no assurance that the Company's investment strategy will be successful.

The Company's target return and target dividend yield are based on estimates and assumptions that are inherently subject to significant business and economic uncertainties and contingencies, and the actual return and dividend yield may be materially lower than the targeted return and target dividend yield and could be negative

The Company's target return and target dividend yield set forth in this Prospectus are targets only and are based on estimates and assumptions concerning the performance of the Originator which will be subject to a variety of factors including, without limitation, the availability of investment opportunities, asset mix,

value, volatility, holding periods, performance of underlying portfolio debt issuers, investment liquidity, borrower default, changes in current market conditions, interest rates, government regulations or other policies, the worldwide economic environment, changes in law and taxation, natural disasters, terrorism, social unrest and civil disturbances or the occurrence of risks described elsewhere in this Prospectus, which are inherently subject to significant business, economic and market uncertainties and contingencies, all of which are beyond the control of the Company and the Originator, and which may adversely affect the Company's ability to achieve its target return and target dividend yield. Such targets are based on market conditions and the economic environment at the time of assessing the proposed targets and the assumption that the Company and the Originator will be able to implement their investment policy and strategy successfully, and are therefore subject to change. There is no guarantee or assurance that the target return and/or target dividend yield can be achieved at or near the levels set forth in this Prospectus. Accordingly, the Company's actual rate of return and actual dividend yield achieved may be materially lower than the targets, or may result in a loss. A failure to achieve the target return and/or target dividend yield set forth in this Prospectus may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

An investment in the Company will be a speculative investment of a long-term nature and involving a high degree of risk. A shareholder could lose all or a substantial portion of their investment in the Company. Shareholders must have the financial ability, sophistication, experience and willingness to bear the risks of an investment in the Company.

Material changes affecting global debt and equity capital markets may have a negative effect on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares

The global financial markets have experienced extreme volatility and disruption in recent years, as evidenced by a lack of liquidity in the equity and debt capital markets, significant write-offs in the financial services sector, the repricing of credit risk in the credit market and the failure of major financial institutions. Despite actions of governmental authorities, these events contributed to general economic conditions that have materially and adversely affected the broader financial and credit markets and reduced, and in certain circumstances, significantly reduced, the availability of debt and equity capital.

Further, within the banking sector, the default of any institution could lead to defaults by other institutions. Concerns about, or default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions, because the commercial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. This risk is sometimes referred to as "systemic risk" and may adversely affect other third parties with whom the Originator deals. The Originator and, by extension the Company, may therefore be exposed to systemic risk when the Originator deals with various third parties whose creditworthiness may be exposed to such systemic risk.

Recurring market deterioration may materially adversely affect the ability of an issuer whose debt obligations form part of the portfolio to service its debts or refinance its outstanding debt. Further, such financial market disruptions may have a negative effect on the valuations of the investments (and, by extension, on the NAV and/or the market price of the Shares), and on the potential for liquidity events involving such investments. In the future, non-performing assets in the Originator's portfolio may cause the value of that portfolio to decrease (and, by extension, the NAV and/or the market price of the Shares to decrease). Adverse economic conditions may also decrease the value of any security obtained in relation to any of the investments.

Conversely, in the event of sustained market improvement, the Originator, and indirectly the Company, may have access to a reduced number of attractive potential investment opportunities, which also may result in limited returns to Shareholders.

The Originator's failure to comply with its contractual obligations to manage its assets in accordance with the Company's investment policy could have adverse tax and other consequences which could have a significant adverse effect on the Company's business, financial condition and results of operations

Pursuant to the NPA and the terms of the unsecured Profit Participating Notes, the Originator is contractually obliged to ensure that its portfolio is managed in accordance with the Company's investment objective and policy. In the event that the Originator fails to comply with these contractual obligations, the Company could elect for the unsecured Profit Participating Notes to become immediately due and repayable to it from the Originator (subject to any applicable legal, contractual and regulatory restrictions). There is no guarantee that the applicable legal, contractual and regulatory restrictions would permit the Originator immediately to repay the unsecured Profit Participating Notes on the Company making such an election, and if it does, this could also have significant adverse consequences from a tax perspective both at the time of the repayment of the Profit Participating Notes and on an ongoing basis until another tax efficient vehicle could be introduced into the structure to own the portfolio. If the Company were to elect for the unsecured Profit Participating Notes to be repaid, the Originator's failure to fully comply with its contractual obligations to do so or the Originator being restricted from doing so by law, regulation or contract could have a significant adverse effect on the Company's business, financial condition and results of operations.

The Company's NAV is calculated based on the Originator's NAV and, as such, is subject to valuation risk and the Company can provide no assurance that the NAVs it records from time to time will ultimately be realised

The Company's NAV will be calculated with reference to the Originator's NAV, which is calculated by third parties and the Originator's NAV will be subject to valuation risk (see the risk factor entitled "*The investments may be difficult to value accurately and, as a result, the Company may be subject to valuation risk*"). If a valuation estimate provided to the Company by the Originator subsequently proves to be incorrect, no adjustment to any previously calculated NAV will be made. Any acquisitions or disposals of Shares based on previous erroneous NAVs may result in losses for shareholders.

The CLO Income Notes held by the Originator in the Originator CLOs and the loans and other corporate debt instruments held directly by the Originator will be valued monthly and the Company's Net Asset Value will be calculated based on these values. Therefore, the actual value of the CLO Income Notes and the loans and other corporate debt instruments at any given time may be different from the value based on which the Company's latest Net Asset Value has been calculated.

Investors should note that where a loan becomes subject to a Forward Purchase Agreement (described further in Part IX of this Prospectus) the Originator will (subject to certain conditions as set out in paragraph 6.7.2 of Part IX of this Prospectus) neither receive the gain nor bear the loss that occurs between the date when the loan is added to the Forward Purchase Agreement and the date when the transfer occurs.

Additionally, if, for any reason, the directors of the Originator suspend the calculation of the Originator's NAV, the Company will also have to suspend the calculation of its NAV. In such circumstances, the Shares may become subject to speculation regarding the value of the assets within the Originator's portfolio and this may have an adverse effect on the market price of the Shares.

The Company and the Originator are to some extent reliant on DFME (acting in its different capacities) and other third party service providers to carry on their businesses and a failure by one or more service providers may materially disrupt the businesses of the Company and the Originator

The Company has no employees and its directors have all been appointed on a non-executive basis. The Originator also has non-executive directors and no employees. DFME will, as part of the services to be provided under the terms of the Portfolio Service Support Agreement, be responsible for providing the Originator with the necessary human resources, credit and other service support resources to perform the functions necessary to the business of the Originator. DFME, in its capacity as Adviser, will also provide some advisory services to the Company, limited to the provision of information and explanations, pursuant to the Advisory Agreement. In addition, DFME or its affiliates will also act as CLO Manager in respect of the Originator CLOs from time to time. Therefore, the Company and the Originator are to some extent reliant

upon the performance of DFME and/or its affiliates and other third party service providers for the performance of certain functions.

Failure by any service provider to carry out its obligations to the Company or the Originator in accordance with the applicable duty of care and skill, or at all, or termination of any such appointment may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

In the event that it is necessary for the Company or the Originator to replace any third party service provider, it may be that the transition process takes time, increases costs and may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares. See further risk factor titled "*The performance of the Company and the Originator has some dependence on the skills and the personnel of DFME and the human resources it provides to the Originator in its capacity as the Service Support Provider*" below.

The Profit Participating Notes issued by the Originator held by the Company are unsecured and limited recourse obligations of the Originator and will be subordinated to the rights of any secured Revolving Credit Facility Provider

The Profit Participating Notes are unsecured obligations of the Originator and amounts payable on the Profit Participating Notes will be made solely from amounts received in respect of the assets of the Originator available for distribution to its unsecured creditors (subject to further conditions as further described in 5.3 of Part VIII of this Prospectus). The Originator is permitted to incur secured debt in the form of one or more Revolving Credit Facilities. Such secured debt will rank ahead of the Profit Participating Notes in respect of any distributions or payments by the Originator. In an enforcement scenario under any Revolving Credit Facility, the provider(s) of such facilities will have the ability to enforce their security over the assets of the Originator and to dispose of or liquidate (on their own behalf or through a security trustee or receiver) the assets of the Originator in a manner which is beyond the control of the Originator. In such an enforcement scenario, there is no guarantee that there will be sufficient proceeds from the disposal or liquidation of the Originator assets to repay any amounts due and payable on the Profit Participating Notes and this may adversely affect the performance of the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The Profit Participating Notes issued by the Originator held by the Company have limited liquidity

Application will be made for the Profit Participating Notes to be admitted to the official list and trading on the Global Exchange Market of the Irish Stock Exchange ("**GEM**") or such other exchange as may be agreed by the Originator and the Company, on or around the date of Admission. There can be no assurance that any such approval will be granted or, if granted, that such listing will be maintained. Notwithstanding the foregoing, there is currently no secondary market for the Profit Participating Notes. There can be no assurance that any secondary market for the Profit Participating Notes will develop or, if a secondary market does develop, that it will provide the Company with liquidity of investment or that it will continue for the life of the Profit Participating Notes.

Consequently, in the event of a material adverse event occurring in relation to the Originator or the market generally, the ability of the Company to realise its investment and prevent the possibility of further losses could, therefore, be limited by its restricted ability to realise its investment in the Originator. This delay could materially affect the value of the Profit Participating Notes and the timing of when the Originator is able to realise its investments, which may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

RISKS RELATING TO THE INVESTMENT STRATEGY

The investments may be difficult to value accurately and, as a result, the Company may be subject to valuation risk

The Originator's portfolio may at any given time include securities or other financial instruments or obligations which are very thinly traded, for which no market exists or which are restricted as to their

transferability under applicable securities laws. These investments may be extremely difficult to value accurately. Further, because of overall size or concentration in particular markets of positions held by the Originator, the value of its investments which can be liquidated may differ, sometimes significantly, from their valuations. Third party pricing information may not be available for certain positions held by the Originator. Investments to be held by the Originator may trade with significant bid-ask spreads. The Originator is entitled to rely, without independent investigation, upon pricing information and valuations furnished by third parties, including pricing services and valuation sources. In the absence of fraud, gross negligence (under New York law), bad faith or manifest error, valuation determinations in accordance with the Originator's valuation policy will be conclusive and binding.

Market factors may result in the failure of the investment strategy

Strategy risk is associated with the failure or deterioration of an investment strategy such that most or all investment managers employing that strategy suffer losses. Strategy-specific losses may result from excessive concentration by multiple market participants in the same investment or general economic or other events that adversely affect particular strategies (for example the disruption of historical pricing relationships). Furthermore, an imbalance of supply and demand favouring borrowers could result in yield compression, higher leverage and less favourable terms to the detriment of all investors in the relevant asset class. The investment strategy employed by the Company (through the Originator) is speculative and involves substantial risk of loss in the event of a failure or deterioration in the financial markets, although the Originator has certain investment limits which define to a degree how it invests. As a result, the Company's investment strategy may fail, and it may be difficult for the Directors to amend the Company's investment strategy quickly or at all should certain market factors appear, which may adversely affect the performance of the Originator and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The investment strategy of the Originator includes investing predominantly in senior secured loans and CLO Income Notes which are subject to a risk of loss of principal

The investment strategy of the Originator consists of investing predominantly in senior secured loans and in CLO Income Notes. Such securities may be considered to be subject to a level of risk in the case of deterioration of general economic conditions, which might increase the risk of loss of principal. This could result in losses to the Originator which could have a material adverse effect on the performance of the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

In the event of a default in relation to an investment, the Originator will bear a risk of loss of principal and accrued interest

Performance and investor yield on the Company's investments in the Originator may be affected by the default or perceived credit impairment of investments made by the Originator and by general or sector specific credit spread widening. Credit risks associated with the investments include (among others): (i) the possibility that earnings of an obligor may be insufficient to meet its debt service obligations; (ii) an obligor's assets declining in value; and (iii) the declining creditworthiness, default and potential for insolvency of an obligor during periods of rising interest rates and economic downturn. An economic downturn and/or rising interest rates could severely disrupt the market for the investments and adversely affect the value of the investments and the ability of the obligors thereof to repay principal and interest. In turn, this may adversely affect the performance of the Originator and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

In the event of a default in relation to an investment held by it, the Originator will bear a risk of loss of principal and accrued interest on that investment. Any such investment may become defaulted for a variety of reasons, including non-payment of principal or interest, as well as breaches of contractual covenants. A defaulted investment may become subject to workout negotiations or may be restructured by, for example, reducing the interest rate, a write-down of the principal, and/or changes to its terms and conditions. Any such process may be extensive and protracted over time, and therefore may result in substantial uncertainty with respect to the ultimate recovery on the defaulted investment. In addition, significant costs might be imposed

on the lender, further affecting the value of the investment. The liquidity in such defaulted investments may also be limited and, where a defaulted investment is sold, it is unlikely that the proceeds from such sale will be equal to the amount of unpaid principal and interest owed on that investment. This would adversely affect the value of the portfolio of the Originator and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

In the case of secured loans, restructuring can be an expensive and lengthy process which could have a material negative effect on the Originator's anticipated return on the restructured loan. By way of example, it would not be unusual for any costs of enforcement to be paid out in full before the repayment of interest and principal. This would substantially reduce the Originator's anticipated return on the restructured loan.

The illiquidity of investments may have an adverse impact on their price and the Originator's ability to trade in them or require significant time for capital gains to materialise

Credit markets may from time to time become less liquid, leading to valuation losses on the investments making it difficult to acquire or dispose of them at prices the Originator considers their fair value. Accordingly, this may impair the Originator's ability to respond to market movements and the Originator may experience adverse price movements upon liquidation of such investments. Liquidation of portions of the portfolio under these circumstances could produce realised losses. The size of the Originator's positions may magnify the effect of a decrease in market liquidity for such instruments. Settlement of transactions may be subject to delay and uncertainty. Such illiquidity may result from various factors, such as the nature of the instrument being traded, or the nature and/or maturity of the market in which it is being traded, the size of the position being traded, or lack of an established market for the relevant securities. Even where there is an established market, the price and/or liquidity of instruments in that market may be materially affected by certain factors.

The investment objective of the Company is to provide investors with stable income returns and capital appreciation from exposure to a portfolio of predominantly floating rate senior secured loans and CLO Income Notes. Investments which are in the form of loans are not as easily purchased or sold as publicly traded securities due to the unique and more customised nature of the debt agreement and the private syndication process. As a result, there may be a significant period between the date that the Originator makes an investment and the date that any capital gain or loss on such investment is realised. Moreover, the sale of restricted and illiquid securities may result in higher brokerage charges or dealer discounts and other selling expenses than the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Further, the Originator may not be able readily to dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time, which could materially and adversely affect the performance of the Originator and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares. See further the risk factor titled "*The Originator will be unable to liquidate, sell, hedge or otherwise mitigate its credit risk under or associated with the CLO Retention Income Notes until such time as the securities of the relevant CLO have been redeemed in full (whether at final maturity or early redemption), which places limitations on the Company's ability to redeem the Profit Participating Notes*" below.

The Originator may hold a relatively concentrated portfolio

The Originator may hold a relatively concentrated portfolio. There is a risk that the Originator could be subject to significant losses if any obligor, especially one with whom the Originator had a concentration of investments, were to default or suffer some other material adverse change. The level of defaults in the portfolio and the losses suffered on such defaults may increase in the event of adverse financial or credit market conditions. Any of these factors could adversely affect the value of the portfolio and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The Originator may be exposed to foreign exchange risk, which may have an adverse impact on the value of its assets and on its results of operations

The base currency of the Company and the Originator is the Euro. Certain of the Originator's assets may be invested in securities and other investments which are denominated in other currencies. Accordingly, the Originator will necessarily be subject to foreign exchange risks and the value of its assets may be affected unfavourably by fluctuations in currency rates. Although the Originator may utilise financial instruments to hedge against declines in the value of such assets as a result of changes in currency exchange rates, it is not obliged to do so and may terminate any hedge contract at any time. Moreover, it may not be possible for the Originator to hedge against a particular change or event at an acceptable price or at all. In addition, there can be no assurance that any attempt to hedge against a particular change or event would be successful, and any such hedging failure could materially and adversely affect the performance of the Originator and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The hedging arrangements of the Originator may not be successful

The Originator's economic risks cannot be effectively hedged. However, in connection with the financing of certain investments, the Originator may employ hedging techniques designed to reduce the risks of adverse movements in interest rates, securities' prices and/or currency exchange rates. However, some residual risk may remain as a result of imperfections and inconsistencies in the market and/or in the hedging contract. While such hedging transactions may reduce certain risks, they create others. The Originator will not be permitted to enter into hedging with respect to the CLO Retention Income Notes.

The Originator may utilise certain derivative instruments (including, without limitation, single-name credit default swaps, credit default swap and loan credit default swap indexes, equity futures and equity indexes) for hedging purposes. However, even if used primarily for hedging purposes, the prices of derivative instruments are highly volatile, and acquiring or selling such instruments involves certain leveraged risks. There may be an imperfect correlation between the instrument acquired for hedging purposes and the investments or market sectors being hedged, in which case, a speculative element is added to the highly leveraged position acquired through a derivative instrument primarily for hedging purposes. In particular, the investments which are in the form of loans may, in certain circumstances, be repaid at any time on short notice at no cost, and accordingly the hedging of interest rate or currency risk in such circumstances may be less precise than is the case with investments in the public securities market.

Furthermore, default by any hedging counterparty in the performance of its obligations could subject the investments to unwanted credit and market risks. Accordingly, although the Originator, and therefore the Company, may benefit from the use of hedging strategies, failure to properly hedge the market risk in the investments and/or default of a counterparty in the performance of its obligations under a hedging contract may have a material adverse effect on the performance of the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares, and such material adverse effects may exceed those which may have resulted had no hedging strategy been employed.

Under certain hedging contracts that the Originator may enter into, the Originator may be required to grant security interests over some of its assets to the relevant counterparty as collateral

In connection with certain hedging contracts, the Originator may be required to grant security interests over some of its assets to the relevant counterparty to such hedging contract as collateral. Such hedging contracts typically will give the counterparty the right to terminate the agreement upon the occurrence of certain events. Such termination events may include, among others, a failure by the Originator to pay amounts owed when due, a failure to provide required reports or financial statements, a decline in the value of the investments secured as collateral, a failure to maintain sufficient collateral coverage, a failure by the Originator to comply with the Company's investment policy and any investment restrictions, key changes in the Originator's management, a significant reduction in the Originator's Net Asset Value, and material violations of the terms, representations, warranties or covenants contained in the hedging contract, as well as other events determined by the counterparty. If a termination event were to occur, there may be a material

adverse effect on the performance of the Originator, by extension, the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The use of leverage by the Originator may increase the volatility of returns and providers of leverage would rank ahead of investors in the Originator in the event of insolvency

The Originator may employ leverage in order to increase investment exposure with a view to achieving its target return, subject to a maximum permitted leverage of 250 per cent. of: (i) the Net Placing Proceeds (together with the net proceeds from any additional Share issues and less the value of any Shares repurchased); plus (ii) retained net income from time to time; less (iii) the aggregate amount invested in CLO Income Notes at cost.

While leverage presents opportunities for increasing total returns, it can also have the effect of increasing the volatility of the performance of the Originator and, by extension, the Shares, including the risk of total loss of the amount invested. If income and capital appreciation on investments made with borrowed funds are less than the costs of the leverage, the Originator's Net Asset Value will decrease. The effect of the use of leverage is to increase the investment exposure, the result of which is that, in a market that moves adversely, the possible resulting loss to investors' capital would be greater than if leverage were not used. As a result of leverage, small changes in the value of the underlying assets may cause a relatively large change in the value of the Originator. Many financial instruments used to employ leverage are subject to variation or other interim margin requirements, which may force premature liquidation of investments. Investors should be aware that the use of leverage by the Originator can be considered to multiply the leverage effect on their investment returns in the Company. As described above, while this effect may be beneficial when markets' movements are favourable, it may result in a substantial loss of capital when markets' movements are unfavourable.

In addition, such leverage may involve granting of security or the outright transfer of specific investments in the portfolio. Since there is no security created in respect of the Originator's obligations under the Profit Participating Notes or in respect of shares held by the Company in the Originator, on any insolvency of the Originator, the Company could rank behind the Originator's financing and hedging counterparties, whose claims will be considered as indebtedness of the Originator and may be secured. Leverage does create opportunities for greater total returns on the investments but simultaneously may create special risk considerations by exaggerating changes in the total value of the Originator's Net Asset Value and in the yield on the investments and, subsequently, the yield on the Profit Participating Notes held by the Company.

In addition, to the extent leverage is employed the Originator may be required to refinance transactions from time to time. On each refinancing, the applicable counterparty may choose to re-negotiate the terms of each transaction or indeed not to refinance the transaction at all. To the extent refinancing facilities are not available in the market at economic rates or at all, the Originator may be required to sell assets at disadvantageous prices. Any such deleveraging may result in losses on investments which could be severe and accordingly could have a material adverse effect on the performance of the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

Interest rate fluctuations could expose the Originator to additional costs and losses

The prices of the investments that may be held by the Originator tend to be sensitive to interest rate fluctuations and unexpected fluctuations in interest rates could cause the corresponding prices of a position to move in directions which were not initially anticipated. In addition, interest rate increases generally will increase the interest carrying costs of borrowed securities and leveraged investments. Further, the Originator may invest in both floating and fixed rate securities and interest rate movements will affect those respective securities differently. In particular, when interest rates rise significantly the value of fixed interest rate securities often fall. Furthermore, to the extent that interest rate assumptions underlie the hedging of a particular position, fluctuations in interest rates could invalidate those underlying assumptions and expose the Originator to additional costs and losses. Any of the above factors could materially and adversely affect the performance of the Originator and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

In the event of the insolvency of an obligor in respect of an investment, or of an underlying obligor in respect of an investment, the return on such investment to the Originator may be adversely impacted by the insolvency regime or insolvency regimes which may apply to that obligor or underlying obligor and any of their respective assets

In the event of the insolvency of an obligor in respect of an investment (and in the case of the CLO Income Notes, the obligors of the assets within the relevant CLO's portfolio), the Originator's (or the CLO issuer's, in the case of CLO Income Notes) recovery of amounts outstanding in insolvency proceedings may be impacted by the insolvency regimes in force in the jurisdiction of incorporation of such obligor or in the jurisdiction in which such obligor mainly conducts its business (if different from the jurisdiction of incorporation), and/or in the jurisdiction in which the assets of such obligor are located. Such insolvency regimes impose rules for the protection of creditors and may adversely affect the ability to recover such amounts as are outstanding from the insolvent obligor under the investment, which may adversely affect the performance of the Originator (or the CLO, if applicable), and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

Similarly, the ability of obligors to recover amounts owing to them from insolvent underlying obligors may be adversely impacted by any such insolvency regimes applicable to those underlying obligors, which in turn may adversely affect the abilities of those obligors to make payments due under the investment to the Originator on a full or timely basis.

In particular, it should be noted that a number of European jurisdictions operate unpredictable insolvency regimes which may cause delays to the recovery of amounts owed by insolvent obligors or underlying obligors subject to those regimes. The different insolvency regimes applicable in the different European jurisdictions result in a corresponding variability of recovery rates for senior secured loans, entered into or issued in such jurisdictions, any of which may have a material adverse effect on the performance of a CLO or the Originator and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The Originator or a CLO issuer may be subject to losses on investments as a result of insolvency or clawback legislation and/or fraudulent conveyance findings by courts

Various laws enacted for the protection of creditors and stakeholders may apply to certain investments that are debt obligations, although the existence and applicability of such laws will vary between jurisdictions. For example, if a court were to find that an obligor did not receive fair consideration or reasonably equivalent value for incurring indebtedness evidenced by an investment and the grant of any security interest securing such investment, and, after giving effect to such indebtedness, the obligor: (i) was insolvent; (ii) was engaged in a business for which the assets remaining in such obligor constituted unreasonably small capital; or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court may: (a) invalidate such indebtedness and such security interest as a fraudulent conveyance; (b) subordinate such indebtedness to existing or future creditors of the obligor; or (c) recover amounts previously paid by the obligor (including to the Originator or a CLO issuer) in satisfaction of such indebtedness or proceeds of such security interest previously applied in satisfaction of such indebtedness. In addition, if an obligor in whose debt the Originator or a CLO issuer has an investment becomes insolvent, any payment made on such investment may be subject to avoidance, cancellation and/or clawback as a "preference" if made within a certain period of time (which for example under some current laws may be as long as two years) before insolvency.

In general, if payments on an investment are voidable, whether as fraudulent conveyances, extortionate transactions or preferences, such payments may be recaptured either from the initial recipient or from subsequent transferees of such payments. To the extent that any such payments are recaptured from the Originator or a CLO issuer, there will be an adverse effect on the performance of the CLO issuer and/or the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The due diligence process that the Originator plans to undertake in evaluating specific investment opportunities may not reveal all facts that may be relevant in connection with such investment

opportunities and any corporate mismanagement, fraud or accounting irregularities may materially affect the integrity of the Originator's due diligence on investment opportunities

When conducting due diligence and making an assessment regarding an investment, the Originator will be required to rely on resources available to it, including internal sources of information as well as information provided by existing and potential obligors, any equity sponsor(s), lenders and other independent sources. The due diligence process may at times be required to rely on limited or incomplete information.

The Originator will select investments in part on the basis of information and data relating to potential investments filed with various government regulators and publicly available or made directly available to the Originator by the entities filing such information or third parties. Although the Originator will evaluate all such information and data and seek independent corroboration when it considers it appropriate and reasonably available, the Originator will not be in a position to confirm the completeness, genuineness or accuracy of such information and data. The Originator is dependent upon the integrity of the management of the entities filing such information and of such third parties as well as the financial reporting process in general.

The value of an investment made by the Originator may be affected by fraud, misrepresentation or omission on the part of an obligor, underlying obligor, any related parties to such obligor or underlying obligor, or by other parties to the investment (or any related collateral and security arrangements). Such fraud, misrepresentation or omission may adversely affect the value of the investment and/or the value of the collateral underlying the investment in question and may adversely affect the Originator's ability to enforce its contractual rights relating to that investment or the relevant obligor's ability to repay the principal or interest on the investment.

Investment analysis and decisions by the Originator may be undertaken on an expedited basis in order to make it possible for the Originator to take advantage of short-lived investment opportunities. In such cases, the available information at the time of an investment decision may be limited, inaccurate and/or incomplete. Furthermore, the Originator may not have sufficient time to evaluate fully such information even if it is available.

Accordingly, the Originator cannot guarantee that the due diligence investigation it carries out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Any failure by the Originator to identify relevant facts through the due diligence process may cause it to make inappropriate investment decisions, which may have a material adverse effect on the performance of the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/ or the market price of the Shares.

The collateral and security arrangements attached to an investment may not have been properly created or perfected, or may be subject to other legal or regulatory restrictions

The collateral and security arrangements in relation to secured obligations in which the Originator may invest (and the security arrangements relating to the underlying assets of CLOs) will be subject to such security or collateral having been correctly created and perfected and any applicable legal or regulatory requirements which may restrict the giving of collateral or security by an obligor, such as, for example, thin capitalisation, over-indebtedness, financial assistance and corporate benefit requirements. If the investments do not benefit from the expected collateral or security arrangements, this may adversely affect the value of, or in the event of a default, the recovery of principal or interest from, such investments. Accordingly, any such failure properly to create or perfect collateral and security interests attaching to the investments may adversely affect the performance of the CLO issuer and/or the Originator and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The investments will be based in part on valuations of collateral which are subject to assumptions and factors that may be incomplete, inherently uncertain or subject to change

A component of the Originator's analysis of the desirability of making a given investment relates to the estimated residual or recovery value of such investments in the event of the insolvency of the obligor (and in the case of the CLO Income Notes, the obligors of the assets within the relevant CLO's portfolio). This

residual or recovery value will be driven primarily by the value of the anticipated future cashflows of the obligor's business and by the value of any underlying assets constituting the collateral for such investment. The anticipated future cashflows of the obligor's business and the value of collateral can, however, be extremely difficult to predict as in certain circumstances market quotations and third party pricing information may not be available. If the recovery value of the collateral associated with the investments in which the Originator or a CLO issuer invests decreases or is materially worse than expected by the Originator or a CLO issuer (as applicable), such a decrease or deficiency may affect the value of the investments made by the Originator or a CLO issuer. Accordingly, there will be an adverse effect on the performance of the CLO issuer and/or the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/ or the market price of the Shares.

CLO Income Notes are volatile and interest and principal payments payable on the CLO Income Notes are not fixed

CLO Income Notes are the most subordinated tranche of a CLO and all payments of principal and interest on such CLO Income Notes are fully subordinated. Interest and principal payments are not fixed but are based on residual amounts available to make such payments. As a result, payments on such CLO Income Notes will be made by the CLO issuer to the extent of available funds, and no payments thereon will be made until amongst other things (a) the payment of certain costs, fees and expenses have been made and (b) interest and principal (respectively) has been paid on the more senior notes of the CLO. Non-payment of interest or principal on such CLO Income Notes will be unlikely to cause an event of default in relation to the CLO issuer.

CLO Income Notes represent a highly leveraged investment in the underlying assets of the CLO issuer. Accordingly, it is expected that changes in the market value of such CLO Income Notes will be greater than changes in the market value of the underlying assets of the CLO issuer, which themselves are subject to credit, liquidity, interest rate and other risks. Utilisation of leverage is a speculative investment technique and involves certain risks to investors and will generally magnify the CLO Income Notes investors' opportunities for gain and risk of loss. In certain scenarios, the CLO Income Notes may be subject to a partial or a 100 per cent. loss of invested capital. CLO Income Notes represent the most junior securities in a leveraged capital structure. As a result, any deterioration in performance of the asset portfolio of a CLO issuer, including defaults and losses, a reduction of realised yield or other factors, will be borne first by holders of such CLO Income Notes prior to the rest of the capital structure.

CLO Income Notes are a limited recourse obligation of the CLO issuer

CLO Income Notes are a limited recourse obligation of a CLO issuer and amounts payable on CLO Income Notes are payable solely from amounts received in respect of the collateral of the CLO issuer. Payments on CLO Income Notes prior to and following enforcement of the security over the collateral of a CLO issuer are subordinated to the prior payment of certain costs, fees and expenses of, or payable by, the CLO issuer and to payment of principal and interest on more senior notes of the CLO issuer. The holders of CLO Income Notes must rely solely on distributions on the collateral of the CLO for payment of principal and interest, if any, on the CLO Income Notes. There can be no assurance that the distributions on the collateral of a CLO will be sufficient to make payments on the CLO Income Notes. If distributions are insufficient to make payments on the CLO Income Notes, no other assets of the CLO issuer will be available for payment of the deficiency and following realisation of the collateral and the application of the proceeds thereof, the obligations of the CLO issuer to pay such deficiency shall be extinguished. Such shortfall will be borne in the first instance by the CLO Income Notes.

In addition, at any time whilst the CLO Income Notes are outstanding in a CLO, no CLO Income Notes holder shall be entitled at any time to institute against the related CLO issuer, or join in any institution against such CLO issuer of, any bankruptcy, reorganization, arrangement, insolvency, examinership, winding up or liquidation proceedings under any applicable bankruptcy or similar law in connection with any obligations of the CLO issuer relating to the CLO Income Notes or otherwise owed to the CLO Income Notes holder, save for lodging a claim in the liquidation of the CLO issuer which is initiated by another party or taking proceedings to obtain a declaration as to the obligations of the CLO issuer, nor shall it have a claim arising in respect of the share capital of the CLO issuer.

CLO Income Notes have limited liquidity

In addition to the restrictions mentioned in the section titled "*The Originator will be unable to liquidate, sell, hedge or otherwise mitigate its credit risk under or associated with the CLO Retention Income Notes until such time as the securities of the relevant CLO have been redeemed in full (whether at final maturity or early redemption), which places limitations on the Company's ability to redeem the Profit Participating Notes*", there will usually be a limited market for notes representing collateralised loan obligations (including the CLO Income Notes). There is no guarantee that any party to a CLO transaction will make a secondary market in relation to the CLO Income Notes. There can be no assurance that a secondary market for any CLO Income Notes will develop or, if a secondary market does develop, that it will provide the holders of CLO Income Notes with liquidity of investment or that it will continue for the life of such notes. As a result, the Originator may have to hold the CLO Income Notes for an indefinite period of time or until their early redemption date or maturity date. Where a market does exist, to the extent that an investor wants to sell the CLO Income Notes, the price may, or may not, be at a discount from the outstanding principal amount. There may be additional restrictions on divestment in the terms and conditions of CLO Income Notes.

The Originator will be unable to liquidate, sell, hedge or otherwise mitigate its credit risk under or associated with the CLO Retention Income Notes until such time as the securities of the relevant CLO have been redeemed in full (whether at final maturity or early redemption), which places limitations on the Company's ability to redeem the Profit Participating Notes

The CLOs in which the Originator may invest are intended to be compliant with the European risk retention requirements for securitisation transactions, namely Part Five of Regulation No 575/2013 of the European Parliament and of the Council (the "**CRR**") as amended from time to time and including any guidance or any technical standards published in relation thereto (the "**CRR Retention Requirements**") and Article 51 of Regulation (EU) No 231/2013 as amended from time to time and Article 17 of the AIFMD, as implemented by Section 5 of Chapter III of the European Union Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012, supplementing the AIFMD, including any guidance published in relation thereto and any implementing laws or regulations in force in any Member State of the European Union (together with the CRR Retention Requirements, the "**Retention Requirements**"). In connection with this intention, the Originator will need to, amongst other things, (a) on the closing date of a CLO, commit to purchase an amount of the CLO Income Notes equal to at least 5 per cent. of the maximum portfolio principal amount of the assets in the CLO (the "**CLO Retention Income Notes**") and (b) undertake that, for so long as any securities of the CLO remain outstanding (including the CLO Retention Income Notes), it will retain its interest in the CLO Retention Income Notes and will not (except to the extent permitted by the Retention Requirements, the accompanying regulatory technical standards or any other related guidance published by the European Securities and Markets Authority) sell, hedge or otherwise mitigate its credit risk under or associated with such CLO Retention Income Notes. The Originator may make certain representations and/or give certain undertakings in favour of Originator CLOs (and/or certain other transaction parties) in respect of its ongoing retention of the CLO Retention Income Notes and regarding its agreement to sell certain assets to such Originator CLO from time to time. There are currently transactions in the market which are similar to the Originator CLOs, however if an applicable regulatory authority supervising investors in an Originator CLO were to conclude that the Originator was not holding the CLO Retention Income Notes in accordance with the CRR, it is possible, but far from certain, that this may negatively impact upon the investors in such Originator CLO. If such investors decided to take action against the Originator as a result of any negative impact, this may have an adverse effect on the Originator's business and financial position and, by extension, may have an adverse effect on the Company's financial performance and prospects.

In addition, with the intention of achieving classification as an "originator" (as defined in the CRR) and complying with the CRR Retention Requirements, the Originator will be required to commit to: (a) establishing the relevant CLO, (b) selling investments to the relevant CLO which it has (i) purchased for its own account initially or (ii) itself or through related entities, directly or indirectly, been involved in the original agreement which created such obligations and (c) during each relevant CLO's reinvestment period agreeing to sell investments to the relevant CLO from time to time so that, for so long as the securities of the CLO are outstanding, over 50 per cent. of the total securitised exposures held by the CLO issuer have come

from the Originator (such percentage calculated including the principal proceeds received by the relevant CLO in respect of any Originator sourced assets).

As a result of the above commitments, the Originator will be unable to liquidate, sell, hedge or otherwise mitigate its credit risk under or associated with the CLO Retention Income Notes until such time as the securities of the relevant CLO have been redeemed in full (whether at final maturity or early redemption). Consequently, if the Profit Participating Notes were to become due and repayable in connection with an early redemption or were subject to partial-redemption, the Originator will not be obliged under the terms of the Profit Participating Notes and the NPA to immediately sell, transfer or liquidate the CLO Retention Income Notes and the proceeds of such CLO Retention Income Notes (if any) will not be available until the final maturity or early redemption in full of the securities of the relevant CLO. In addition, cash held by the Originator will not be able to be used to repay the Profit Participating Notes to the extent that such repayment could leave the Originator unable to continue to originate and sell assets to the CLO issuers in order to ensure during the relevant CLO's reinvestment period, that it has provided over 50 per cent. of the total securitised exposures of each CLO issuer (such percentage calculated including the principal proceeds received by the relevant CLO in respect of any Originator sourced assets).

The Originator will hold a controlling equity stake in the Originator CLOs; accordingly upon exercise by the Originator, an early redemption option will result in a full redemption of the applicable CLO securities. The Originator will generally not be able to exercise any early redemption options until two years from the closing date of the CLO. As a result of this feature and the Risk Retention Requirements, the relevant CLO Retention Income Notes will not be permitted to be sold, transferred or liquidated during this time. In addition, even after an early redemption option is permitted to be exercised, such an option usually contains a number of conditions to its exercise including, but not limited to, a threshold that the liquidation value of the CLO collateral exceed an amount which would pay (a) all expenses of the CLO and (b) principal and accrued interest on the CLO notes senior to the CLO Income Notes. If the liquidation value of the portfolio will not achieve this threshold at the time the Originator intends to exercise its early redemption option, the CLO will not be able to be optionally redeemed by the Originator at such time. In such circumstances the CLO Retention Income Notes may not redeem until their final stated maturity (which may be in excess of 20 years), therefore producing no proceeds to repay the Profit Participating Notes until this point. See further the risk factor titled "*The Profit Participating Notes issued by the Originator held by the Company have limited liquidity*".

Potential non-compliance with or changes to the European risk retention requirements

The purchase and retention of the CLO Retention Income Notes in a CLO will be undertaken by the Originator with the intention of achieving compliance with the Retention Requirements by the relevant CLO. As at the publication of this Prospectus, the European Commission has published and adopted its delegated regulation supplementing the CRR by way of regulatory technical standards (the "**RTS**") and such standards were published in the Official Journal of the European Union on 13 June 2014. The RTS specifies the requirements for investors, sponsors, original lenders and originator institutions relating to exposure to transferred credit risk in securitisations and provides greater detail on the interpretation and implementation of the CRR Retention Requirements.

The Retention Requirements may be amended, supplemented or revoked from time to time. There is no guarantee that existing CLOs will be grandfathered into the regime which results from such amendments, supplements or revocations and, as such, the CLOs in which the Originator is retaining the CLO Retention Income Notes, may become non-compliant with the Retention Requirements.

Liability for breach of a risk retention letter

The arranger and certain other parties of a CLO in which the Originator agrees to hold the CLO Retention Income Notes will require the Originator to execute a risk retention letter. Under a risk retention letter the Originator will typically be required to, amongst other things, make certain representations, warranties and undertakings: (a) in relation to its acquisition and retention of the CLO Retention Income Notes for the life of the CLO; and (b) regarding its agreement to sell assets to the relevant CLO from time to time. If the Originator: sells or is forced to sell the CLO Retention Income Notes prior to the maturity of the relevant

CLO, or the Originator holds insufficient cash or investments to continually sell the assets to the CLO as described above or for any other reason the Originator is not considered to be an "originator" (as such term is defined in the CRR), the Originator may be in breach of the terms of the related risk retention letter. In such circumstances the arranger of the relevant CLO and the other parties to the related risk retention letter would have recourse to the Originator for losses incurred as a result of such breach. Such claims may reduce, or entirely diminish any cash or assets of the Originator which may have been available to repay the Profit Participating Note and the interest payable on the Profit Participating Notes.

RISKS RELATING TO DFME

The performance of the Company and the Originator has some dependence on the skills and the personnel of DFME and the human resources it provides to the Originator in its capacity as the Service Support Provider

In accordance with the Portfolio Service Support Agreement, DFME (in its capacity as the Service Support Provider) is responsible for providing certain service support and assistance to the Originator. The Service Support Provider will also be responsible for providing the necessary human resources to the Originator so that the business and management functions of the Originator can be carried on. The Originator's directors, acting on the advice of the human resources provided to the Originator by the Service Support Provider will have responsibility for managing the business affairs of the Originator, in accordance with the NPA, the applicable laws and its constitutional documents, and the Originator's directors will have overall responsibility for the activities of the Originator. While the Originator's directors will have responsibility for and oversight of the Originator's business, and such business will be managed by the Originator's directors, the Originator's day-to-day performance will also be reliant on service support received from the Service Support Provider. As a result, if the Service Support Provider were no longer able to provide the service support under the Portfolio Service Support Agreement or failed to provide the service support in the manner required by the Originator's directors to manage the Originator's portfolio and business, this could have a material adverse effect on the performance of the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares. DFME (in its capacity as Adviser) will also be providing certain advice directly to the Company pursuant to the Advisory Agreement and, in its capacity as the CLO Manager, will also manage Originator CLOs. Consequently, the Company and the Originator will be dependent on the advisory and management experience of the individuals employed by DFME, some of whom will be made available to the Originator pursuant to the Portfolio Service Support Agreement (as more fully described in Part IX of this Prospectus). As a result, DFME will be providing services and advice (as applicable) in several different capacities, which may result in conflicts of interest. If such conflicts of interest arise, they may need to be resolved in a manner which adversely affects one of the parties which DFME provides services or advice (as applicable). This could have a material adverse effect on the performance of the Company, a CLO issuer and/or the Originator (and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares).

Further, the future ability of the Originator to pursue its investment policy successfully and the ability of DFME to advise the Company as required under the Advisory Agreement may depend on DFME's ability to retain its existing staff and/or to recruit individuals of similar experience and calibre. Whilst DFME has endeavoured to ensure that the principal members of its advisory and service support team are suitably incentivised, the retention of key members of the teams cannot be guaranteed. In the event of a departure of a key DFME employee, there is no guarantee that DFME would be able to recruit a suitable replacement or that any delay in doing so would not adversely affect the performance of the Originator or, by extension, the Company. Events impacting but not entirely within DFME's control, such as its financial performance, its being acquired or making acquisitions or changes to its internal policies and structures could in turn affect its ability to retain key personnel. If key personnel of DFME were to depart or DFME were unable to recruit individuals with similar experience and calibre, DFME may not be able to provide services or advice (as applicable) to the requisite level expected or required by the Originator or the Company (as applicable). This could have a material adverse effect on the performance of the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

Under both the Portfolio Service Support Agreement and the Advisory Agreement, DFME agrees to perform its obligations to a specified Standard of Care (defined below); provided that DFME will not be liable for any loss or damages resulting from any failure to satisfy the Standard of Care except in certain limited circumstances. If a liability were to be incurred by the Originator or Company (as applicable) in a situation where DFME had acted in accordance with its Standard of Care, the Originator or the Company (as applicable) would (except in certain limited circumstances) have no recourse to DFME and such liabilities would be for the account of the Originator or the Company (as applicable). This could have a material adverse effect on the performance of the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares. Additionally, under the Portfolio Service Support Agreement and the Advisory Agreement, the Originator and the Company (respectively) will be required to indemnify DFME and its affiliates, managers, directors, officers, partners, agents and employees, from and against all liabilities incurred in connection with the Portfolio Service Support Agreement or the Advisory Agreement (as applicable) (except to the extent such liabilities are incurred as a result of any acts or omissions of DFME that constitute a Service Support Provider Breach). As a result, if such liabilities arise, the Originator or the Company (as applicable) will be required to make payment under the Service Support Provider's or Adviser's indemnity, as applicable, which could have a material adverse effect on the performance of the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares. Further details in respect of the Portfolio Service Support Agreement and the Advisory Agreement are set out in the section titled "*Material Contracts*" in Part VIII of this Prospectus.

DFME is able to resign its role as Service Support Provider under the Portfolio Service Support Agreement upon 90 days' written notice to the Originator and, in the case of the Advisory Agreement, its role as Adviser upon 30 days' written notice to the Company. Whilst a resignation of the Service Support Provider under the Portfolio Service Support Agreement and of the Adviser under the Advisory Agreement will not be effective until the date as of which a successor adviser has been appointed, it may be difficult to locate a successor to either role. If a successor cannot be found for either role, the Originator may not have the resources it considers necessary to manage its portfolio or to make investments appropriately and, as a result, there may be a material adverse effect on the performance of the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares. In addition, the Service Support Provider under the Portfolio Service Support Agreement and the Adviser under the Advisory Agreement, may in each case immediately resign under either agreement by providing written notice to the Originator upon the occurrence of certain events relating to the Originator (in respect of the Portfolio Service Support Agreement or the Company under the Advisory Agreement) such as, amongst others, the failure of the Originator or the Company (as applicable) to comply in any material respect with its investment policy, a wilful breach or knowing violation by the Originator or the Company (as applicable) of a material provision of the Portfolio Service Support Agreement or Advisory Agreement (as applicable) or the occurrence of insolvency proceedings in respect of the Originator. If any of these events were to occur and resulted in the resignation of the Service Support Provider or the Adviser (as applicable), the Originator or the Company (as applicable) may not have the expertise available to it in order to manage its assets and may experience difficulty in locating an alternative service support provider or adviser and, as a result, there may be a material adverse effect on the performance of the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

In the event of the removal of DFME as CLO Manager in respect of an Originator CLO, it will continue as CLO Manager of the relevant Originator CLO, and will continue to receive any CLO Management Fees and expenses accrued to the date of actual termination of its duties.

RISKS RELATING TO CONFLICTS OF INTEREST

The following briefly summarises various potential and actual conflicts of interest that may arise from the overall advisory, investment, capital markets, lending and other activities of DFME and its affiliates and their respective clients and employees, but it is not intended to be an exhaustive list of all such conflicts. References in this conflicts discussion to DFME include its affiliates unless otherwise specified or the context otherwise requires.

DFME is entitled to receive CLO Management Fees from the Originator CLOs and managed by DFME as CLO Manager (the "**Originator CLOs**") out of proceeds received by the Originator CLOs from the collateral obligations such Originator CLO holds. DFME is under no obligation to manage Originator CLOs in a manner which will favour the CLO Income Notes held by the Originator in such Originator CLO. If the Originator CLO is not managed in a manner which favours the CLO Income Notes this may have a material adverse effect on the performance of the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

Certain inherent conflicts of interest arise from the fact that DFME and its affiliates that operate under the credit business of The Blackstone Group LP (collectively, "**GSO Affiliates**") will provide investment management, advisory and service support services to the Originator CLOs, the Originator, the Company and to other clients, including other collateralised debt obligation vehicles, other investment funds, and any other investment vehicles that the GSO Affiliates may establish from time to time (the "**Other GSO Funds**"), as well as client accounts (including one or more managed accounts (or other similar arrangements, including those that may be structured as one or more entities) (collectively, the "**GSO Managed Accounts**") and proprietary accounts managed by GSO Affiliates in which none of the Originator CLOs, the Originator or the Company will have an interest (such other clients, funds and accounts, collectively the "**Other GSO Accounts**"). In addition, The Blackstone Group LP and its affiliates (collectively, "**Blackstone Affiliates**") provide investment management services to other clients, including other investment funds, and any other investment vehicles that Blackstone Affiliates may establish from time to time (such funds, other than the Other GSO Funds, the "**Other Blackstone Funds**", and together with the Other GSO Funds, the "**Other Funds**"), client accounts, and proprietary accounts in which none of the Originator CLOs, the Originator or the Company will have an interest (such other clients, funds and accounts, other than the Other GSO Accounts, collectively the "**Other Blackstone Accounts**" and together with the Other GSO Accounts, the "**Other Accounts**"). The respective investment programs of the Originator CLOs, the Originator, the Company and the Other Accounts may or may not be substantially similar. GSO Affiliates and Blackstone Affiliates may give advice and recommend securities to Other Accounts that may differ from advice given to, or securities recommended or purchased on behalf of, the Originator CLOs, the Originator or the Company (if applicable) even though their investment objectives may be the same or similar to those of the Originator CLOs, the Originator or the Company. As a result, there is no guarantee that the performance of Other Accounts will match that of the Originator CLOs, the Originator or the Company and the performance of the Originator CLOs, the Originator and the Company may differ substantially from that of Other Accounts.

Allocation of opportunities between the Originator CLOs, the Originator and the Other Accounts

DFME and the Originator (as applicable) will seek to manage potential conflicts of interest in good faith, in circumstances where the portfolio strategies employed by the GSO Affiliates and Blackstone Affiliates in managing their respective Other Accounts could conflict with the transactions and strategies employed: (a) by DFME in managing the portfolio on behalf of the Originator CLOs and in providing services to the Originator; (b) by the Originator in managing its portfolio and/or (c) by DFME in advising the Company under the Advisory Agreement, and may affect the prices and availability of the securities and instruments in which the Originator CLOs invest and in which the Originator itself invests. Notwithstanding this, if conflicts of interest do arise, there is no guarantee that they will be resolved in a manner which the Originator, the Originator CLOs or the Company consider favourable to their respective business or investments and, as a result, the performance of the Originator CLOs, the Originator and, by extension the Company's business, financial condition, operations, NAV and/or the market price of the Shares may not be as favourable as it would be if a conflict were resolved with a different result. Conversely, participation in specific investment opportunities may be appropriate, at times, for the Originator CLOs, the Originator itself and Other Accounts. It is the policy of the GSO Affiliates and Blackstone Affiliates to generally share appropriate investment opportunities (including purchase and sale opportunities) with the Other Accounts (and by association, with the Originator and Originator CLOs). In general and except as provided below, this means that such opportunities will be allocated *pro rata* among the Originator CLOs, the Originator (if the Originator wishes to invest in any such opportunity) and the Other Accounts based on targeted acquisition size (generally based on available capacity) or targeted sale size (or, in some sales cases, the aggregate positions), taking into account available cash and the relative capital of the respective entities.

Nevertheless, investment opportunities may be allocated other than on a *pro rata* basis, if GSO Affiliates, Blackstone Affiliates or Blackstone Affiliates (including certain of the human resources provided by DFME under the Portfolio Service Support Agreement) (as applicable), deem in good faith that the Originator CLOs, the Originator (if the Originator wishes to invest in any such opportunity) and the Other Accounts (as applicable) receive fair and equitable treatment and determine that a different allocation among the Originator CLOs, the Originator and the Other Accounts is appropriate, taking into account, among other considerations, (a) the risk-return profile of the proposed investment relative to the current risk profiles of the Originator CLOs, the Originator or the Other Accounts; (b) the investment guidelines, restrictions and objectives of the Originator CLOs, the Originator or the Other Accounts, including whether such objectives are considered solely in light of the specific investment under consideration or in the context of the respective portfolio's overall holdings; (c) the need to re-size risk in the portfolios of the Originator CLOs, the Originator or Other Accounts, including the potential for the proposed investment to create an industry, sector or issuer imbalance among the portfolios of the Originator CLOs, the Originator and the Other Accounts; (d) liquidity considerations of the Originator CLOs, the Originator and Other Accounts, including during a ramp-up or wind-down of the Originator CLOs, the Originator or Other Accounts, proximity to the end of the specified term of the Originator CLOs, the Originator's investment period or Other Accounts, any redemption/withdrawal requests, anticipated future contributions and available cash; (e) tax consequences; (f) regulatory restrictions or consequences; (g) when a *pro rata* allocation could result in *de minimis* or odd lot allocations; (h) degree of leverage availability and any requirements or other terms of any existing leverage facilities; (i) the nature and extent of involvement in the transaction on the part of the respective teams of investment professionals or service support teams dedicated to the Originator CLOs, the Originator or an Other Account (as applicable); and (j) any other considerations deemed relevant by DFME (including certain of the personnel provided by DFME under the Portfolio Service Support Agreement), the Originator or the applicable investment adviser to an Other Account.

In addition, orders may be combined for all such accounts, and if any order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, securities may be allocated among the different accounts on a basis which DFME, the Originator in providing services under the Portfolio Service Support Agreement (including the personnel provided by DFME) or their respective affiliates consider equitable. From time to time, the Originator CLOs, the Originator and the Other Accounts may make investments at different levels of an issuer's capital structure or otherwise in different classes of an issuer's securities. Such investments may inherently give rise to conflicts of interest or perceived conflicts of interest between or among the various classes of securities that may be held by such entities.

Neither the Blackstone Affiliates nor the Other Accounts are under any obligation to offer investment opportunities of which they become aware to the Originator CLOs or the Originator or to share with the Originator CLOs or the Originator or to inform the Originator CLOs or the Originator of any such transaction or any benefit received by them from any such transaction or to inform the Originator CLOs or the Originator of any investments before offering any investments to other funds or accounts that they manage or advise. Furthermore, Blackstone Affiliates and/or GSO Affiliates may make an investment on their own behalf or on behalf of their clients without offering the opportunity to add such investment, or adding such investment, to the portfolios of the Originator CLOs or the Originator. Affirmative obligations may exist or may arise in the future, whereby affiliates of DFME may be obligated to offer certain investments to funds or accounts that such affiliates manage or advise before or without DFME offering those investments to the Originator CLOs or the Originator. DFME may invest in or, in its capacity as Service Support Provider or CLO Manager (as applicable), provide services in respect of, assets on behalf of the Originator CLOs or the Originator (as applicable) that it or any of its clients has declined to invest in for its own account, the account of any of its affiliates or the account of its other clients.

All the different bases for determination on allocations as described above may result in the Originator CLOs or the Originator (and by extension, the Company) failing to achieve the return from their portfolio that they would have achieved had a particular asset or assets been allocated to them any this may have a material adverse effect on the general performance of the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

DFME may invest in or, in its capacity as Service Support Provider or CLO Manager (as applicable), provide services or advice (as applicable) in respect of, assets on behalf of the Originator CLOs or the Originator (as applicable) that it or any of its clients has declined to invest in for its own account, the account of any of its affiliates or the account of its other clients.

Co-investments among the Originator CLOs, the Originator and the Other Accounts

To the extent the Originator CLOs, the Originator or the Company may hold securities that are different (including with respect to their relative seniority) from those held by an Other Account, the Blackstone Affiliates may be presented with decisions when the interests of the Originator CLOs, the Originator, the Company and the Other Account are in conflict. If the Originator CLOs, the Originator or the Company make or have an investment in, or, through the purchase of debt obligations become a lender to, a company in which an Other Account has a debt or an equity investment, DFME may have conflicting loyalties between their duties to the Originator CLOs, the Originator, the Company and to other Blackstone Affiliates. In addition, conflicts may arise in determining the amount of an investment, if any, to be allocated among potential investors and the respective terms thereof. In that regard, actions may be taken for the Other Accounts that are adverse to the Originator CLOs, the Originator or the Company. In connection with negotiating senior loans and bank financings in respect of transactions sponsored by one or more Blackstone Affiliates, Blackstone Affiliates or GSO Affiliates may obtain the right to participate on its own behalf (or on behalf of vehicles that it manages) in a portion of the senior term financings with respect to such transactions on an agreed upon set of terms. DFME does not, however, believe that the foregoing arrangements have an effect on the overall terms and conditions negotiated with the arrangers of such senior loans. Notwithstanding this, there is no guarantee that such conflicts will be resolved in favour of any of the Originator CLOs, the Originator or the Company and, if the conflict is resolved in a manner which is considered by such entities (or their investors) to be adverse to their interests, this may have a material adverse effect on the performance of the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The collateral obligations to be held by the Originator CLOs or the Originator may include obligations issued by entities in which Blackstone Affiliates or Other Accounts have made investments, obligations that Blackstone Affiliates have assisted in structuring but in which they have or have not chosen to invest and obligations in respect of which Blackstone Affiliates or Other Accounts participated in the original lending group and/or acted or act as an agent. In addition, the collateral obligations may include obligations previously held by Blackstone Affiliates or Other Accounts, and the Originator CLOs or the Originator may purchase collateral obligations from, or sell collateral obligations to, one or more Blackstone Affiliates or Other Accounts. Although any such purchase or sale must comply with certain criteria set forth in the management and administration agreement and other transaction documents entered into by such Originator CLOs or the Originator (including the requirement that any such purchase or sale be on an arm's length basis), DFME may take into consideration the interests of the Other Accounts when making decisions regarding the purchase and sale of collateral obligations on behalf of the Originator CLOs under the management and administration agreement or in providing the services or human resources it provides to the Originator under the Portfolio Service Support Agreement. DFME's consideration of the interests of Other Accounts may result in the Originator or the Originator CLOs purchasing different assets than they would have purchased had DFME not considered such interests, and depending on the performance of such assets, this may have a material adverse effect on the performance of the Originator and, by extension, the Company.

Acquisition of Originator CLO Income Notes by third parties

Blackstone Affiliates or Other Accounts may from time to time purchase any of the CLO Income Notes issued by the Originator CLOs (in this risk factor, referred to as the "**Originator CLO Income Notes**") or other classes of notes of the Originator CLOs ("**Other Notes**"). Blackstone Affiliates or Other Accounts (other than the Originator in relation to the CLO Income Notes) will not be required to retain all or any part of the Originator CLO Income Notes or Other Notes acquired by them. If Blackstone Affiliates or Other Accounts were to purchase any Originator CLO Income Notes or Other Notes, DFME may face a conflict of interest in the performance of its duties as the CLO Manager because of the conflicting interests of the

holders of the Originator CLO Income Notes or Other Notes held by Blackstone Affiliates or Other Accounts. If the CLO Manager were to perform its duties in a manner which was considered favourable to the interests of the Other Notes, this may have a material adverse effect on the performance of the Originator due to a lower relative return on its investment in Originator CLO Income Notes and, by extension the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares may be adversely affected. DFME may have an incentive to manage the Originator CLOs' investments in a manner as to seek to maximise the yield on the collateral obligations and maximise the yield on subordinated notes but which may result in an increase of defaults or volatility that adversely affects the return on Other Notes.

In addition, DFME may enter into agreements with one or more holders of Originator CLO Income Notes or Other Notes pursuant to which DFME may agree, subject to its obligations under the relevant share trust deeds, management and administration agreements and applicable law, to take actions with respect to such noteholder or noteholders that it will not take with respect to all of the noteholders (including the Originator). If DFME were to enter into such agreements, the information or rights which the Originator receives regarding the relevant Originator CLO may differ from that received by an investor in Other Notes. This could result in a differing relative performance between the notes held by the Originator and the Other Notes.

DFME may arrange for the Originator CLOs to acquire or sell, or provide support to the Originator in connection with its acquisition or sale of, collateral obligations from and to Blackstone Affiliates or Other Accounts from time to time subject to the applicable procedures in the relevant management and administration agreement or the Portfolio Service Support Agreement (as applicable). DFME will be required to use commercially reasonable endeavours to obtain the best prices and execution for all orders placed with respect to the collateral obligations (or assistance given to the Originator in this respect), considering all circumstances that are relevant in its reasonable determination. Subject to the objective of obtaining best prices and execution, DFME may take into consideration research and other brokerage services furnished to it or its affiliates by brokers and dealers that are not affiliates of DFME. Such services may be used by Blackstone Affiliates and Other Accounts in connection with their other advisory activities or investment operations. There is no guarantee that any such prices and execution will be achieved and that the brokerage services furnished by non-affiliate parties will be able to achieve the same level of price and execution as the level which is DFME's objective. If such prices and execution were not achieved as a result of these factors, it may have an adverse effect on the performance of the Originator CLOs, the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares. In addition, DFME may aggregate sales and purchase orders of securities placed with similar orders being made simultaneously for other accounts managed by DFME or with accounts of the affiliates of DFME's if in DFME's reasonable judgment such aggregation shall result in an overall economic benefit to the accounts, taking into consideration the advantageous selling or purchase price, brokerage commission and other expenses. There is no guarantee that DFME will be able to aggregate orders in a way which achieves such overall economic benefit, and if such benefit is not achieved this may have a material adverse effect of the performance of the Originator CLOs, the Originator and, by extension the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

Neither the Blackstone Affiliates nor the Other Accounts are under any obligation to offer investment opportunities of which they become aware to the Originator CLOs or the Originator, to share with the Originator CLOs or the Originator or to inform the Originator CLOs or the Originator of any such transaction or any benefit received by them from any such transaction, or to inform the Originator CLOs or the Originator of any investments before offering any investments to other funds or accounts that they manage or advise. Furthermore, affiliates of DFME may make an investment on their own behalf or on behalf of their clients without offering the opportunity to add such investment, or adding such investment, to the portfolios of the Originator CLOs or the Originator. Affirmative obligations may exist or may arise in the future, whereby affiliates of DFME may be obligated to offer certain investments to funds or accounts that such affiliates manage or advise before or without DFME offering those investments to the Originator CLOs or the Originator. DFME may invest in assets on behalf of the Originator CLOs that it or any of its clients has declined to invest in for its own account, the account of any of its affiliates or the account of its other clients. The Originator may also invest in any such assets.

Allocation of expenses

DFME and/or any of its affiliates may from time to time incur expenses jointly on behalf of the Originator CLOs, the Originator (in accordance with the Portfolio Service Support Agreement), the Company (in accordance with the Advisory Agreement) or other accounts managed by them and one or more subsequent entities established or advised by them. Although DFME and/or its affiliates will attempt to allocate such expenses on a basis that they consider equitable, there can be no assurance that such expenses will, in all cases, be allocated appropriately among such parties. The level of expenses allocated to the Originator CLOs, the Originator and the Company may have an adverse effect on each of them. A high level of expenses may: (i) in relation to the Originator CLOs, result in a decreased return on the Originator CLO Income Notes; (ii) in relation to the Originator, result in a significant reduction in its cash reserves available for investment; and (iii) in relation to the Company, result in a reduction of its working capital. In each case, the level of expenses may have a material adverse effect on the performance of the Originator CLOs, the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

Risks arising out of the broad spectrum of activities engaged in by Blackstone Affiliates

Blackstone Affiliates engage in a broad spectrum of activities. In the ordinary course of their business activities, Blackstone Affiliates may engage in activities where the interests of certain divisions of Blackstone Affiliates or the interests of their clients may conflict with the interests of the holders of the Originator CLO Income Notes or Other Notes, the Originator or the Company. Other present and future activities of Blackstone Affiliates may give rise to additional conflicts of interest. In the event that a conflict of interest arises, DFME will attempt to resolve such conflict in a fair and equitable manner. DFME will have the power to resolve, or consent to the resolution of, conflicts of interest on behalf of, and such resolution will be binding on, the Originator CLOs, the Originator or the Company (as applicable). Investors should be aware that conflicts will not necessarily be resolved in favour of the Originator CLOs', the Originator's or the Company's interests. As a result, if conflicts were resolved in a manner perceived to be adverse to the Originator CLOs, the Originator or the Company, this may have a material adverse effect on the performance of the Originator CLOs, the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

Specified policies and procedures implemented by DFME and its affiliates to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions may reduce the synergies across Blackstone Affiliates' various businesses that the Originator CLOs, the Company or the Originator expect to draw on for the purposes of pursuing attractive investment opportunities. Because Blackstone Affiliates have many different asset management and advisory businesses, they are subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than that to which they would otherwise be subject if they had just one line of business. In addressing both these conflicts and the regulatory, legal and contractual requirements across their various businesses, Blackstone Affiliates have implemented certain policies and procedures (e.g. information walls) that may reduce the positive synergies that the Originator CLOs, the Company (if applicable) or the Originator expect to utilise for purposes of finding attractive investments. The effect of a reduction in positive synergies may be a relative decrease in the performance of the Originator CLOs, the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares. For example, Blackstone Affiliates may come into possession of material non-public information with respect to companies in which the Originator CLOs or the Originator may be considering making an investment or companies that are Blackstone Affiliates' advisory clients. In certain situations, the Originator CLOs' or the Originator's activities could be restricted even if such information, which could be of benefit to the Originator CLOs or the Originator, was not made available to DFME. Additionally, the terms of confidentiality or other agreements with or related to companies in which any fund of Blackstone Affiliates has or has considered making an investment or which is otherwise an advisory client of Blackstone Affiliates may restrict or otherwise limit the ability of the Originator CLOs or the Originator to make investments in or otherwise engage in businesses or activities competitive with such companies, and Blackstone Affiliates may enter into one or more strategic relationships in certain regions or with respect to certain types of investments that, although may be intended to provide greater opportunities for the

Originator CLOs (in connection with the management services DFME or its affiliates provide to them) or the Originator (in connection with the service support DFME provides under the Portfolio Service Support Agreement), may require the Originator CLOs or the Originator to share such opportunities or otherwise limit the amount of an opportunity the Originator CLOs or the Originator can otherwise take. Any of the foregoing restrictions on Blackstone Affiliates may (either directly, or indirectly via restrictions on the Originator's or Originator CLOs' ability to participate in any relevant investments), result in a relative decrease in the performance of the Originator CLOs, the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

As part of its regular business, Blackstone Affiliates provide a broad range of investment banking, advisory, underwriting, placement agent services and other services. In addition, Blackstone Affiliates may provide services in the future beyond those currently provided. Neither the Originator CLOs nor the Originator will receive a benefit from the fees or profits derived from such services. As a result of these and other obligations, Blackstone Affiliates are not exclusively dedicated to the Originator or the Originator CLOs and there may be a relatively lower performance of the Originator CLOs, the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares as compared to a situation where Blackstone Affiliates are exclusively dedicated to providing services to them. In addition, future services Blackstone Affiliates agree to provide as part of their business may create a conflict of interest with the Originator or Originator CLOs that has an adverse effect on the performance of the Originator CLOs, the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

In the regular course of its investment banking and advisory businesses, Blackstone Affiliates represent potential purchasers, sellers and other involved parties, including corporations, financial buyers, management, shareholders and institutions, with respect to transactions that could give rise to investments that are suitable for the Originator CLOs or the Originator. In such a case, a client of a Blackstone Affiliate would typically require the Blackstone Affiliate to act exclusively on its behalf, thereby precluding the Originator CLOs or the Originator from participating in such transactions. Blackstone Affiliates will be under no obligation to decline any such engagements in order to make an investment opportunity available to the Originator CLOs or to provide the Originator with the service support under the Portfolio Service Support Agreement and as a result, the relative return of the Originator CLOs and the Originator on their investments may be lower than a situation where they were able to invest in such transactions. In connection with its investment banking, advisory and other businesses, Blackstone Affiliates may come into possession of information that limits its ability to engage in potential transactions. The Originator CLOs' or the Originator's activities may be constrained as a result of the inability of the personnel of Blackstone Affiliates to use such information. For example, employees of Blackstone Affiliates may be prohibited by law or contract from sharing information with members of DFME's investment team. Additionally, there may be circumstances in which one or more of certain individuals associated with Blackstone Affiliates will be precluded from providing services related to the Originator CLOs' or the Originator's activities because of certain confidential information available to those individuals or to other Blackstone Affiliates. In certain sell-side and fundraising assignments, the seller may permit the Originator CLOs or the Originator to act as a participant in such transaction, which would raise certain conflicts of interest inherent in such a situation (including as to the negotiation of the purchase price). Any of the foregoing restrictions on Blackstone Affiliates may (either directly, or indirectly via restrictions on the Originator's or Originator CLOs' ability to participate in any relevant investments) result in a relative decrease in the performance of the Originator CLOs, the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

Blackstone Affiliates have long-term relationships with a significant number of corporations and their senior management. In determining whether to invest in a particular transaction on behalf of the Originator CLOs, in providing the service support under the Portfolio Service Support Agreement to the Originator or providing advice to the Company under the Advisory Agreement, DFME will consider those relationships, which may result in certain transactions that DFME will not undertake on behalf of the Originator CLOs, will not assist the Originator in relation to or will not advise the Company in respect of, in view of such relationships. This may result in a lack of availability of the resources, support or advice of the Originator, the Originator CLOs and the Company require to manage effectively their respective businesses and

investments. The Originator CLOs, the Company or the Originator may also co-invest with clients of Blackstone Affiliates in particular investment opportunities, and the relationship with such clients could influence the decisions made by DFME with respect to such investments. Any such relationships may have an adverse relative effect on the performance of the Originator CLOs, the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

Blackstone Affiliates may from time to time participate in underwriting or lending syndicates with respect to an obligor of a debt security, or may otherwise be involved in the public offering and/or private placement of debt or equity securities issued by, or loan proceeds borrowed by, such obligors, or otherwise in arranging financing (including loans) for such obligors. Such underwritings may be on a firm commitment basis or may be on an uncommitted "best efforts" basis. A broker-dealer from Blackstone Affiliates may act as the managing underwriter or a member of the underwriting syndicate and purchase securities from issuers of collateral obligations. Blackstone Affiliates may also, on behalf of the obligor of a debt security or other parties to a transaction involving such obligors, effect transactions, including transactions in the secondary markets where it may nonetheless have a potential conflict of interest regarding such obligors and the other parties to those transactions to the extent it receives commissions or other compensation from the obligors and such other parties. Subject to applicable law, Blackstone Affiliates may receive underwriting fees, discounts, placement commissions, lending arrangement and syndication fees or other compensation with respect to the foregoing activities, which are not required to be shared with the obligors, the Originator CLOs, the Originator or DFME. In addition, the management or service support fee (as applicable) payable by the Originator CLOs or the Originator to DFME or its affiliates (as applicable) generally will not be reduced by such amounts. Blackstone Affiliates may nonetheless have a potential conflict of interest regarding the obligors of collateral obligations and the other parties to those transactions to the extent it receives commissions, discounts or such other compensation from such other parties. DFME will approve any transactions in which a broker-dealer that is a Blackstone Affiliate acts as an underwriter, as broker for the obligors of collateral obligations, or as dealer, broker or advisor, on the other side of a transaction with such obligor only where DFME believes in good faith that such transactions are appropriate for such obligor. Where a Blackstone Affiliate serves as underwriter with respect to an obligor's securities or loans, the Originator or Originator CLOs (if they hold such securities or loans in their portfolio) may be subject to a "lock-up" period following the offering under applicable regulations during which time its ability to sell any securities that it continues to hold is restricted. This may prejudice the Originator's or Originator CLOs' ability to dispose of such securities or loans at an opportune time which could have a material adverse effect on the performance of the Originator CLOs or the Originator and, by extension, on the Company's financial condition, results of operations, NAV and/or the market price of the Shares.

Blackstone Affiliates may represent creditors or debtors in proceedings under Chapter 11 of the United States Bankruptcy Code or prior to such filings. From time to time, Blackstone Affiliates may serve as advisor to creditor or equity committees. This involvement, for which Blackstone Affiliates may be compensated, may limit or preclude the flexibility that the Originator CLOs or Originator may otherwise have to participate in restructurings or the Originator CLOs or Originator may be required to liquidate any existing positions of the applicable issuer. The inability to transact in any security, derivative or loan held by the Originator CLOs or Originator could result in significant losses to the Originator CLOs or Originator and, by extension could have a material adverse effect on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

Blackstone Affiliates may come into possession of material non-public information with respect to an obligor. Should this occur, DFME would be restricted from buying or selling securities, derivatives or loans of the obligor on behalf of the Originator CLOs or providing service support under the Portfolio Service Support Agreement to the Originator in respect thereof until such time as the information became public or was no longer deemed material to preclude the Originator CLOs or Originator from participating in an investment. As a result, the Originator CLOs and/or the Originator may miss out on opportunities which could have resulted in greater returns on their investments. Disclosure of such information to DFME's personnel responsible for the affairs of the Originator CLOs or providing service support under the Portfolio Service Support Agreement to the Originator will be on a need-to-know basis only, and the Originator CLOs or Originator may not be free to act upon any such information. Therefore, the Originator CLOs or

Originator may not have access to material non-public information in the possession of Blackstone Affiliates which might be relevant to an investment decision to be made by the Originator CLOs or the Originator, and the Originator CLOs or Originator may initiate a transaction or sell an asset which, if such information had been known to it, may not have been undertaken. Due to these restrictions, the Originator CLOs or the Originator may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold, all of which could have a material adverse effect on the performance of the Originator CLOs or the Originator and, by extension, on the Company's financial condition, results of operations, NAV and/or the market price of the Shares.

Investments by the Originator CLOs, the Originator and Other Accounts in separate securities issued by an obligor

The Originator CLOs' or Originator's service providers (including lenders, brokers, attorneys and investment banking firms) may be investors in Other Funds, Other Accounts and/or sources of investment opportunities and counterparties therein. This may influence DFME or any of its affiliates in deciding whether to select such a service provider or have other relationships with Blackstone Affiliates. In situations where DFME or its affiliates were influenced to not use a particular service provider as a result of the above and it was considered that the refused service provider would have performed in a manner considered to be relatively better than the service provider actually chosen, this may be perceived to have an adverse relative effect on the performance of the Originator CLOs, the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares. Notwithstanding the foregoing, investment transactions for the Originator CLOs or the Originator that require the use of a service provider will generally be allocated to service providers on the basis of best execution (and possibly to a lesser extent in consideration of such service provider's provision of certain investment-related and other services that are believed to be of benefit for the Originator CLOs or the Originator). The allocation is not guaranteed, however, and if an allocation was not able to be made on the basis of best execution, this could result in an adverse relative effect on the performance of the Originator CLOs, the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

DFME's activities (including, without limitation, the holding of securities positions or having one of its employees on the board of directors of an obligor) could result in securities law restrictions on transactions in securities held by the Originator CLOs or the Originator, affect the prices of such securities or the ability of such entities to purchase, retain or dispose of such investments, or otherwise create conflicts of interest, any of which could have an adverse impact on the performance of the Originator CLOs or the Originator (and by extension, the Company).

DFME and its affiliates may expand the range of services that they provide over time. Except as described in this Prospectus, DFME and its affiliates will not be restricted in the scope of its business or in the performance of any such services (whether now offered or undertaken in the future) even if such activities could give rise to conflicts of interest, and whether or not such conflicts are described herein. If such conflicts do arise as a result of expansion in scope of the services provided to DFME and its affiliates, these conflicts could have an adverse impact on the performance of the Originator CLOs or the Originator (and, by extension, the Company). DFME and its affiliates have, and will continue to develop, relationships with a significant number of companies, financial sponsors and their senior managers, including relationships with clients who may hold or may have held investments similar to those intended to be made by the Originator CLOs or the Originator. These clients may themselves represent appropriate investment opportunities for the Originator CLOs or the Originator or may compete with the Originator CLOs or the Originator for investment opportunities. As compared to a situation where DFME and its affiliates were bound not to advise clients on similar (and potentially competing) interests as those held by the Originator CLOs or the Originator, the relative performance of the Originator CLOs and the Originator (and, by extension, the Company) may be lower.

DFME and its members, partners, officers and employees will devote as much of their time to the activities of the Originator CLOs (under the CLO Management Agreements), the Originator (under the Portfolio Service Support Agreement) or the Company (under the Advisory Agreement) as they deem necessary and

appropriate, in accordance with the relevant agreement and reasonable commercial standards. Blackstone Affiliates are not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the Originator CLOs, the Originator or the Company and/or may involve substantial time and resources of DFME. These activities could be viewed as creating a conflict of interest in that the time and effort of the members of DFME and its officers and employees will not be devoted exclusively to the business of the Originator CLOs, the Company or to the service it provides to the Originator but will be allocated between the business of the Originator CLOs, the Company, the Originator and the management of the monies of other clients of DFME. In the event that sufficient DFME resources are not (or not able to be) devoted to the Originator CLOs or the Originator, the Originator's ability to implement its investment policy may be adversely affected. This could have an adverse effect on the financial performance of the Originator CLOs or the Originator and, by extension, the financial performance of the Company.

The Originator CLOs or Originator may acquire a security from an obligor in which a separate security has been acquired by an Other Account or a Blackstone Affiliate. When making such investments, the CLO Manager or the Originator may have conflicting interests. To the extent that the Originator CLOs or the Originator hold interests that are different from (or more senior) than those held by such other vehicles, accounts and clients, DFME may be presented with decisions involving circumstances where the interests of such vehicles and accounts are in conflict with those of the Originator CLOs or the Originator. Furthermore, it is possible that the Originator CLOs' or Originator's interest may be subordinated or otherwise adversely affected by virtue of such other vehicle's or account's involvement and actions relating to its investment. For example, conflicts could arise where the Originator CLOs or the Originator become a lender to a company where another client owns equity securities of such company. In this circumstance, for example, if such company goes into bankruptcy, becomes insolvent or is otherwise unable to meet its payment obligations or comply with its debt covenants, conflicts of interest could arise between the holders of different types of securities as to what actions the company should take. If the aforementioned conflicts were resolved in a manner perceived to be adverse to the Originator CLOs, the Originator or the Company, this may have a material adverse effect on the performance of the Originator CLOs, the Originator and, by extension on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The officers, directors, members, managers, and employees of DFME may trade in securities for their own accounts, subject to restrictions and reporting requirements as may be required by law or the policies of Blackstone Affiliates, or otherwise determined from time to time by DFME. Conflicts of interest may arise between such parties and the Originator CLOs or the Originator due to the fact that such parties could hold an interest in the same or similar assets as those held by the Originator CLOs or the Originator. If such parties act in a way which differs from the strategies or approaches of the Originator CLOs or the Originator, this could have an adverse effect on the financial performance of the Originator CLOs or the Originator and, by extension, the financial performance of the Company.

Any relevant management and administration agreements for an Originator CLO may place significant restrictions on DFME's ability to invest in and dispose of collateral obligations. Accordingly, during certain periods or in certain circumstances, DFME may be unable as a result of such restrictions to invest in or dispose of collateral obligations or to take other actions that it might consider to be in the best interests of the Originator CLOs and the holders of the Originator CLO Income Notes. This may lead to a reduced relative return on the Originator CLO's investments and/or those of the Originator, and, by extension the performance of the Company's business, NAV and/or the market price of the Shares.

None of DFME nor any of its affiliates has any obligation to obtain for the Originator CLOs or the Originator any particular investment opportunity, and DFME may be precluded from offering to the Originator CLOs or (in the case of the Originator) providing service support in respect of, particular securities in certain situations including, without limitation, where DFME or its affiliates may have a prior contractual commitment with other accounts or clients. This may restrict the Originator's or the Originator CLOs' ability to find suitable investment opportunities which may have a material adverse effect on the Originator's or the Originator CLOs' financial performance and, by extension, the Company's.

No provision in the relevant management and administration agreement, the Advisory Agreement or the Portfolio Service Support Agreement will prevent DFME or any Blackstone Affiliates from rendering services of any kind, including but not limited to acting as corporate services provider, to any person or entity (including the issuer of any obligation included in the portfolio of an Originator CLO or the Originator) and their respective affiliates, any trustee, the holders of the Originator CLO Income Notes and hedge counterparties. Without limiting the generality of the foregoing, Blackstone Affiliates and the directors, officers, employees and agents of Blackstone Affiliates may, among other things: (a) serve as directors, partners, officers, employees, agents, nominees or signatories for any issuer of any obligation included in the collateral obligations; (b) receive fees for services rendered to the issuer of any obligation included in the collateral obligations or any affiliate thereof; (c) be retained to provide services unrelated to the relevant management and administration agreement to the Originator CLOs, the advice provided to the Company or the service support provided to the Originator and be paid therefor; (d) be a secured or unsecured creditor of, or hold an equity interest in, any issuer of any obligation included in the collateral obligations; (e) sell or terminate any collateral obligations or eligible investments to, or purchase or enter into any collateral obligations from, the Originator CLOs or the Originator while acting in the capacity of principal or agent; and (f) serve as a member of any "creditors' board" with respect to any obligation included in the collateral obligations which has become or may become a defaulted obligation. Services of this kind may lead to conflicts of interest with DFME, the Company, the Originator and the Originator CLOs and may lead individual officers or employees of DFME to act in a manner adverse to the Originator CLOs, the Company or the Originator which could have an adverse effect on the financial performance of the Originator CLOs or the Originator and, by extension, the financial performance of the Company.

Blackstone Affiliates may also have ongoing relationships with, render services to or engage in transactions with, companies whose securities are pledged to secure the CLO Income Notes or other Originator investments and may own equity or debt securities issued by issuers of and other obligors on collateral obligations. As a result, Blackstone Affiliates may possess information relating to issuers of collateral obligations which is not known to the individuals at DFME responsible for monitoring the collateral obligations and performing the other obligations under the relevant management and administration agreement, advisory agreement or service support agreement. As a result of the relevant DFME individuals not having access to such information, the relative performance of the Originator CLOs and the Originator (and, by extension, the Company) may be lower. In addition, Blackstone Affiliates may invest in loans and securities that are senior to, or have interests different from or adverse to, the collateral obligations that are pledged to secure the CLO Income Notes or that form part of the Originator's portfolio. This could result in conflicts due to the different strategy or views of such Blackstone Affiliates, and if such Blackstone Affiliates act in a way which is adverse to the Originator CLOs or the Originator as a result of having a different or adverse interest in an obligation, this could have an adverse effect on the financial performance of the Originator CLOs or the Originator and, by extension, the financial performance of the Company. Notwithstanding this, it is intended that all collateral obligations will be purchased and sold by the Originator CLOs on terms prevailing in the market.

In addition, Blackstone Affiliates may own equity or other securities of obligors of collateral obligations and may have provided investment advice, investment management and other services to issuers of collateral obligations. From time to time, DFME may, on behalf of the Originator CLOs, purchase or sell collateral obligations through DFME or its affiliates. In connection with the foregoing activities, Blackstone Affiliates may from time to time come into possession of material non-public information that limits the ability of DFME to effect or advise on a transaction for the Originator CLOs or provide service support in connection therewith in relation to the Originator The Originator CLOs' or Originator's investments may be constrained as a consequence of DFME's inability to use such information for advisory purposes or service support (as applicable) or otherwise to effect transactions or provide the service support (as applicable) that otherwise may have been initiated on behalf of its clients, in the Originator CLOs and the Originator. This could have an adverse effect on the financial performance of the Originator CLOs or the Originator and, by extension, the financial performance of the Company.

The Originator CLOs and/or the Originator may invest in the securities of companies affiliated with Blackstone Affiliates or companies in which DFME or its affiliates have an equity or participation interest. The purchase, holding and sale of such investments by the Originator CLOs or the Originator may enhance

the profitability of Blackstone Affiliates' own investments in such companies. No such profits are expected to be passed on to the Originator CLOs or the Originator and so they will not benefit from this factor. It is possible that one or more affiliates of DFME may also act as counterparty with respect to one or more participations.

Blackstone Affiliates may purchase Originator CLO Income Notes or Other Notes creating potential and/or actual conflicts of interest between DFME and/or its affiliates and other investors in the Originator CLO Income Notes or Other Notes. Such purchases may be in the secondary market. Resulting conflicts of interest could include (a) divergent economic interests between DFME and the Blackstone Affiliates that hold such notes, on the one hand, and other investors in the Originator CLO Income Notes or Other Notes, on the other hand, and (b) voting of Originator CLO Income Notes or Other Notes by Blackstone Affiliates, or a recommendation to vote by the same, to cause, among other things, an early redemption of the Originator CLO Income Notes, Other Notes and/or an amendment of the transaction documents relating to the Originator CLO Income Notes or Other Notes. There is no guarantee that such conflicts will be resolved in favour of any of the Originator CLOs, the Originator or the Company and, if a conflict is resolved in a manner which is considered by such entities (or their investors) to be adverse to their interests, this may have a material adverse effect on the performance of the Originator CLOs, the Originator and, by extension on the Company's business, financial conditions, results of operations, NAV and/or the market price of the Shares.

DFME may from time to time consult with, receive input from and provide information to third parties (who may or may not be or become direct and indirect owners of the Originator CLO Income Notes or Other Notes) in respect of obligations being considered for acquisition by the Originator CLOs or the Originator. Some of those same third parties may have interests adverse to those of the holders of the Originator CLO Income Notes or Other Notes and may take a short position (for example, by buying protection under a credit default swap) relating to any such obligations or securities, If the third parties were to act in such a manner, this may be adverse to the interests of the Originator CLOs or the Originator and may result in a decreased overall financial performance of the Originator CLOs, the Originator and, by extension, on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

There is no limitation or restriction on DFME or any of its affiliates with regard to acting as collateral manager (or in a similar role) to other parties or persons. This and other future activities of DFME and/or its affiliates may give rise to additional conflicts of interest. Such conflicts, and the fact that DFME will not be exclusively devoted to the activities of the Originator CLOs and the Originator, may have an adverse effect on the financial performance of the Originator CLOs or the Originator and, by extension, the financial performance of the Company.

DFME's duties and obligations under the relevant management and administration agreement will be owed solely to the Originator CLOs (and, to the extent of the Originator CLOs' assignment of its rights under the relevant management and administration agreement, the relevant trustee), under the Portfolio Service Support Agreement, solely to the Originator and, under the Advisory Agreement, solely to the Company. DFME will not be in contractual privity with, and will owe no separate duties or obligations to, any of the holders of the Originator CLO Income Notes or the investors in the Company.

The Investment Company Act prohibits certain "joint" transactions with certain of GSO's Affiliates and GSO Accounts, which could include investment in the same portfolio company (whether at the same of different time). These limitations may limit the scope of the investment opportunities that would otherwise be available to the Originator CLOs or the Originator and this could have a material adverse effect on the Originator CLOs' or the Originator's ability to find suitable investments and consequently on the Originator CLOs' or Originator's financial performance and, by extension, that of the Company.

Cross Transactions and Principal Transactions

It is expected that a portion of the assets the Originator acquires may be loans or other securities in respect of which Blackstone Affiliates or Other Accounts either participated in the original lending group or structured or originated the asset (in each case, a "GSO-Related Loan"). Additionally, a significant portion of the assets the Originator acquires may be purchased from and will be sold to funds or Other Accounts that Blackstone Affiliates or GSO Affiliates manage or otherwise provide advice in respect of ("Related

Accounts"). Any of the aforementioned transactions may be considered to be affiliate transactions (as defined below). In the case of (a) an asset purchase or sale by the Originator from an entity in which a Blackstone Affiliate and/or GSO Affiliate has an ownership interest of 25 per cent. or more, or (b) a transaction between the Originator and a Blackstone Affiliate or GSO Affiliate, where a Blackstone Affiliate or GSO Affiliate has an ownership interest of 25 per cent. or more in the Originator, the consent of the board of directors of the Originator to such purchase will be obtained prior to the settlement of such transaction. In any other case, the Originator's board of directors must consent to the applicable transaction on a quarterly basis, and such consent may occur after the applicable transaction has settled. The Originator's board of directors will be authorised by the Originator to consent or decline to consent, on the Originator's behalf, to the terms of any affiliate transaction where a potential conflict of interest may arise by reason of, amongst other things, the involvement of GSO Affiliates or GSO Accounts, such as a purchase or sale of an asset (including a GSO-Related Loan) from Blackstone Affiliates or Other Accounts, or the purchase of assets by the Originator from Related Accounts. If any transaction is subject to the disclosure and consent requirements of Section 206(3) of the Investment Advisers Act, such requirements will be deemed to be satisfied with respect to the Originator if the procedures described above are followed. Each investor in the Company will be deemed to have consented to the procedures described herein with respect to affiliate transactions.

For the purposes of this section, an "affiliate transaction" shall mean (i) a purchase or sale of an asset between the Originator and a fund managed by Blackstone Affiliates or GSO Affiliates; (ii) a transaction involving the Originator and a Blackstone Affiliate or a GSO Affiliate, where the Blackstone Affiliate or GSO Affiliate is acting as principal for its own account; or (iii) a transaction in which a Blackstone Affiliate or GSO Affiliate, acts as broker for another person on the other side of the transaction.

RISKS RELATING TO AN INVESTMENT IN THE SHARES

The Shares may trade at a discount to the Net Asset Value per Share and Shareholders may be unable to realise their Shares on the market at the Net Asset Value per Share or at any other price

The Shares may trade at a discount to the Net Asset Value per Share for a variety of reasons, including due to market or economic conditions or to the extent investors undervalue the Originator.

Subject to the Companies Law, under its Articles, the Company may issue additional securities, including Shares, for any purpose. Any additional issuances by the Company, or the possibility of such issue, may cause the market price of the Shares to decline.

Shareholders have no right to have their Shares redeemed or repurchased by the Company

The Company has been established as a closed-ended vehicle. Accordingly, there is no right or entitlement attaching to the Shares that allows them to be redeemed or repurchased by the Company at the option of the Shareholder.

The existence of a liquid market in the Shares cannot be guaranteed

The Shares will be admitted to the Specialist Fund Market of the London Stock Exchange, however there can be no guarantee that a liquid market in the Shares will develop or be sustained or that the Shares will trade at prices close to the Net Asset Value per Share. The number of Shares to be issued pursuant to the Placing is not yet known, and there may be a limited number of holders of Shares. Limited numbers and/or holders of Shares may mean that there is limited liquidity in such Shares which may affect: (i) a Shareholder's ability to realise some or all of their investment; (ii) the price at which such Shareholder can effect such realisation; and/or (iii) the price at which Shares trade in the secondary market. Accordingly, Shareholders may be unable to realise their investment at Net Asset Value per Share or at all.

Issuance of additional Shares could have a detrimental effect on the Net Asset Value and the market price of the Shares

Under the Companies Law, to which the Company is subject, there are no rules restricting the ability of the Directors to issue additional Shares on a non-pre-emptive basis at any time, or otherwise. However, the

Company has elected to include pre-emption rights in its Articles. Such pre-emption rights have been disapplied in relation to up to 10 per cent. of the Company's issued share capital immediately following Admission (calculated after any utilisation of the Over-allotment Option), to expire on the earlier of 31 December 2015 or the date of the next annual general meeting of the Company. The Directors intend to request that this authority to allot Shares on a non-pre-emptive basis is renewed at the next annual general meeting of the Company to be held in 2016 and at each subsequent annual general meeting of the Company. As such, there are currently no restrictions on the Directors' ability to issue new Shares up to the amount set out above on a non-pre-emptive basis, or otherwise.

Subject to the terms of issue of any such Shares, if the Directors were to issue further Shares in the future this could have a detrimental dilutive effect on the Net Asset Value and on the market price of the Shares.

The Shares will be subject to purchase and transfer restrictions in the Placing and in secondary transactions in the future

The Company intends to restrict the ownership and holding of its Shares so that none of its assets will constitute "plan assets" under the U.S. Plan Assets Regulations. The Company intends to impose such restrictions based on deemed representations in the case of a subscription of Shares. If the Company's assets were deemed to be "plan assets" of any plan subject to Title I of ERISA or Section 4975 of the U.S. Tax Code ("**U.S. Plan**"), pursuant to Section 3(42) of ERISA and U.S. Department of Labour regulations promulgated under ERISA by the U.S. Department of Labour and codified at 29 C.F.R. Section 2510.3-101 as they may be amended or modified from time to time (collectively, the "**U.S. Plan Asset Regulations**") then: (i) the prudence and other fiduciary responsibility standards of ERISA would apply to investments made by the Company; and (ii) certain transactions that the Company or a subsidiary of the Company may enter into, or may have entered into, in the ordinary course of business might constitute or result in non-exempt prohibited transactions under Section 406 of ERISA or Section 4975 of the U.S. Tax Code and might have to be rescinded. Governmental plans and certain church plans, while not subject to Title I of ERISA or Section 4975 of the U.S. Tax Code, may nevertheless be subject to other State, local or other laws or regulations that would have the same effect as the U.S. Plan Asset Regulations so as to cause the underlying assets of the Company to be treated as assets of an investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company or the Originator (or other persons responsible for the investment and operation of the Company assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the U.S. Tax Code.

Each purchaser and subsequent transferee of the Shares will be deemed to represent and warrant that no portion of the assets used to acquire or hold its interest in the Shares constitutes or will constitute the assets of any U.S. Plan. The Articles of the Company provide that the Board of Directors may refuse to register a transfer of Shares to any person they believe to be a Non-Qualified Holder or a U.S. Plan investor. If any Shares are owned directly or beneficially by a person believed by the Board of Directors to be a Non-Qualified Holder or a U.S. Plan investor, the Board of Directors may give notice to such person requiring him either (i) to provide the Board of Directors within 30 days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board of Directors that such person is not a Non-Qualified Holder or a U.S. Plan investor, or (ii) to sell or transfer their Shares to a person qualified to own the same within 30 days and within such 30 days to provide the Board of Directors with satisfactory evidence of such sale or transfer. Where condition (i) or (ii) is not satisfied within 30 days after the serving of the notice, the person will be deemed, upon the expiration of such 30 days, to have forfeited their Shares.

In addition, to avoid being required to register as an investment company under the U.S. Investment Company Act and to avoid violating the U.S. Investment Company Act, the Company has implemented restrictions on the purchase of the Shares by persons who are located in the United States or are U.S. Persons (or are acting for the account or benefit of any U.S. Person). For more information, refer to "Risks relating to regulation and taxation with respect to the Company and the Originator — The Company is not, and does not intend to become, registered in the United States as an investment company under the U.S. Investment Company Act and related rules" in this section of this Prospectus.

For more information on purchase and transfer restrictions, prospective investors should refer to the section entitled "Purchase and Transfer Restrictions" in Part VI of this Prospectus.

RISKS RELATING TO REGULATION AND TAXATION WITH RESPECT TO THE COMPANY AND THE ORIGINATOR

Changes in law or regulations, or a failure to comply with any laws or regulations, may adversely affect the respective businesses, investments and performance of the Company and the Originator

The Company and the Originator are subject to laws and regulations enacted by national and local governments.

The Company is subject to, and is required to comply with, certain regulatory requirements that are applicable to closed-ended investment companies which are domiciled in Jersey. These include compliance with any decision of the JFSC. In addition, the Company is subject to the continuing obligations imposed by the London Stock Exchange on all investment companies whose shares are admitted to the Specialist Fund Market.

The Originator is subject to, and is required to comply with, certain tax requirements that are applicable to companies which are tax resident in Ireland and fall within the scope of Section 110 of the Taxes Consolidation Act 1997 (the "**TCA**"). These include:

(a) only acquiring "qualifying assets" within the meaning of Section 110 TCA (where "qualifying assets" includes financial assets such as loans, debts and securities);

(b) acquiring qualifying assets with a value of at least €10m on the day it first acquires qualifying assets;

(c) carrying on only the business of holding or managing qualifying assets;

(d) only entering into arrangements which are by way of a bargain made at arms-length; and

(e) complying with certain anti-avoidance tests to ensure that payments in respect of its debt obligations are deductible and do not attract Irish withholding tax.

The Originator must also notify the Irish Revenue within a specified time period of its intention to qualify as a company within the meaning of Section 110 of the Taxes Consolidation Act 1997.

In order to support the position that payments by the Originator to the Company on the Profit Participating Notes issued by the Originator are deductible and are not subject to withholding tax, the Company must not be a "specified person" with respect to the Originator. The term "specified person" is defined in Section 110 of the TCA and broadly refers to a person in relation to the Originator which is:

(a) a company which directly or indirectly:

- controls the Originator;
- is controlled by the Originator; or
- is controlled by a third company which also directly or indirectly controls the Originator,

where "control" is defined in Section 11 of the TCA and means the power to secure (through shares and/or voting power or through by virtue of powers contained in the articles of association or other document regulating the Originator or any other company) that the affairs of the Originator are conducted in accordance with the wishes of that person; or

(b) a person, or persons who are connected with each other:

- from whom assets were acquired; or
- to whom the Issuer has made loans or advance; or

- with whom the Issuer has entered into "specified agreements" (as defined in section 110 of the TCA and including principally swap agreements),

where the aggregate value of such assets, loans, advances or agreements represents not less than 75 per cent. of the aggregate value of the qualifying assets of the Originator.

The Originator has been advised that it will not be controlled as referred to in paragraph 1 above by the Company or by any wholly owned subsidiary of the Company. Also the Originator will take steps on entering into asset acquisitions, making loans or on entering into specified agreements to ensure that none of: (i) the Company; (ii) its subsidiary or connected parties; nor (iii) any person which holds the Profit Participating Notes issued by the Originator becomes a "specified person" in relation to the Originator. As such, noncompliance with the above could potentially lead to the Company to receive a lower return from the Originator which would adversely affect the Company's business, financial condition, results of operations, NAV, the market price of the Shares and/or the after-tax return to its shareholders.

The laws and regulations affecting the Company and the Originator are evolving and any changes in such laws and regulations may have an adverse effect on the ability of the Company and/or the Originator to carry on their respective businesses. Any such changes may also have an adverse effect on the ability of the Company and/or the Originator to pursue the investment policies, and may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The European Directive on Alternative Investment Fund Managers may impair the ability of the Company to market its Shares to EU investors and gives rise to the risk that an EU regulatory authority may determine that the Company has a third party alternative investment fund manager. The timing of any resulting licensing requirements could be problematic for the on-going operation of the Company and the regulatory obligations applicable to the relevant third party may create significant additional compliance costs

The AIFM Directive, which was due to be transposed by EU member states into national law by July 2013 (and was so transposed by, *inter alia*, Ireland and the United Kingdom), seeks to regulate alternative investment fund managers (in this paragraph, "**AIFM**") and imposes obligations on managers who manage alternative investment funds (in this paragraph, "**AIF**") in the EU or who market shares in such funds to EU investors. In order to obtain authorisation under the AIFM Directive, an AIFM needs to comply with various obligations in relation to the AIF, which may create significant additional compliance costs, some of which may be passed to investors in the AIF.

The Company is a non-EU AIF for the purposes of the AIFM Directive and related regimes in relevant EU member states. The Company operates as a self-managed AIF and has not appointed a third party as its AIFM. As the Company is a self-managed non-EU AIF, only a limited number of provisions of the AIFM Directive apply, at least until July 2018 (at which point additional obligations may apply under the AIFM Directive, but only if the Company markets Shares to investors in the EU after that date).

There is a risk that a relevant regulatory authority may determine that the Company is not a self-managed AIF and that a particular third party which assists the Company in various functions is its AIFM. If a relevant regulatory authority determines that the Company is not a self-managed AIF and that a particular third party, which is established in the EU, is its AIFM, that AIFM may be subject to the full range of requirements of the AIFM Directive. Subject to the availability of transitional or grandfathering provisions in the AIFM Directive, the AIFM might be required to apply for a license in an EU member state, and until it has obtained such authorisation, it may not be able to act as the AIFM of the Company. As a result, the Company may not be able to utilise the relevant third party for the services it had been providing to the Company.

Following national transposition of the AIFM Directive in a given EU member state, the marketing of shares in AIFs that are established outside the EU (such as the Company) to investors in that EU member state will be prohibited unless certain conditions are met. Certain of these conditions are outside the Company's control as they are dependent on the regulators of the relevant third country (in this case Jersey) and the relevant EU member state entering into regulatory co-operation agreements with one another. The Company cannot guarantee that such conditions will be satisfied. In cases where the conditions are not satisfied, the

ability of the Company to market Shares or raise further equity capital in the EU may be limited or removed. In that event the Company may be required to consider a re-domiciliation to an EU member state or to another third country which has satisfied the relevant conditions.

Any regulatory changes arising from implementation of the AIFM Directive (or otherwise) that limit the Company's ability to carry on its business or to market future issues of its Shares may materially adversely affect the Company's ability to carry out its investment policy successfully and to achieve its investment objective, which in turn may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The potential effects of the AIFM Directive as explained herein could also apply in respect of the Originator, being Ireland domiciled, were it to fall to be considered an EU AIF. Based on guidance issued by the Central Bank of Ireland in November 2013, the Originator should not constitute an EU AIF.

However, if the Originator were to constitute an AIF (either because it does not satisfy the conditions set down by the Central Bank of Ireland or because of a change in the guidance from the Central Bank of Ireland or ESMA), then it would be necessary for the Originator to appoint an AIFM which would be subject to the AIFM Directive and would need to be appropriately regulated. The AIFM would be subject to certain duties and responsibilities in respect of its management of the Originator's investments, which could result in significant additional costs and expenses being incurred which may be reimbursable by the Originator and which may materially adversely affect the Originator's ability to carry on its business.

Final regulations implementing the "Volcker Rule" in the United States of America were issued in December 2013 and became effective by operation of law on 1 April 2014, subject to a conformance period. The final Volcker Rule regulations revised the November 2011 proposed regulations and include certain changes to the treatment of foreign funds and non-U.S. bank investors. If the Volcker Rule applies to an investor's ownership of Shares, the investor may be forced to sell its shares, or the continued ownership of such shares may be subject to certain restrictions.

On 21 July 2010, U.S. President Barack Obama signed into law the Dodd-Frank Wall Street Reform and Consumer Protection Act and certain provisions therein known as the "Volcker Rule." On 10 December, 2013, the final Volcker Rule regulations (the "**Final Regulations**") were issued by U.S. regulators. The Final Regulations are effective from 1 April 2014, subject to a conformance period ending on 21 July 2015 (which may be extended). The Volcker Rule generally restricts certain non-U.S. banks and affiliated financial firms, collectively identified as "banking entities," from investing in and sponsoring "covered funds." In the event that a non-U.S. bank is deemed to be a "banking entity" and the Company is deemed to be a "covered fund" for purposes of the Volcker Rule, the non-U.S. bank's ownership of the Shares may be subject to investment restrictions. If so, the non-U.S. bank may be required to divest the Shares by the end of the conformance period. Depending on market conditions and other factors, if an investor is required to liquidate its investment in the Shares during the conformance period, it may suffer a loss from the price at which it purchased the Shares.

If the Company becomes subject to tax on a net income basis in any tax jurisdiction, including Jersey, the United Kingdom or Ireland, the Company's financial condition and prospects could be materially and adversely affected

The Company intends to conduct its affairs so that it will not be treated as UK or Irish resident for taxation purposes, or as having a permanent establishment or otherwise being engaged in a trade or business, in the UK or Ireland. The Company intends that it will not be subject to tax on a net income basis in any country. There can be no assurance, however, that the net income of the Company will not become subject to income tax in one or more countries, including Jersey, the United Kingdom and Ireland, as a result of unanticipated activities performed by the Company, adverse developments or changes in law, contrary conclusions by the relevant tax authorities, changes in the Directors' personal circumstances or management errors, or other causes. The imposition of any such unanticipated net income taxes could materially reduce the post-tax returns available for distributions on the Shares, and consequently may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares.

The Company may be unable to maintain its non-UK and non-Irish tax resident status, which would adversely affect its financial and operating results, the value of the Shares and the after-tax return to Shareholders

In order to maintain its non-UK and non-Irish tax resident status, the Company is required to be controlled and managed outside the United Kingdom and outside Ireland. The composition of the Board of Directors, the place of residence of the individual Directors and the location(s) in which the Board of Directors makes decisions will be important in determining and maintaining the non-UK and non-Irish tax resident status of the Company. Although the Company is established outside the United Kingdom and outside Ireland and a majority of the Directors live outside the United Kingdom and outside Ireland, continued attention must be given to ensure that major decisions are not made in the United Kingdom or in Ireland or the Company may lose its non-UK and non-Irish tax resident status. As such, changes in Directors' personal circumstances or management errors could potentially lead to the Company being considered UK or Irish tax resident which would adversely affect the Company's business, financial condition, results of operations, NAV, the market price of the Shares and/or the after-tax return to its shareholders. It is to be noted that provisions have been drafted as part of the UK Finance Bill 2014 which may result in the Company being considered as non-UK tax resident even if central management and control is in the UK. These provisions are still in draft though and remain subject to change.

Changes in taxation legislation, or the rate of taxation, may adversely affect the Company and the Originator

Any change in the tax status of the Company or the Originator, or in taxation legislation or practice in Jersey, the United Kingdom, Ireland or elsewhere could affect the value of the investments held by the Company or the Originator or the Company's ability to achieve its investment objectives or alter the post-tax returns to shareholders. Statements in this Prospectus concerning the taxation of Shareholders and/or the Company are based upon current Jersey, United Kingdom and Irish law and published practice as at the date of this Prospectus, which law and practice is, in principle, subject to change (potentially with retrospective effect) that could adversely affect the ability of the Company to meet its investment objective and which could adversely affect the taxation of shareholders and/or the Company.

Potential investors are urged to consult their tax advisers with respect to their particular tax situations and the tax effect of an investment in the Company.

Further, on 14 February 2013, the European Commission published a proposal for a Directive for a common financial transaction tax (the "**FTT**") in certain EU Member States. Discussions between these Member States are on-going and the UK had challenged the legality of EU Council Decision 2013/52/EU authorising enhanced co-operation in the area of FTT. On 30 April 2014, the Court of Justice of the European Union rejected the UK's challenge.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to financial transactions where at least one party is a financial institution and: (a) one party is established in a participating Member State; or (b) the financial instrument which is subject to the transaction is issued in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including by transacting with a person established in a participating Member State. The FTT will be payable by each financial institution established or deemed established in a participating Member State which is either a party to the financial transaction, or acting in the name of a party to the transaction or where the transaction has been carried out on its account. Where the FTT due has not been paid within the applicable time limits, each party to a financial transaction, including persons other than financial institutions, will become jointly and severally liable for the payment of the FTT due.

The issuance and subscription of the Placing Shares should, in principle, not be subject to the FTT. There are no broad exemptions for financial intermediaries or market makers. While the FTT proposal remains subject to negotiation between the Member States, and may therefore be altered, if adopted in its current proposed form any investments the Originator may make may be affected by the FTT and it may have an adverse effect on the Company's business, financial condition, results of operations, NAV and/or the market price of the Placing Shares.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Placing Shares are strongly advised to seek their own professional advice in relation to the FTT.

Different regulatory, tax or other treatment of the Company or the Shares in different jurisdictions, or changes to such treatment in different jurisdictions, may adversely impact shareholders in certain jurisdictions

For regulatory, tax and other purposes, the Company and the Shares may be treated in different ways in different jurisdictions. For instance, in certain jurisdictions and for certain purposes, the Shares may be treated as more akin to holding units in a collective investment scheme. Furthermore, in certain jurisdictions, the treatment of the Company and/or the Shares may be uncertain or subject to change, or it may differ depending on the availability of certain information or disclosure by the Company of that information. The Company may be subject, therefore, to financially and logistically onerous requirements to disclose any or all of such information or to prepare or disclose such information in a form or manner which satisfies the regulatory, tax or other authorities in certain jurisdictions. The Company may elect not to disclose such information or prepare such information in a form which satisfies such authorities. Therefore Shareholders in such jurisdictions may be unable to satisfy the regulatory requirements to which they are subject.

The Company is not, and does not intend to become, registered in the United States as an investment company under the U.S. Investment Company Act and related rules

The Company has not, does not intend to, and may be unable to, become registered in the United States as an investment company under the U.S. Investment Company Act. The U.S. Investment Company Act provides certain protections to U.S. investors and imposes certain restrictions on companies that are registered as investment companies. As the Company is not so registered, and does not intend to so register, none of these protections or restrictions is or will be applicable to the Company. In addition, to avoid being required to register as an investment company under the U.S. Investment Company Act and to avoid violating the U.S. Investment Company Act, the Company has implemented restrictions on the purchase of the Shares by persons who are located in the United States or are U.S. Persons (or are acting for the account or benefit of any U.S. Person). For more information, prospective investors should refer to the section entitled "Purchase and Transfer Restrictions" in Part VI of this Prospectus.

Certain payments to the Company will in the future be subject to 30 per cent. withholding tax unless the Company agrees to certain reporting and withholding requirements and certain Shareholders will be required to provide the Company with required information so that the Company may comply with its obligations under FATCA

Under Sections 1471 through 1474 of the U.S. Internal Revenue Code (commonly referred to as "**FATCA**"), Financial Institutions are required to use enhanced due diligence procedures to identify U.S. persons who have invested in either non-U.S. financial accounts or non-U.S. entities. Pursuant to FATCA, certain payments of (or attributable to) U.S.-source income, and the proceeds of sales of property that give rise to U.S.-source payments, will be subject to 30 per cent. withholding tax with effect from 1 July 2014 unless the Company agrees to certain reporting and withholding requirements.

The United States and Jersey have entered into an Intergovernmental Agreement ("**US IGA**") to implement FATCA. Under the terms of the US IGA, the Company may be obliged to comply with the provisions of FATCA as enacted by the Jersey legislation implementing the US IGA (the "**Jersey IGA Legislation**"), rather than directly complying with the U.S. Treasury Regulations implementing FATCA. Under the terms of the US IGA, Jersey resident entities that comply with the requirements of the Jersey IGA Legislation will be treated as compliant with FATCA and, as a result, will not be subject to withholding tax under FATCA ("**FATCA Withholding**") on payments they receive and will not be required to withhold under FATCA on payments they make.

The Company expects that it will be considered to be a Jersey resident financial institution and therefore will be required to comply with the requirements of the Jersey IGA Legislation.

Under the Jersey IGA Legislation, the Company will be required to register with the United States Internal Revenue Service ("**IRS**") and report to the Jersey Minister for Treasury and Resources certain holdings by and payments made to certain U.S. investors in the Company, as well as to non-U.S. financial institutions that do not comply with the terms of the Jersey IGA Legislation. Under the terms of the US IGA, such information will be onward reported by the Jersey Minister for Treasury and Resources to the United States under the general information exchange provisions of the United States-Jersey Agreement for the Exchange of Information Relating to Taxes.

Further, even if the Company is not characterised under FATCA as a Financial Institution, it nevertheless may become subject to such 30 per cent. withholding tax on certain U.S.-source payments to it unless it either provides information to withholding agents with respect to its U.S. Controlling Persons or certifies that it has no such U.S. Controlling Persons.

As a result, Shareholders may be required to provide any information that the Company determines necessary in order to allow the Company to satisfy its obligations under FATCA.

Additional intergovernmental agreements similar to the US IGA have been entered into or are under discussion by other jurisdictions with the United States. Different rules than those described above may apply depending on whether a payee is resident in a jurisdiction that has entered into an intergovernmental agreement to implement FATCA.

In addition to the US IGA, Jersey and the United Kingdom have entered into an inter-governmental agreement ("**UK IGA**") for the implementation of information exchange arrangements, based on FATCA, whereby relevant financial information held in Jersey in respect of a person or entity who is resident in the UK for tax purposes will be reported to Jersey Minister for Treasury and Resources for onward reporting to the UK's HM Revenue and Customs. Under the UK IGA, the Company may be required to provide information to the Jersey authorities about investors and their interests in the Company in order to fully discharge its reporting obligations and, in the event of any failure or inability to comply with the proposed arrangements, may suffer a financial penalty or other sanction under Jersey law.

The scope and application of FATCA Withholding and information reporting pursuant to the terms of FATCA and the IGAs are subject to review by the United States, the United Kingdom, Jersey and other IGA governments, and the rules may change. Although the UK IGA and US IGA have been ratified by Jersey's parliament, guidance published to date has been in draft format only and therefore, while the Company intends to comply with applicable law, it cannot be predicted at this time what the full impact on the Company and the Company's reporting responsibilities pursuant to the UK IGA and US IGA will be. Shareholders should consult with their own tax advisors regarding the application of FATCA to their particular circumstances.

IMPORTANT NOTICES

Investors should rely only on the information contained in this Prospectus. No person has been authorised to give any information or to make any representations in connection with the Placing other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Originator, N+1 Singer or Dexion. No representation or warranty, express or implied, is made by N+1 Singer or Dexion as to the accuracy or completeness of such information, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by N+1 Singer or Dexion as to the past, present or future. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G(1) of FSMA, neither the delivery of this Prospectus nor any subscription or sale made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Prospectus or that the information contained in this Prospectus is correct as of any time subsequent to its date.

The contents of this Prospectus are not to be construed as legal, financial, business, investment or tax advice. Each prospective investor should consult his or her own legal adviser, financial adviser or tax adviser for legal, financial or tax advice in relation to any purchase or proposed purchase of Placing Shares.

An investment in the Placing Shares is suitable only for institutional, professional and high net worth investors, private client fund managers and brokers and other investors who are capable of evaluating the merits and risks of such an investment and/or who have received advice from their fund manager or broker regarding such an investment and who have sufficient resources to be able to bear losses (which may equal the whole amount invested) that may result from such an investment. An investment in the Placing Shares should constitute part of a diversified investment portfolio. Accordingly, typical investors in the Company are expected to be institutional, professional and high net worth investors, private client fund managers and brokers and other investors who understand the risks involved in investing in the Company and/or who have received advice from their fund manager or broker regarding investment in the Company.

In making an investment decision, each investor must rely on their own examination, analysis and enquiry of the Company and the terms of the Placing including the merits and risks involved. Investors who purchase Placing Shares will be deemed to have acknowledged that: (i) they have not relied on N+1 Singer or Dexion or any person affiliated with them in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision; (ii) they have relied only on the information contained in this Prospectus; and (iii) no person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, N+1 Singer or Dexion.

In connection with the Placing, each of N+1 Singer and Dexion and any of their affiliates acting as an investor for its or their own account(s), may subscribe for the Placing Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this Prospectus to the Placing Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, N+1 Singer, Dexion and any of their affiliates acting as an investor for its or their own account(s). None of N+1 Singer, Dexion or any of their affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

General

Prospective investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters. Prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of Placing Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of Placing Shares which they might encounter; and (c) the income and other

tax consequences which may apply in their own countries as a result of the purchase, holding, transfer, redemption or other disposal of Placing Shares. Prospective investors must rely on their own representatives, including their own legal advisers, financial advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

Statements made in this Prospectus are based on the law and practice currently in force and are subject to changes therein. This Prospectus should be read in its entirety before making any application for Placing Shares.

Application will be made to the London Stock Exchange for all the Placing Shares to be issued pursuant to the Placing to be admitted to trading on the Specialist Fund Market. It is expected that Admission will become effective and that dealings in Placing Shares issued pursuant to the Placing will commence on or around 23 July 2014.

All times and dates referred to in this Prospectus are, unless otherwise stated, references to London times and dates and are subject to change without further notice.

Recipients of this document who are subscribing for Placing Shares should be aware that the Company, by virtue of being a self-managed fund, is regulated by the JFSC for the conduct of AIF services business. In the event that any shareholder in the Company acquires 10 per cent. or more of the issued share capital or voting rights in the Company, that shareholder will be a "principal person" in the Company (as such expression is defined in the Financial Services (Jersey) Law 1998 (the "**FSJ Law**")), which will result in that shareholder being subject to the relevant aspects of the regulatory regime in Jersey. The regulations are to enable the JFSC to determine whether a shareholder which is seeking to acquire 10 per cent. or more of the issued share capital or voting rights in a company is "fit and proper" to be a principal person in respect of a regulated entity and in particular to assist the JFSC in identifying any individual beneficial owners whom the JFSC deem not to be fit and proper. In general it is not intended to prevent regulated or listed entities from becoming a principal person.

A summary of the regulations which will apply to principal persons are that each shareholder or prospective shareholder who intends to acquire 10 per cent. or more of the issued share capital or voting rights in the Company is required by article 14(1) of the FSJ Law to seek the consent of the JFSC prior to becoming a principal person of the Company and under article 14(2) of the FSJ Law to seek the consent of the JFSC prior to increasing, reducing or disposing of its holding in the Company such that the proportion of the issued share capital or voting rights held by such person in HEML reaches, exceeds or falls below 20 per cent., 33 per cent. or 50 per cent. In the event the JFSC objects to the person becoming a principal person, that person will not be permitted to hold 10 per cent. or more in the Company and hence will be required to reduce its holding accordingly.

This is a summary of the position only and prospective investors should consult their professional advisers as needed in relation to the implications of being a principal person of an entity regulated in Jersey.

Capitalised terms contained in this Prospectus shall have the meanings set out in Part XII of this Prospectus, save where the context indicates otherwise.

Restrictions on distribution and sale

The distribution of this Prospectus and the offering and sale of securities offered hereby in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and observe any such restrictions. This Prospectus may not be used for, or in connection with, and does not constitute, any offer to sell, or solicitation to purchase, any such securities in any jurisdiction in which solicitation would be unlawful.

For a description of restrictions on offers, sales and transfers of Shares, please refer to the sections entitled "Selling restrictions" below and "Purchase and Transfer Restrictions" in Part VI of this Prospectus. Save as set out in these sections, there are no restrictions on the transfer of Shares under the Articles.

No incorporation of Company's website

The contents of the Company's website do not form part of this Prospectus. Investors should base their decision to invest on the contents of this Prospectus alone and should consult their professional advisers prior to making an application to subscribe for Placing Shares.

Forward-looking statements

This Prospectus includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "plans", "projects", "targets", "aims", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company and the Originator (as applicable) concerning, amongst other things, the investment objective and investment policy, investment strategy, financing strategies, investment performance, results of operations, financial condition, prospects, and dividend/distribution policy of the Company, the Originator, and the markets in which the Originator, and their respective portfolios of investments, invest and/or operate. By their nature, forward-looking statements involve risks (including those set out in the section entitled "Risk Factors" in this Prospectus) and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's and the Originator's actual investment performance, results of operations, financial condition, dividend policy and the development of its investment strategy financing strategies may differ materially from the impression created by the forward-looking statements contained in this Prospectus. In addition, even if the investment performance, results of operations, financial condition of the Company and the Originator, and the development of its financing strategies, are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause these differences include, but are not limited to:

- changes in economic conditions generally and the Company's ability to achieve its investment objective and target returns and target dividends for investors;
- the ability of the Originator to invest the cash on its balance sheet and the proceeds of the Placing on a timely basis within the investment objective and investment policy;
- foreign exchange mismatches with respect to exposed assets;
- changes in the interest rates and/or credit spreads, as well as the success of the Company's and the Originator's investment strategy in relation to such changes and the management of the un-invested proceeds of the Placing;
- impairments in the value of the investments;
- the availability and cost of capital for future investments;
- the departure of key personnel employed by the Service Support Provider;
- changes in laws or regulations, including tax laws, or new interpretations or applications of laws and regulations, that are applicable to the Company or the Originator; and
- general economic trends and other external factors, including those resulting from war, incidents of terrorism or responses to such events.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. Prospective investors should carefully review the "Risk Factors" section of this Prospectus before making an investment decision. Forward-looking statements speak only as at the date of this Prospectus. Although the Company undertakes no obligation to revise or update any forward-looking statements contained herein (save where required by the Prospectus Rules or Disclosure and Transparency

Rules), whether as a result of new information, future events, conditions or circumstances, any change in the Company's expectations with regard thereto or otherwise, prospective investors are advised to consult any communications made directly to them by the Company and/or any additional disclosures through announcements that the Company may make through a RIS announcement.

Selling Restrictions

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to apply for any Placing Shares by any person: (i) in any jurisdiction in which such offer or invitation is not authorised; or (ii) in any jurisdiction in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the offering of Placing Shares in certain jurisdictions may be restricted. Accordingly, persons into whose possession this Prospectus comes are required to inform themselves about and observe any restrictions as to the offer or sale of Placing Shares and the distribution of this Prospectus under the laws and regulations of any jurisdiction in connection with any applications for Placing Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such jurisdiction. Save for the United Kingdom, no action has been taken or will be taken in any jurisdiction by the Company that would permit a public offering of Placing Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Prospectus other than in any jurisdiction where action for that purpose is required.

Bailiwick of Jersey

The Company has been established in Jersey as a listed fund under a fast-track authorisation process. It is suitable therefore only for professional or experienced investors, or those who have taken appropriate professional advice.

Certain Jersey regulatory requirements which may otherwise be deemed necessary by the Jersey Financial Services Commission for the protection of retail or inexperienced investors, do not apply to listed funds. By investing in the Company you will be deemed to be acknowledging that you are a professional or experienced investor, or have taken appropriate professional advice, and accept the reduced Jersey requirements accordingly.

You are wholly responsible for ensuring that all aspects of the Company are acceptable to you. Investment in listed funds may involve special risks that could lead to a loss of all or a substantial portion of such investment. Unless you fully understand and accept the nature of the Company and the potential risks inherent in this fund you should not invest in the Company.

Further information in relation to the regulatory treatment of listed funds domiciled in Jersey may be found on the website of the Jersey Financial Services Commission at www.jerseyfsc.org.

This Prospectus is prepared, and a copy of it has been sent to the Jersey Financial Services Commission, in accordance with the Collective Investment Funds (Certified Funds — Prospectuses) (Jersey) Order 2012.

The Jersey Financial Services Commission does not take any responsibility for the financial soundness of the Company or for the correctness of any statements made or expressed in this Prospectus.

The applicant is strongly recommended to read and consider this Prospectus before completing an application.

Bailiwick of Guernsey

This Prospectus has not been approved by the Guernsey Financial Services Commission ("**GFSC**") and neither the GFSC nor the States of Guernsey Policy Council takes any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it. This Prospectus does not comply with the requirements of Guernsey's Prospectus Rules 2008 on the basis that the Shares in the Company will be admitted to trading on the specialist fund market of the

London Stock Exchange: if the Shares are not so admitted, then the Prospectus may be required to comply with the requirements of such Prospectus Rules 2008 and may need to be re-drafted in some respects.

This Prospectus is directed in the Bailiwick of Guernsey only at the following: (1) those who have specifically solicited this document, where such approach was not itself specifically solicited by the Joint Bookrunners ("**Requesting Investors**"); or (2) those holding a licence from the GFSC under any of the following laws: the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended (the "**POI Law**"), the Banking Supervision (Bailiwick of Guernsey) Law, 1994, as amended, the Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended or the Regulation of Fiduciaries, Administration Businesses and Company Directors etc (Bailiwick of Guernsey) Law, 2000, as amended (such persons being "**Licensees**"). This document must only be distributed to persons who are not either Requesting Investors or Licensees by a person holding an appropriate licence from the GFSC under the POI Law. This Prospectus may not be relied upon by those who are not Requesting Investors or Licensees, unless it has been distributed to them by a person holding such a licence under the POI Law.

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), no Placing Shares have been offered or will be offered pursuant to the Placing to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Placing Shares which has been approved by the competent authority in that Relevant Member State, or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that offers of Placing Shares to the public may be made at any time under the following exemptions under the Prospectus Directive, if they are implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of Directive 2010/73/EU (the "**2010 PD Amending Directive**"), 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Placing Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State and each person who initially acquires any Placing Shares or to whom any offer is made under the Placing will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any offer of Placing Shares in any Relevant Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Placing Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Placing Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and the amendments thereto, including 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State.

The distribution of this Prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions.

In relation to each member state of the European Economic Area which has implemented the AIFM Directive and which has established transitional arrangements in relation to marketing for which the Company qualifies, marketing of the Placing Shares in a member state which was permitted prior to the implementation of the AIFM Directive may continue until the expiry of the transitional period in that member state. In those member states which have implemented the AIFM Directive but in which transitional arrangements are not or are no longer available, the Placing Shares will only be offered in a member state to

the extent that the Company: (i) is permitted to be marketed into the relevant member state pursuant to Article 42 of the AIFM Directive (as implemented into local law); or (ii) can otherwise be lawfully offered or sold (including at the initiative of investors). Each person who initially acquires Placing Shares or to whom any offer is made will be deemed to have represented, warranted to and agreed with the entity placing such shares and the Company that (a) it is a "qualified investor" within the meaning of the law in that relevant member state implementing Article 2.1(e) of the Prospectus Directive and (b) if that relevant member state has implemented the AIFM Directive, that it is a person to whom Placing Shares in the Company may lawfully be marketed under the AIFM Directive or under the applicable implementing legislation (if any) of that relevant member state.

Switzerland

This Prospectus may only be freely circulated and Shares in the Company may only be freely offered, distributed or sold to regulated financial intermediaries such as banks, securities dealers, fund management companies, asset managers of collective investment schemes and central banks as well as to regulated insurance companies. Circulating this Prospectus and offering, distributing or selling Shares in the Company to other persons or entities including qualified investors as defined in the Federal Act on Collective Investment Schemes ("**CISA**") and its implementing Ordinance ("**CISO**") may trigger, in particular, (i) licensing/prudential supervision requirements for the distributor, (ii) a requirement to appoint a representative and paying agent in Switzerland and (iii) the necessity of a written distribution agreement between the representative in Switzerland and the distributor. Accordingly, legal advice should be sought before providing this Prospectus to and offering, distributing, selling or on-selling Shares of the Company to any other persons or entities. This Prospectus does not constitute an issuance prospectus pursuant to Articles 652a or 1156 of the Swiss Code of Obligations and may not comply with the information standards required thereunder. The Shares will not be listed on the SIX Swiss Exchange, and consequently, the information presented in this document does not necessarily comply with the information standards set out in the relevant listing rules. The documentation of the Company has not been and will not be approved, and may not be able to be approved, by the Swiss Financial Market Supervisory Authority ("**FINMA**") under the CISA. Therefore, investors do not benefit from protection under the CISA or supervision by the FINMA. This Prospectus does not constitute investment advice. It may only be used by those persons to whom it has been handed out in connection with the Shares and may neither be copied or directly/indirectly distributed or made available to other persons.

Ireland

The Company: (i) has not offered or sold and will not offer or sell any PECs, otherwise than in conformity than with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3), including, without limitation, Regulations 7 and 152 thereof any codes of conduct issued in connection therewith, and the provisions of the Investor Compensation Act 1998; (ii) has not offered or sold and will not offer or sell the PECs, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 to 1998 (as amended) and any codes of conduct rules made them Section 117(1) thereof; (iii) has not offered or sold and will not offer or sell, or do anything in Ireland in respect of the PECs otherwise than in conformity with the provisions of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005, by the Irish Central Bank and Financial Services Regulatory Authority (the "Financial Regulator"); and (iv) has not offered or sold and will not offer or sell or otherwise act in Ireland in respect of the PECs, otherwise than in conformity with the provisions of the Irish Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued under Section 34 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Financial Regulator.

United States

The Placing Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Placing Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with

any applicable securities laws of any state or other jurisdiction in the United States. There will be no public offer of the Placing Shares in the United States.

Subject to certain exceptions as described herein, the Placing is only being made outside the United States to non-U.S. Persons in reliance on Regulation S under the U.S. Securities Act.

In addition, prospective investors should note that, except with the express written consent of the Company given in respect of an investment in the Company, the Placing Shares may not be acquired by: (i) investors using assets of: (A) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (B) a "plan" as defined in Section 4975 of the U.S. Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Tax Code; or (C) an entity whose underlying assets are considered to include "plan assets" by reason of investment by an "employee benefit plan" or "plan" described in preceding clause (A) or (B) in such entity pursuant to the U.S. Plan Assets Regulations; or (ii) a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Tax Code, unless its purchase, holding, and disposition of the Placing Shares will not constitute or result in a non-exempt violation of any such substantially similar law.

If 25 per cent. or more of any class of equity in the Company is owned, directly or indirectly, by U.S. Plan Investors that are subject to Title I of ERISA or Section 4975 of the U.S. Tax Code, the assets of the Company will be deemed to be "plan assets", subject to the constraints of ERISA and Section 4975 of the U.S. Tax Code. This would result, among other things, in: (i) the application of the prudence and fiduciary responsibilities standards of ERISA to investments made by the Company, and (ii) the possibility that certain transactions that the Company and its subsidiaries might enter into, or may have entered into in the ordinary course of business, might constitute or result in non-exempt prohibited transactions under Section 406 of ERISA and/or Section 4975 of the U.S. Tax Code and might have to be rescinded. A non-exempt prohibited transaction may also result in the imposition of an excise tax under the U.S. Tax Code upon a "party in interest" (as defined in ERISA) or "disqualified person" (as defined in the U.S. Tax Code), with whom a plan engages in the transaction. The Company will use commercially reasonable efforts to limit ownership by U.S. Plan Investors of equity in the Company. However, no assurance can be given that investment by U.S. Plan Investors will not exceed 25 per cent. or more of any class of equity in the Company.

For a description of restrictions on offers, sales and transfers of Placing Shares, please refer to the section entitled "Purchase and Transfer Restrictions" in Part VI of this Prospectus.

EXPECTED TIMETABLE

Prospectus published	10 July 2014
Latest time and date for placing commitments under the Placing*	1.00 p.m. on 17 July 2014
Result of Placing announced on	18 July 2014
Admission and dealing in Shares commence	8.00 a.m. on 23 July 2014
Crediting of CREST stock accounts in respect of the Shares	23 July 2014
Share certificates despatched	Week commencing 4 August 2014

* The dates and times specified are subject to change without further notice. References to times are London times unless otherwise stated.

PLACING STATISTICS

Placing Price per Share	€1.00
Target Gross Placing Proceeds*	€200 million
Minimum expected initial Net Asset Value per Share**	€1.00
ISIN	JE00BNCB5T53
SEDOL Code	BNCB5T5
Ticker	BGLF

* The target size of the Placing is in excess of €200 million, with the actual size of the Placing being subject to investor demand. The number of Placing Shares to be issued, and therefore the Gross Placing Proceeds, is not known as at the date of this Prospectus but will be notified by the Company via an RIS announcement prior to Admission.

** NAV per Share immediately following Admission.

DIRECTORS, ADVISERS AND SERVICE PROVIDERS

Directors
Charlotte Valeur (Chairman)
Philip Austin
Gary Clark
Joanna Dentskevich

All c/o the Company's registered office

Registered Office
Lime Grove House
Green Street
St Helier
Jersey
JE1 2ST
Channel Islands

Adviser, Service Support Provider and CLO Manager
Blackstone / GSO Debt Funds Management Europe Limited
Arthur Cox Building
Earlsfort Terrace
Dublin 2
Ireland

Joint Financial Advisers, Bookrunners and Global Co-Ordinators
Dexion Capital plc
1 Tudor Street
London
EC4Y 0AH
United Kingdom

Joint Financial Advisers, Bookrunners and Global Co-Ordinators
Nplus1 Singer Advisory LLP
1 Bartholomew Lane
London
EC2N 2AX
United Kingdom

Legal Adviser to the Company (as to English law)
Herbert Smith Freehills LLP
Exchange House
Primrose Street
London
EC2A 2EG
United Kingdom

Legal Adviser to the Company (as to Jersey law)
Ogier Legal Jersey
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The Esplanade
St Helier
Jersey
JE4 9WG
Channel Islands

Legal Adviser to DFME (as to English and U.S. law)
Weil, Gotshal & Manges
110 Fetter Lane
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EC4A 1AY
United Kingdom

Legal Adviser to the Originator (as to Irish law)
Arthur Cox
Earlsfort Centre, Earlsfort Terrace
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Legal Adviser to the Joint Financial Advisers, Bookrunners and Global Co-Ordinators
Wragge Lawrence Graham & Co LLP
4 More London Riverside
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St. Helier
Jersey
JE4 8WA
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Registrar
Capita Registrars (Jersey) Limited
12 Castle Street
St Helier
Jersey JE2 3RT
Channel Islands

Administrator/Company Secretary
State Street Fund Services (Jersey) Limited
Lime Grove House
Green Street
St Helier
Jersey
JE1 2ST
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Corporate Services Provider
Intertrust Management Ireland Limited
3rd Floor, Europa House
The Harcourt Centre
Harcourt Street
Dublin 2
Ireland

Custodian
State Street Custodial Services (Jersey) Limited
Lime Grove House
Green Street
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JE1 2ST
Channel Islands

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Canada Square
Canary Wharf
London
E14 5LB
United Kingdom

PART I: THE COMPANY

INTRODUCTION

Blackstone / GSO Loan Financing Limited (the "**Company**") was incorporated on 30 April 2014 and registered under the laws of Jersey (registration number 115628) pursuant to the Companies (Jersey) Law 1991 ("**Companies Law**"). The Company is an investment company established to provide investors with exposure to a new loan origination company, Blackstone / GSO Corporate Funding Limited (the "**Originator**"), incorporated in Ireland on 16 April 2014, under the Companies Acts 1963 to 2013 (registration number 542626). The Company will invest, through the Originator, in a portfolio of assets comprising predominantly senior secured loans and CLO Income Notes (which are the most subordinated tranche of debt issued by a CLO).

Initially, the Originator will predominantly purchase floating rate senior secured loans and subsequently, on the availability of appropriate market opportunities, establish new CLOs. Each time the Originator establishes a new CLO it will transfer some or all of the senior secured loans it owns at that time to the new CLO and will ensure that it retains at least 51 per cent. of the CLO Income Notes in each Originator CLO. In addition to the assets transferred to it by the Originator, the new CLO will also comprise other senior secured loans and other eligible assets purchased from the market. During the relevant CLO's reinvestment period, over 50 per cent. of the total securitised exposures comprising any Originator CLO will comprise assets transferred to it by the Originator (such percentage calculated including the principal proceeds received by the relevant CLO in respect of any Originator sourced assets). The CLOs will be managed by Blackstone / GSO Debt Funds Management Europe Limited ("**DFME**") or an affiliate of DFME. DFME will also (in its capacity as the Service Support Provider) provide human resources, service support and certain other assistance to the Originator. However, both the Company and Originator will be self-managed, and all investment decisions will be taken by the Directors of the Company or directors of the Originator (as applicable).

It is expected that the CLOs established will be consolidated in the Originator's IFRS financial statements, although such assessment will depend on the facts and circumstances. The Company does not currently expect to consolidate the Originator in its IFRS financial statements as the Directors' judgment is that the Company does not control the Originator.

The Company is seeking to raise in excess of €200 million through the Placing to invest in accordance with its investment objective and policy. Applications will be made to the London Stock Exchange for all of the Company's issued and to be issued share capital to be admitted to the Specialist Fund Market. It is anticipated that the Admission will become effective and that dealing in the Shares will commence on or around 23 July 2014.

As the Company will be admitted to the Specialist Fund Market, the Listing Rules applicable to closed-ended investment companies which are listed on the premium listing segment of the Official List of the UKLA will not apply to the Company. Nevertheless the Company intends to comply voluntarily with certain provisions of the Listing Rules as if it were listed on the premium listing segment of the Official List. Further details are contained in the section entitled "Voluntary Compliance with the Listing Rules" in Part V of this Prospectus.

Investment in the Company is only suitable for institutional, professional and high net worth investors, private client fund managers and brokers and other investors who understand the risks involved in investing in the Company and/or who have received advice from their fund manager or broker regarding investment in the Company.

INVESTMENT OBJECTIVE

The Company's investment objective is to provide Shareholders with stable and growing income returns, and to grow the capital value of the investment portfolio by exposure predominantly to floating rate senior secured loans directly and indirectly through CLO Income Notes. The Company will seek to achieve its investment objective solely through exposure to the Originator.

INVESTMENT POLICY

Overview

The Company's investment policy is to invest predominantly in a diverse portfolio of senior secured loans and in CLO Income Notes, and generate attractive risk-adjusted returns from such portfolios. The Company intends to pursue its investment policy by investing the Net Placing Proceeds in Profit Participating Notes issued by the Originator and the acquisition of 15 Class B2 Shares in the Originator (which will be non-voting, and which will be held by a wholly owned subsidiary of the Company).

The Originator will use the proceeds from the issue of the Profit Participating Notes and the equity investment to initially invest predominantly in senior secured loans. Subsequently, on the availability of appropriate market opportunities, the Originator will also invest in CLO Income Notes issued by Originator CLOs. Initially, the Originator's investments will be focussed predominantly in European senior secured loans, but the Originator may in due course also invest in U.S. senior secured loans. As such, there is no limit on the maximum U.S. or European exposure. The Originator does not intend to invest directly in senior secured loans domiciled outside North America or Western Europe.

Investment Limits and Risk Diversification

The Company's investment strategy is to implement its investment policy by investing, through the Originator, in a portfolio of predominantly senior secured loans. It is intended that the Originator will periodically securitise these loans into Originator CLOs managed by DFME (or any affiliate) in its capacity as the CLO Manager. The Originator will retain CLO Income Notes equal to between 51 per cent. and 100 per cent. of the CLO Income Notes in the Originator CLOs. It is anticipated that once substantially invested, the Originator will retain CLO Income Notes in no less than four CLOs, and will also continue to directly hold floating rate senior secured loans. It is further intended that the value of the CLO Income Notes retained by the Originator in any Originator CLO will not exceed 25 per cent. of the Originator's NAV at the time of investment.

The following limits (the "**Eligibility Criteria**") apply to senior secured loans (and, to the extent applicable, other corporate debt instruments) directly held by the Originator (and not through CLO Income Notes):

Maximum exposure	*% of Originator's gross asset value*
Per obligor	5
Per industry sector	15 (with the exception of one industry which may be up to 20 per cent.)
To obligors with a rating lower than B-/B3/B-	7.5
To second lien loans, unsecured loans, mezzanine loans and high yield bonds	10

For the purposes of these Eligibility Criteria, 'gross asset value' shall mean gross assets including any investments in CLO Income Notes and any undrawn commitment amount of any gearing under any term Revolving Credit Facility. Further, for the avoidance of doubt, the 'maximum exposures' set out in the Eligibility Criteria shall apply on a trade date basis.

Each of these Eligibility Criteria will be measured at the close of each Business Day on which a new investment is made, and there will be no requirement to sell down in the event the limits are breached at any subsequent point (for instance, as a result of movement in the gross asset value, or the sale or downgrading of any assets held by the Originator).

In addition, each CLO in which the Originator holds CLO Income Notes will have its own eligibility criteria and portfolio limits. These limits are designed to ensure the portfolio of assets within the CLO meets a prescribed level of diversity and quality as set by the relevant rating agencies rating securities issued by such CLO. The CLO Manager will seek to identify and actively manage assets which meet those criteria and limits within each CLO. The eligibility criteria and portfolio limits within a CLO will include the following:

- a limit on the weighted average life of the portfolio;

- a limit on the weighted average rating of the portfolio;
- a limit on the maximum amount of portfolio assets with a rating lower than B-/B3/B-; and
- a limit on the minimum diversity of the portfolio.

CLOs in which the Originator may hold CLO Income Notes are also expected to have certain other criteria and limits, including:

- a limit on the minimum weighted average of the prescribed rating agency recovery rate;
- a limit on the minimum amount of senior secured assets;
- a limit on the maximum aggregate exposure to second lien loans, high yield bonds, mezzanine loans and unsecured loans;
- a limit on the maximum portfolio exposure to covenant-lite loans;
- an exclusion of project finance loans;
- an exclusion of structured finance securities;
- an exclusion on investing in the debt of companies domiciled in countries with a local currency sub investment grade rating; and
- an exclusion of leases.

This is not an exhaustive list of the eligibility criteria and portfolio limits within a typical CLO and the inclusion or exclusion of such limits and their absolute levels are subject to change depending on market conditions. Any such limits applied shall be measured at the time of investment in each CLO.

Company Borrowing Limit

The Company will not utilise borrowings for investment purposes. However, the Directors will be permitted to borrow up to 10 per cent. of the NAV for day to day administration and cash management purposes.

The Company may use hedging or derivatives (both long and short) for the purposes of efficient portfolio management.

CHANGES TO INVESTMENT POLICY

Any material change to the investment policy of the Company would be made only with the approval of Shareholders.

The investment policy of the Originator currently mirrors the investment policy of the Company. The Company will receive periodic reports from the Originator in relation to the implementation of the Originator's investment policy to enable the Company to have oversight of its activities. If the Originator proposes to make any changes (material or otherwise) to its investment policy, the Directors will seek Shareholder approval of any changes which are either material in their own right or, when viewed as a whole together with previous non-material changes, constitute a material change from the published investment policy of the Company. If Shareholders do not approve the change in investment policy of the Company such that it is once again materially consistent with that of the Originator, the Directors will redeem the Company's investment in the Originator as soon as reasonably practicable but at all times subject to the relevant legal, regulatory and contractual obligations.

INVESTMENT STRATEGY

Whether the senior secured loans or other assets are held directly by the Originator or via CLO Income Notes, it is the Originator's intention that, in both cases, the portfolios will be actively managed (by the Originator or the CLO Manager, as the case may be) to minimise default risk and potential loss through

comprehensive credit analysis performed by the Originator (including via the service support provided to it under the Portfolio Service Support Agreement) or the CLO Manager (as applicable).

Whilst the intention is to pursue an active, non-benchmark total return strategy, the Company will be cognisant of the positioning of the loan portfolios against relevant indices. Accordingly, the Originator will track the returns and volatility of such indices, while seeking to outperform them on a consistent basis. In-depth, fundamental credit research dictates name selection and sector over-weights/under-weights relative to the benchmark, backstopped by constant portfolio monitoring and risk oversight. The Originator will typically look to diversify its portfolios to avoid the risk that any one obligor or industry will adversely impact overall returns. The Originator also places an emphasis on loan portfolio liquidity to ensure that if its credit outlook changes, it is free to respond quickly and effectively to reduce or mitigate risk in its portfolio. The Company believes this investment strategy will be successful in the future as a result of its emphasis on risk management, capital preservation and fundamental credit research. The Directors believe the best way to control and mitigate risk is by remaining disciplined in market cycles, by making careful credit decisions and maintaining adequate diversification.

ORIGINATOR

Structure

Subject to the fulfilment of certain conditions, the Company will use the Net Placing Proceeds to invest in: (a) Profit Participating Notes issued by the Originator pursuant to the terms of a Note Purchase Agreement ("**NPA**") entered into with the Originator, and (b) the acquisition of 15 Class B2 Shares in the Originator (which will be non-voting, and which will be held by a wholly owned subsidiary of the Company). The economic benefit from the Company's investment in the Originator will accrue to the Company through its investment in the Profit Participating Notes. The Company's investment in the Class B2 Shares (through a wholly owned subsidiary) will be repaid on the termination of the Company's investment in the Originator, subject to the availability of funds.

The Originator will use the proceeds from the issue of the Profit Participating Notes, the equity investment and the financing it receives from any Revolving Credit Facility in accordance with its investment objective and policy (which mirrors the Company's investment objective and policy) to initially invest predominantly in senior secured loans and, subsequently, in CLO Income Notes issued by Originator CLOs.

The Originator was incorporated on 16 April 2014 with registered number 542626, and has its registered office at 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland. Following Admission, the Company intends to acquire 15 Class B2 Shares in the Originator (which will be non-voting, and which will be held by a wholly owned subsidiary of the Company). The remainder (which will be a minimum of 75 per cent.) of the Originator's equity, which is a participating and voting interest, will be held on trust by Intertrust Nominees (Ireland) Limited (the "**Share Trustee**"), a professional trust company, under the terms of a discretionary trust for the benefit of one or more charities. The terms of the Share Trust Deed pursuant to which the shares are held in trust by the Share Trustee are set out in the section titled "Material Contracts" in Part VIII of this Prospectus. Further information relating to the portfolio of the Originator as at the date of this Prospectus and related financing arrangements, is set out in Part IV of this Prospectus.

Pursuant to the Portfolio Service Support Agreement, DFME (in its capacity as the Service Support Provider) will provide certain support services to the Originator. The Originator will be self-managed but the Service Support Provider will be responsible for ensuring that the Originator has the required human resources available to it in order to make necessary business decisions and to carry on the day-to-day management of the Originator's business.

DFME or any affiliate (in its capacity as the CLO Manager) will also manage Originator CLOs. In consideration of the Originator's role in originating these CLOs, DFME will rebate up to 20 per cent. of the management fee it earns in its capacity as CLO Manager of the Originator CLOs (excluding any incentive/performance management fee the CLO Manager is entitled to receive), *pro rata* to the CLO Income Notes held by the Originator in such CLOs. After the deduction of all costs (calculated at arm's length) attributable to the Originator, it is expected that the net rebate will be at least 10 per cent. of the CLO Management Fee earned by the CLO Manager in respect of the Originator CLOs (excluding any

incentive/performance management fee the CLO Manager is entitled to receive) *pro rata* to the CLO Income Notes held by the Originator in such CLOs. In addition, the Originator is also expected to receive an upfront fee (the "**Upfront Fee**") on the closing of each Originator CLO, which is expected to be between 1 per cent. and 5 per cent. of the value of the CLO Retention Income Notes it retains in such CLO (subject to the repayment of initial expenses related to the Placing and Admission as further described in Part V).

Investment in the Originator is only suitable for institutional, professional and high net worth investors, private client fund managers and brokers and other investors who understand the risks involved in investing in the Originator and/or who have received advice from their fund manager or broker regarding investment in the Originator.

Investment Objective and Policy of Originator

The investment objective and policy of the Originator mirrors the investment objective and policy of the Company set out above.

It is expected that the Originator will have access to a committed Revolving Credit Facility which will equal no more than 250 per cent. of: (i) the Net Placing Proceeds (together with the net proceeds from any additional Share issues and less the value of any Shares repurchased); plus (ii) retained net income from time to time; less (iii) the aggregate amount invested in CLO Income Notes at cost.

It is anticipated that any borrowing will be in the form of a term Revolving Credit Facility and loans purchased using such borrowings will typically be held for no more than 12 months before being sold to a CLO. Except in relation to the CLO Income Notes it holds, the Originator may enter into hedging and derivatives transactions pursuant to its investment activities, for the purposes of efficient portfolio management.

Although not a profit forecast, the Originator expects to generate gross annual cash returns of 10-11 per cent. from loans (including leverage through the term Revolving Credit Facility) and 15-20 per cent. from CLO Income Notes with the risk adjusted IRRs on CLO Income Notes being in the range of 12-15 per cent. per annum. The Originator also benefits from: (i) the ability to evaluate the best time to establish a new CLO and; (ii) through CLO Income Notes, call rights over CLOs, thereby having the ability to maximise IRRs.

Until such time that the Originator is unable to fund CLO Income Notes, no CLO established by GSO which is investing in European loans will be structured outside of the Originator. For such period, the Originator will also have most favoured status over the terms relating to CLO Income Notes it purchases, which will ensure that no other holder of CLO Income Notes in such CLOs will benefit from any economic or material contractual terms more favourable than those offered to the Originator.

Any proposed changes to the Originator's investment objective and policy will be subject to the process described in the section titled "*Changes to Investment Policy*" above in this Part I of the Prospectus.

Investment Activity of the Originator Prior to Investment by the Company

In order to facilitate a timely investment of the proceeds of the Placing and to take advantage of existing opportunities the Originator has invested in senior secured loans (the "**Warehouse Assets**") financed by a subordinated loan facility provided by Blackstone Treasury Asia Pte Ltd ("**Blackstone Singapore**") and a senior loan facility provided by Bank of America N.A., London Branch. Further details of these financing arrangements are set out in the "Material Contracts" section in Part IX of this Prospectus.

The Warehouse Assets will, subject to certain conditions (such as the assets being eligible for the Seed CLO on its closing date and the closing date occurring) form the initial part of the portfolio for a new Originator CLO (the "**Seed CLO**"), and the Originator intends to subsequently acquire CLO Income Notes issued by the Seed CLO. The Seed CLO was priced on 27 June 2014 and all Warehouse Assets are anticipated to be transferred to the Seed CLO on or around 24 July 2014, subject to certain conditions such as the assets being eligible for the Seed CLO on its closing date and the closing date occurring. It is anticipated that the Seed CLO will close on 24 July 2014. Therefore, following Admission, depending on the closing of the Seed CLO, Shareholders may benefit from the imminent close of the Seed CLO and the purchase by the

Originator of CLO Income Notes issued by the Seed CLO. The senior and subordinated warehouse financing arrangements are intended to terminate on the closing date of the Seed CLO.

Following Admission, the Originator will acquire further assets and originate new CLOs and it is expected that the Net Placing Proceeds will be substantially invested in CLO Income Notes within 24 months of Admission. The Originator may also, from time to time: (i) hold assets within its portfolio to maturity; (ii) sell assets within its portfolio to the market; or (iii) sell assets within its portfolio to another CLO which is not an Originator CLO.

NPA and the Profit Participating Notes

The NPA provides, *inter alia*, that the Originator will ensure that its portfolio is managed in accordance with the investment objective and policy, and that the Originator shall provide all such assistance as the Company might require in order to comply with the Listing Rules (to the extent applicable to or voluntarily adopted by the Company), the Disclosure and Transparency Rules, the Prospectus Rules and other applicable laws or regulations. The Profit Participating Notes to be issued by the Originator to the Company shall be subject, at all times, to the terms and conditions set out in the NPA.

Cash in respect of interest accrued or to be accrued on the Profit Participating Notes on a quarterly basis (subject to availability of funds) shall be paid to the Company in such amount as to enable the Company to make payments due under the Company's dividend policy and to cover the Company's ongoing costs and expenses. Cash not paid to the Company to enable it to meet its dividend payment or to cover its ongoing costs and expenses may be designated by the Originator to fund the purchase of additional assets and any funds remaining following such designation for investment shall be payable to the Company in due course (in accordance with the Originator's priorities of payments).

Failure by the Originator to comply with the terms and conditions of the NPA and/or the Profit Participating Notes would constitute an event of default which would permit the Company to elect for such Profit Participating Notes to become immediately due and repayable, subject to any legal, regulatory or contractual restrictions, including those committing the Originator to (i) retain its interest in CLO Retention Income Notes and (ii) during the relevant CLO's reinvestment period, originate and sell over 50 per cent. of each CLO's total securitised exposures to it (such percentage calculated including the principal proceeds received by the relevant CLO in respect of any Originator sourced assets).

Under the terms of the Profit Participating Notes, the Company has, subject to certain conditions, the first right to seek to fund the Originator (through the acquisition of further Profit Participating Notes) should it seek to raise additional funds.

Further information in relation to the NPA and the Profit Participating Notes is set out in paragraph 5.3 of Part VIII of this Prospectus.

Listing of the Profit Participating Notes

Application will be made for the Profit Participating Notes to be admitted to listing on the Official List of the Global Exchange Market of the Irish Stock Exchange (the "**GEM**"), or such other exchange as may be agreed by the Originator and the Company, on or around the date of Admission. The listing of the Profit Participating Notes on the GEM will result in withholding tax efficiencies in relation to interest payments made by the Originator to the Company.

Non-voting equity of the Originator

The Company will invest part of the Net Placing Proceeds in the acquisition of 15 non-ownership Class B2 shares of the Originator. The Class B2 Shares will be non-voting and will not carry any entitlement to a dividend. The Class B2 Shares may be redeemed at any time at the option of the Originator but may only be redeemed by the holder thereof: (i) after 1 June 2044, by service of notice on the Originator; or (ii) at any time if the Originator's investment policy is amended (and such amendment would require the Company to seek approval from its Shareholders to make an equivalent change to the Company's investment policy and

the Shareholders of the Company do not approve such change). It is expected that the Class B2 shares will be held through a wholly-owned subsidiary of the Company.

TARGET RETURN AND DIVIDEND POLICY

Target Total Return

Whilst not forming part of the investment objective or policy of the Company, on the basis of current market conditions as at the date of this Prospectus, the Company is targeting an annualised mid-teen total return over the medium-term, once the Net Placing Proceeds are substantially invested (through the Originator) in CLO Income Notes (the "**Target Total Return**"). The Company intends to seek to deliver this return through a combination of dividend payments and capital appreciation.

Target Dividend Yield and Policy

Whilst not forming part of the investment objective or policy of the Company, dividends will be payable in respect of each calendar quarter, payable in the month following the end of such quarter. On the basis of current market conditions as at the date of this Prospectus, the Company will target a dividend in respect of the period from Admission to 31 December 2014, payable in February 2015 equating to a 6 per cent. annualised return and, thereafter, will target 2 per cent. a quarter equating to an 8 per cent. annualised return (in each case, based on the Placing Price) (the "**Target Dividend**"), with the expectation of progressive growth. Excess cash or interest from the portfolio will be reinvested by the Originator with the objective of growing the NAV. The actual dividend generated by the Company in pursuing its investment objective will, however, depend on a wide range of factors including, but not limited to, general economic and market conditions, fluctuations in currency exchange rates, prevailing interest rates and credit spreads, the terms of the investments made by the Company and the risks highlighted in the "Risk Factors" section of this Prospectus.

The Articles permit the Directors, in their absolute discretion, to offer a scrip dividend alternative to Shareholders when a cash dividend is declared from time to time. In the event a scrip dividend is offered in future, an electing Shareholder would be issued new, fully paid up Shares (or Shares reissued from treasury) pursuant to the scrip dividend alternative calculated by reference to the higher of: (i) the prevailing average mid-market quotation of the Shares over the five trading days following and including the relevant ex-dividend date; or (ii) the Net Asset Value per Share, at the date selected by the Directors for such purposes. The scrip dividend alternative would be available only to those Shareholders to whom Shares might lawfully be marketed by the Company.

The Target Total Return and the Target Dividend should not be taken as an indication of the Company's expected future performance or results. The Target Total Return and the Target Dividend are targets only and there is no guarantee that they can or will be achieved and should not be seen as an indication of the Company's expected or actual return. Target returns are hypothetical and are neither guarantees nor predictions or projections of future performance. Actual events and conditions may differ materially from the assumptions used to establish the Target Total Return and Target Dividend. Accordingly, investors should not place any reliance on the Target Total Return or the Target Dividend in deciding whether to invest in Shares.

Furthermore, the future performance of the Company may be materially adversely affected by the risks discussed in the section of this Prospectus entitled "Risk Factors".

SHARE BUYBACKS

The Directors have been granted general authority for the Company to purchase in the market up to 14.99 per cent. of the Shares in issue immediately following Admission (calculated after any utilisation of the Over-allotment Option). The Directors intend to seek annual renewal of this authority from the Shareholders at the Company's annual general meeting.

The Directors may, at their absolute discretion, use available cash to purchase in the market Shares in issue at any time following Admission, subject to having been granted authority to do so, should the Shares trade

at an average discount to NAV (calculated daily in accordance with the methodology set out below) of more than 7.5 per cent. as measured each month over the preceding six month trading period. Subject to any legal, regulatory or contractual restrictions applicable to the Originator, in accordance with the terms of the Profit Participating Notes the Company will be entitled to receive cash from the Originator to fund its discount management policy.

The average discount will be calculated by dividing the sum of the discount or premium (as the case may be) on each business day in a calendar month (adjusted for dividends) by the number of such business days. The premium or discount on any given day is to be calculated by reference to the closing Share price and the NAV announced for that month.

'Available cash', in this context, is expected to comprise cash held by the Originator which is received in respect of interest income on loans and CLO Income Notes and other cash not required to meet Retention Requirements, after taking account of working capital requirements of the Originator and Company and any requirements under any Revolving Credit Facility.

In exercising their powers to buy back Shares, the Directors have complete discretion as to the timing, price and volume of Shares so purchased. No expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions. The implementation of any Share buy-back programme and the timing, price and volume of Shares purchased at all times will be subject to compliance with the Articles, the Listing Rules (to the extent applicable to or voluntarily adopted by the Company), the Companies Law and all other applicable legal and regulatory requirements.

In the event that the Board decides to repurchase Shares, purchases will only be made through the market for cash at prices not exceeding the estimated prevailing NAV per Share where the Directors believe such purchases will result in an increase in the NAV per Share. Such purchases will only be made in accordance with (a) the Listing Rules (to the extent applicable to or voluntarily adopted by the Company), which currently provide that the maximum price to be paid per Share must not be more than the higher of: (i) five per cent. above the average of the mid-market values of Shares for the five Business Days before the purchase is made; or (ii) the higher of the last independent trade or the highest current independent bid for Shares; and (b) the Companies Law, which provides, *inter alia*, that any purchase is subject to the Company passing the solvency test contained in the Companies Law at the relevant time.

Shares purchased by the Company may be cancelled or held in treasury up to a maximum of ten per cent. of the total number of Shares in issue at any particular time.

FURTHER ISSUES OF SHARES

In addition to the Over-allotment Option described further in Part VI of this Prospectus, the Directors will have authority to allot further Shares in the share capital of the Company following Admission. Further issues of Shares would only be made if the Directors determine such issues to be in the best interests of Shareholders and the Company as a whole. Relevant factors in making such determination include net asset performance, share price rating and perceived investor demand. In the case of further issues of Shares (or sales of Shares from treasury), such Shares will only be issued at prices which are not less than the then prevailing Net Asset Value per Share (as estimated by the Directors).

There are no provisions of Jersey law which confer rights of pre-emption in respect of the allotment of Shares. The Articles, however, contain pre-emption rights in relation to allotments of Shares for cash. Pursuant to a written extraordinary resolution of the subscribers to the Company's memorandum of incorporation dated 8 July 2014, it was resolved to disapply such pre-emption rights in relation to the Shares issued pursuant to the Over-allotment Option and a number of Shares equal to 10 per cent. of the Shares in issue immediately following Admission (calculated after any utilisation of the Over-allotment Option) for a period concluding on the earlier of immediately prior the Annual General Meeting of the Company to be held in 2015 or 31 December 2015 (whichever is earlier). The Directors intend to request that the authority to allot Shares for cash on a non-pre-emptive basis is renewed at each subsequent annual general meeting of the Company.

NET ASSET VALUE

Publication of Net Asset Value

The Company intends to publish the Net Asset Value per Share as calculated in accordance with the process described below, on a monthly basis (within 15 Business Days following the relevant month-end). Such Net Asset Value per Share will be published by RIS announcement and be available on the website of the Company. The Originator will be obliged, pursuant to the terms and conditions of the Profit Participating Notes, to provide the Company and the Administrator with such information as they may reasonably require in order to facilitate such calculations and announcements.

Valuation of the portfolio

State Street Ireland will value assets held by the Originator and provide the detail of such asset valuations together with any expense items to the Company's Administrator who will be responsible for NAV calculation of the Company.

It is intended that, in accordance with its investment objective and policy set out above, the Originator will invest in: a) senior secured loans and other debt securities; and b) CLO Income Notes, and will value such instruments in the following manner:

a) **Loans and other corporate debt instruments**: Loans and other corporate debt instruments will be valued according to their mid-market price as determined by an Approved Pricing Source on the relevant NAV Calculation Date or, where a loan has been contracted for sale to a CLO as part of a Forward Purchase Agreement, the sale price. Any loan sold by way of such a Forward Purchase Agreement will be valued at the mid-market rate as determined by an Approved Pricing Source on the date it becomes subject to the Forward Purchase Agreement which may in some instances be the cost price of the loan to the Originator. If a price cannot be obtained from an Approved Pricing Source for any loan, the Originator will source mid-prices as at the close of the relevant trading day from third party broker/dealer quotes for any such loan. In addition, assets which are acquired by the Originator as part of a primary issuance may be valued as the principal balance thereof net of original issuance discount and fees paid to the Originator. Where a loan becomes subject to a Forward Purchase Agreement the Originator will (subject to certain conditions as set out in paragraph 6.7.2 of Part IX of this Prospectus) neither receive the gain nor bear the loss that occurs between the date when the loan is added to the Forward Purchase Agreement and the date when the transfer occurs.

   In cases where no third party price is available, or where the Originator determines that the provided price is not an accurate representation of the fair value of the investment, the Originator will determine the valuation based on the Originator's fair valuation policy. The overall criterion for fair value is a price at which a round lot, being the minimum amount that may be sold of a particular loan or other debt instrument, of the securities involved would change hands in a transaction between a willing buyer and a willing seller, neither being under compulsion to buy or sell and both having the same knowledge of the relevant facts.

   Consistent with the above criterion, the following criteria will be considered when applicable:

   - valuation of other securities by the same issuer for which market quotations are available;
   - reasons for the absence of market quotations;
   - the soundness of the security, its interest yield, the date of maturity, the credit standing of the issue and current general interest rates;
   - recent sales prices and/or bid and ask quotations for the loan;
   - value of similar loans/securities of issuers in the same or similar industries for which market quotations are available;
   - economic outlook of the relevant industry;
   - an issuer's position in the relevant industry;

- the financial statements of the issuer; and
- the nature and duration of any restriction on disposition of the security.

b) **CLO Income Notes**: CLO Income Notes will be valued according to their mid-market price as determined by an Approved Pricing Source on the relevant NAV Calculation Date. If a price cannot be obtained from an Approved Pricing Source for any CLO Income Note, the Originator will source mid prices as at the close of the relevant trading day from third party broker/dealer quotes for any such CLO Income Note.

In cases where no third party price is available, or where the Originator determines that the provided price is not an accurate representation of the fair value of the investment, the Originator will determine the valuation based on the Originator's fair valuation policy. The overall criterion for fair value is a price at which a round lot, being the minimum amount that may be sold of a particular CLO Income Note would change hands in a transaction between a willing buyer and a willing seller, neither being under compulsion to buy or sell and both having the same knowledge of the relevant facts.

Consistent with the above criterion, the following criteria will be considered when applicable:

- valuation of other securities by the same CLO for which market quotations are available;
- reasons for the absence of market quotations;
- recent sales prices and/or bid and ask quotations for the similar CLO Income Notes;
- the soundness of the CLO's loan portfolio, its weighted average spread, weighted average life, the portfolio legal maturity profile, the credit standing and market prices of the loans and the structure of the CLO; and
- the CLO Income Note cashflows generated using Intex CLO modelling based on prevailing market assumptions including *inter alia*; defaults, recoveries, prepayment rates, loan reinvestment prices and spreads, forward interest rates and loan prepayment rates.

Suspension of the calculation of Net Asset Value

The Directors may at any time, but are not obliged to, temporarily suspend the calculation of the NAV and NAV per Share during:

(a) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial part of the portfolio is, in the opinion of the Directors, not reasonably practicable without this being seriously detrimental to the interests of the Company or if, in the opinion of the Directors, the NAV and/or NAV per Share, as the case may be, cannot be fairly calculated; or

(b) any breakdown in the means of communication normally employed in determining the value of the Company's investment in the Originator.

Shareholders will be informed by an RIS announcement in the event that the calculation of the NAV per Share is suspended as described above, and trading in the Shares on the Specialist Fund Market may also be suspended.

REPORTS AND ACCOUNTS

The accounting period of the Company ends on 31 December in each year, and the audited annual accounts will be provided to Shareholders within four months of the year end to which they relate. Unaudited half-yearly reports, made up to 30 June in each year, will be announced within two months of that date. The Company shall produce interim management statements in accordance with the requirements of the Disclosure and Transparency Rules. The Company shall report its results of operations and financial position in Euro. The Company's first accounts will be prepared for the period ending 31 December 2014.

The audited annual accounts and half-yearly reports will also be available at the registered office of the Administrator and the Company and from the following website, www.blackstone.com.

The financial statements of the Company are prepared in accordance with IFRS as adopted by the EU, and the annual accounts will be audited by the Company's Auditors using auditing standards in accordance with International Standards on Auditing (UK and Ireland). The Company's financial statements, which will be the responsibility of its Board, will consist of a statement of comprehensive income, statement of financial position and statement of cash flows, statement of changes in equity, related notes and any additional information that the Board deems appropriate or that is required by applicable law.

The preparation of financial statements in conformity with IFRS requires that the Directors make estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Such estimates and associated assumptions are generally based on historical experience and various other factors that are believed to be reasonable under the circumstances, and form the basis of making the judgments about attributing values of assets and liabilities that are not readily apparent from other sources. Actual results may vary from such accounting estimates in amounts that may have a material impact on the financial statements of the Company.

It is expected that the CLOs established will be consolidated in the Originator's IFRS financial statements, although such assessment will depend on the facts and circumstances. The Company does not currently expect to consolidate the Originator in its IFRS financial statements as the Directors' judgment is that the Company does not control the Originator.

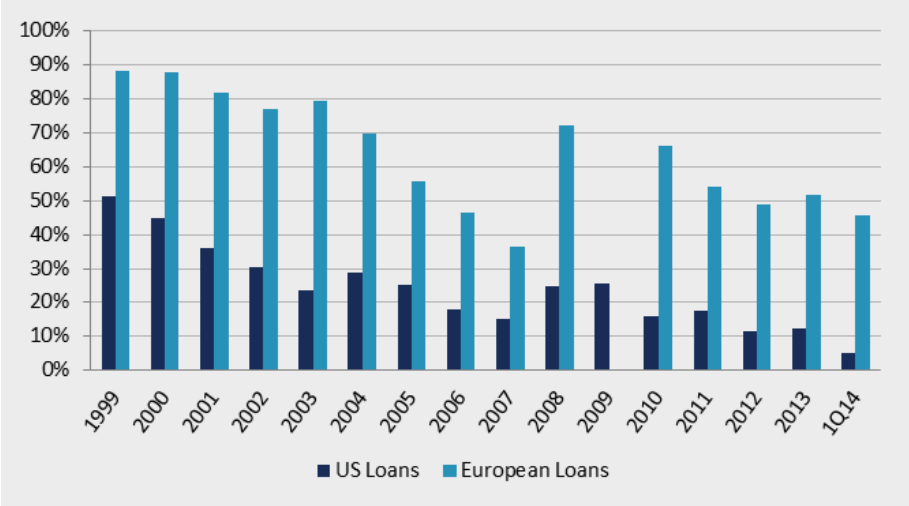
Any disclosures required to be made to Shareholders pursuant to the AIFM Directive will be contained either in the Company's periodic reports, on the Company's website or communicated to Shareholders in written form.

PART II: THE MARKET OPPORTUNITY

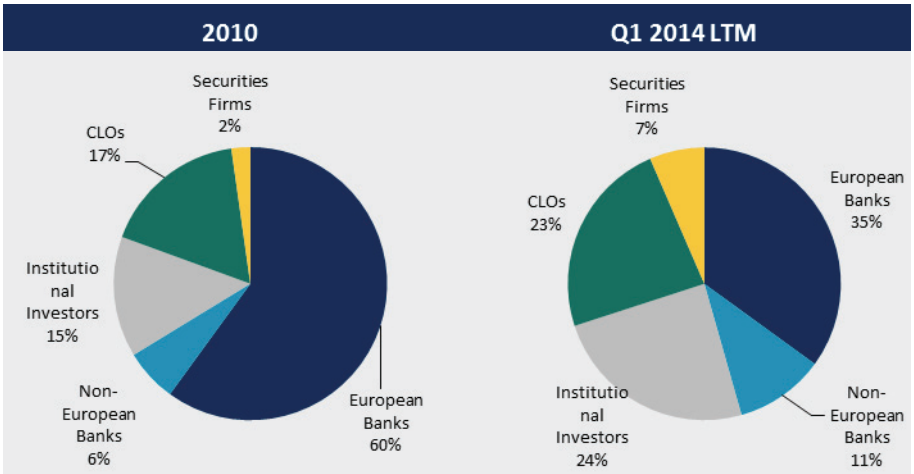
BACKGROUND

As European banks continue to downsize their balance sheets, credit supply is becoming increasingly constrained. The International Monetary Fund estimated in October 2012 that the deleveraging requirement for European banks was in the region of €2.1 trillion. DFME believes that the supply demand imbalance is shifting in the European loan market away from a bank-centric model to a more institutional capital market model and that this reduced lending capacity should support favourable economics for institutional investors. These economics are further supported by the absence of retail-orientated loan funds in Europe, given the ineligibility of loans for UCITS, unlike the U.S. where demand from retail investors has been one of the most material contributors to loan spread tightening over the last 24 months. As the charts below illustrate European banks have been reducing their share of the primary loan market in Europe steadily over time.

Bank Share of the Primary Bank Loan Market (U.S. vs. EU)[1]



Investor Share of European Bank Loan Primary Market[2]

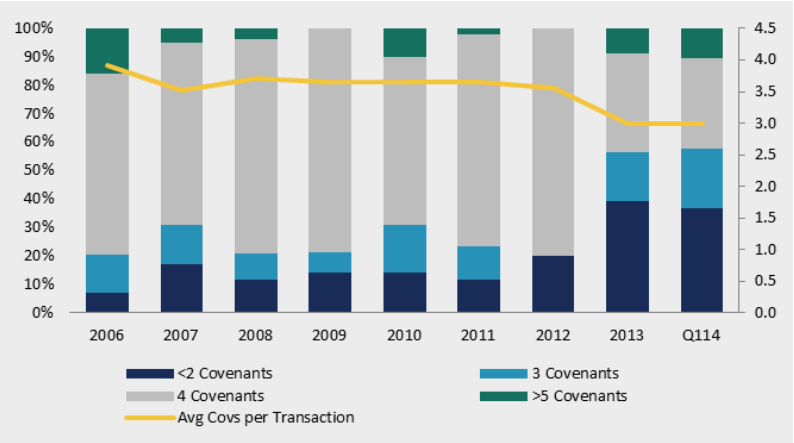


In addition DFME believes that the strengthening macro-economic backdrop and relatively low corporate borrowing costs should continue to support European corporate earnings and corporate credit more broadly. DFME believes corporate defaults should remain low since access to capital markets remains unrestricted and the material rise in equity valuations has created a cushion under corporate capital structures (see further section entitled "*European Speculative Grade Default Rates*" below).

1 S&P Capital IQ, Q1 2014 European and U.S. Leveraged Lending Reviews.
2 S&P Capital IQ, Q1 2014 European Leveraged Lending Review.

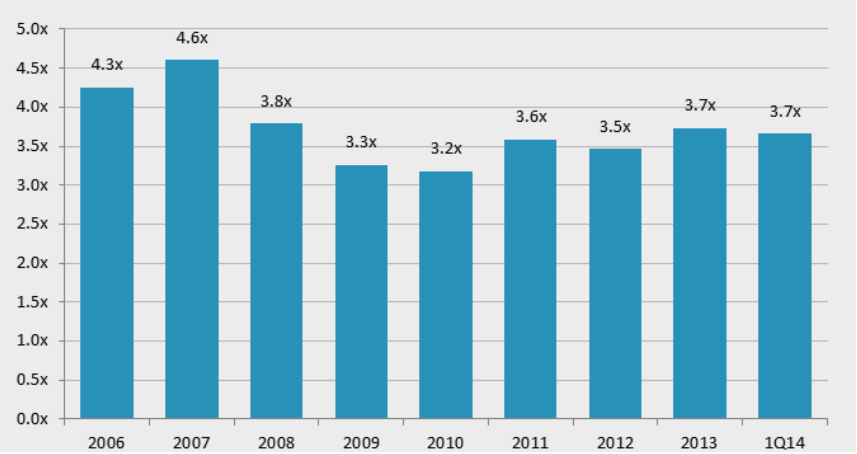
European senior secured loans still remain largely covenanted, with 60 per cent. of the loans in the market benefiting from at least 3 financial covenants (as set out in the chart below).

European Loan Covenants[3]



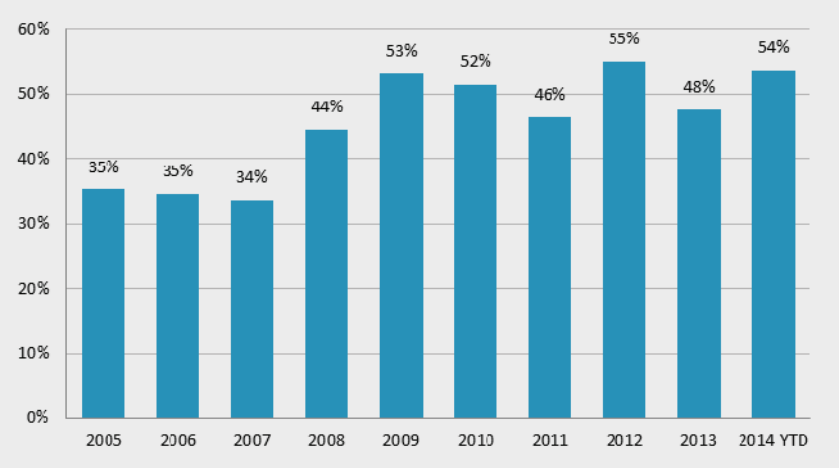
Capital structures have become more conservative, with senior leverage ratios below pre-crisis levels and equity contributions averaging 54 per cent. for transactions in 2014. As leverage ratios have decreased, the spread per unit of leverage has increased, indicating that investors are receiving greater compensation from the more recent capital structures. Nominal spreads have continued to widen in the secondary market as the universe of outstanding loans includes more recent issuances and existing loans re-price. New-issue spreads remain above historical averages with institutional new-issue yields of 4.55 per cent. in the first quarter of 2014.[4]

Annual Pro Forma European First Lien Debt/EBITDA Ratios[5]



3 S&P Capital IQ, Q1 2014 European Leveraged Lending Review.
4 S&P LCD, Private Equity Review, April 2014.
5 S&P Capital IQ, Q1 2014 European Leveraged Lending Review.

Average Equity Contribution[6]



DFME believes that the fundamental performance of European bank loans and European CLOs managed by well-resourced and focused loan managers over the last fourteen years has generally been good. DFME believes that the evolving European regulatory landscape has created an opportunity for investors to gain exposure to portfolios of predominantly senior secured European loans, both directly and via retained CLO Income Notes, through a new loan origination company and so aim to earn a high current income and growing net asset value.

INVESTMENT OPPORTUNITY

The Originator intends to invest in CLOs which are compliant with the Retention Requirements (as defined above). In connection with this intention, and pursuant to the final Regulatory Technical Standards ("**RTS**") on securitisation risk retention published in the Official Journal of the European Union on 13 June 2014, the Originator will need to, amongst other things: (a) on the closing date of a CLO it establishes, commit to purchase an amount of the CLO Income Notes equal to at least 5 per cent. of the maximum portfolio principal amount of the assets in the CLO and (b) undertake that, for so long as any securities of the CLO remain outstanding (including the CLO Retention Income Notes), it will retain its interest in the CLO Retention Income Notes and will not (except to the extent permitted by the Retention Requirements, the accompanying regulatory technical standards or any other related guidance published by the European Securities and Markets Authority) sell, hedge or otherwise mitigate its credit risk under or associated with such CLO Retention Income Notes. This 5 per cent. of the capital structure of the securitisation retained can, amongst other methods, be retained through the holding of a vertical strip of issued tranches (AAA-rated notes to equity) or a retention holding in the subordinated note tranche, however the Originator will only retain via an investment in the subordinated note tranche of a CLO. The RTS prohibits most European investors from investing in any securitisation which does not comply with the RTS. To date, most European managers, including GSO, have sought to comply with the RTS on a "sponsor" basis, whereby the MIFID regulated CLO manager is the sponsor and retains the risk.

In addition, with the intention of achieving classification as an "originator" (as defined in the CRR) and complying with the CRR Retention Requirements, the Originator will be required to commit to: (a) establishing the relevant CLO, (b) selling investments to the relevant CLO which it has (i) purchased for its own account initially or (ii) itself or through related entities, directly or indirectly, been involved in the original agreement which created such obligations and (c) during the relevant CLO's reinvestment period, agreeing to sell investments to the relevant CLO from time to time so that, for so long as the securities of that CLO are outstanding, over 50 per cent. of the total securitised exposures held by the relevant CLO issuer have come from the Originator (such percentage calculated including the principal proceeds received by the relevant CLO in respect of any Originator sourced assets).

6 S&P Capital IQ, Q1 2014 European Leveraged Lending Review.

DFME believes that there is an opportunity for investors to participate on a "wholesale" basis in a new loan origination company. DFME will seek to adopt the "originator" model in Europe to address the Retention Requirements for its CLOs.

The Originator intends to buy predominantly floating rate senior secured loans from the primary and secondary market before selling the assets on to one or more CLOs that the Originator establishes and the Originator will act as a retention provider on all CLOs it establishes. The Company will fund the Originator while offering investors wholesale access to senior secured loans acquired by the Originator and retained CLO Income Notes.

The Originator will be responsible for selecting and monitoring the performance of the investments. The Originator's sale and purchase decisions (with certain exceptions) will be taken by the directors of the Originator, having been advised by the human resources made available to the Originator by the Service Support Provider pursuant to the Portfolio Service Support Agreement. Further details on the investment process are set out in Part III of this Prospectus.

THE LOAN MARKET STRUCTURE

Loans made by banks to corporate borrowers can be divided into two classes: investment grade and leveraged loans. Investment grade loans, on the one hand and as the name implies, are loans to borrowers that are rated Baa3/BBB-/BBB- or higher by Moody's Investor Services, Inc. ("**Moody's**"), Standard & Poor's Financial Services LLC ("**S&P**") or Fitch Group, Inc. ("**Fitch**"). These loans are typically revolving lines of credit used to supplement commercial paper programmes for immediate working capital needs. Because of the revolving nature of these loans (i.e. they are drawn down and paid back sporadically), they have little application to the institutional market. Leveraged loans, on the other hand, are unregistered loans to borrowers that are rated sub-investment grade and who have already have taken on a significant amount of debt. These are longer-term loans, typically with floating rates.

A bank loan is generally classified as a "leveraged loan" if:

– the company to which the loan is being made has outstanding debt rated below investment grade, meaning it has a rating below Baa3/BBB-/BBB- from Moody's, S&P or Fitch, respectively; or

– the company's debt/EBITDA ratio is 3.0 times or greater; or

– the loan bears a coupon of +125 bps or more over EURIBOR/LIBOR.

Typically the terms "leveraged loan" and "bank loan" refer, collectively, to senior secured loans, second lien loans (which benefit from a second priority interest in security, behind the senior secured loan), and mezzanine loans. Senior secured loans, as the name suggests, benefit from a first priority interest in the security that collateralises a leveraged loan. Such security typically includes pledges over shares, bank accounts, receivables, and also mortgages over property. Senior secured loans rank prior to second lien loans and mezzanine loans in right of repayment in the event of a default by the borrower and are generally viewed as carrying lower risk than second lien loans and mezzanine loans.

The senior secured bank loan market typically allows investors to move higher up the capital structure, enhancing capital preservation and achieving attractive yield levels relative to other short duration instruments. As senior secured bank loans are floating rate by nature, such loans can provide protection from rising interest rates.

Loan Market Credit Spreads

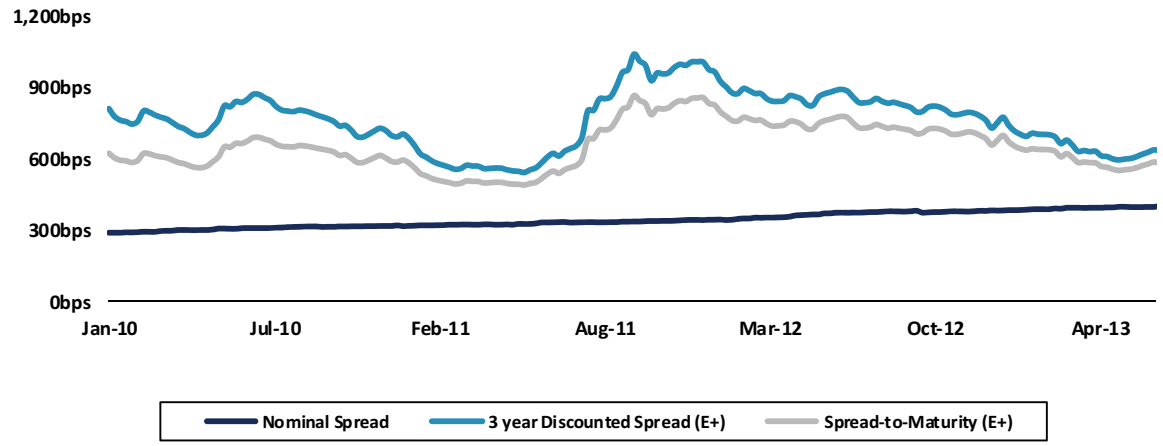
Senior secured bank loans are floating rate instruments that pay a stated "spread" (margin), reflecting the obligor's risk over a widely accepted base rate such as "EURIBOR" or "LIBOR". The floating rate on bank loans typically resets every 30 to 90 days in line with the prevailing base rate. Senior secured loans offer attractive risk-adjusted yields with low duration when compared to high yield and investment grade bonds. The floating rate nature of senior secured bank loans should provide some interest rate protection against rising rates as the coupons on the loans are directly linked to an applicable base rate and will rise in line with

interest rate increases; whereas, with traditional fixed rate assets such as investment grade or high yield bonds, a rise in interest rates typically leads to a fall in price of the bonds.

The European primary market currently offers spreads in excess of 3.80 per cent. and can offer potential for capital appreciation as most loans are issued at a discount to par value or "OID" ("**Original Issue Discount**"). Current market spreads continue to remain above historical averages, despite the general improvements in macro outlook and market sentiment. DFME believes new-issue loan spreads in Europe should remain attractive due to a reduction in lending capacity, as banks de-lever, pre-financial crisis CLO reinvestment periods end and the European loan market moves from a bank centric to an institutional market model.

The European secondary market also offers attractive investment opportunities and the potential for capital appreciation, with the average bid price of European Loans currently standing at 94.41[7]. The market nominal spread has continued to widen and now stands at over 4.20 per cent. As illustrated in the chart below, the S&P European Leveraged Loan Index is offering a spread to three year weighted average life above Euribor + 5.50 per cent, as of 30 April 2014.

S&P European Leveraged Loan Index Secondary Market Pricing[8]



Loan Market Returns

DFME believes European bank loans have historically demonstrated an attractive risk/return profile over credit cycles. In DFME's view, with the exception of the period during the financial crisis in late 2008 and 2009, when significant deleveraging from mark to market finance and bank liquidations resulted in a period of market dislocation, European loan market returns have been broadly consistent over the past 15 years. Due to the floating rate nature of senior secured banks loans, DFME believes bank loans can provide an attractive hedge against interest rates, which hedge significantly differentiates bank loans from other fixed income asset classes.

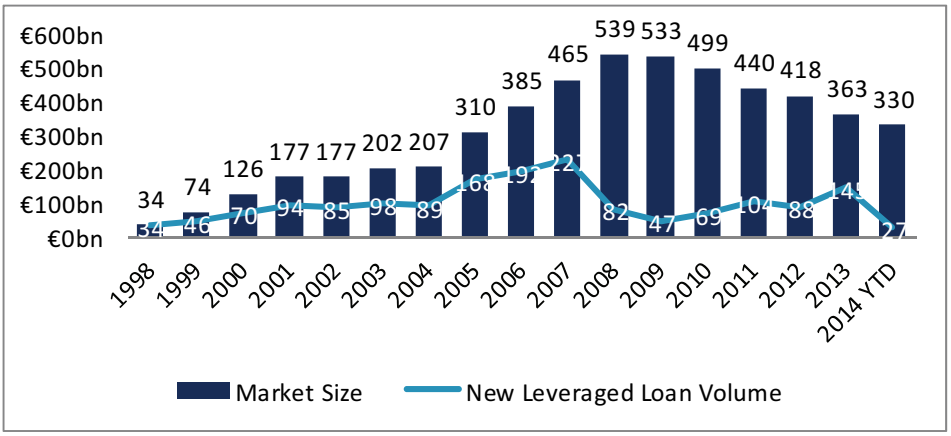
LOAN MARKET VOLUME

The size of the European loan market has declined since the financial crisis, as set out in the graph below, following the retrenchment of a number of bank lenders and a decline in the volume of new European CLO issuance. However with the slow re-emergence of the European CLO market in 2013 and some newer institutional loan investors, volumes are now starting to increase. 2013 was a strong year for the European leveraged finance market, as new-issue loan volume reached €145 billion, representing a 65 per cent. increase over the previous year.

7 S&P European Leverage Loan Index, April 30th, 2014.

8 S&P Capital IQ, European Leveraged Lending Review, April 2014.

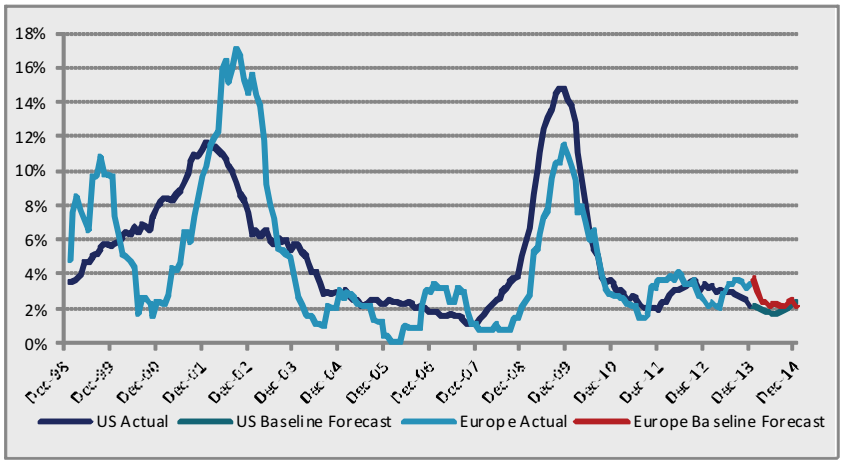
Western European Bank Loan Market Size and Primary Volumes (€ billion)[9]



EUROPEAN SPECULATIVE GRADE DEFAULT RATES

Senior secured bank loans are sub-investment grade loans that offer first lien security interest over assets of a company and first priority claim in insolvency. The senior secured nature of such loans means that they have the ability to protect against downside risk and preserve capital, moreover demonstrating robust performance in periods of stress, European and U.S. default rates also remain low, with 2014 baseline forecasts projecting defaults to remain below historical averages. DFME believes that current default rates are driven by certain pre-financial crisis vintage loans that have been underperforming since 2009. However, with the more conservative capital structures and the reduction in leverage ratios from pre-crisis levels that are currently prevalent, DFME sees the potential for a more benign default environment with higher recovery rates on newer vintage issues.

Moody's U.S./Europe LTM Speculative Grade Default Rate and Baseline Forecast[10]



THE EUROPEAN CLO MARKET

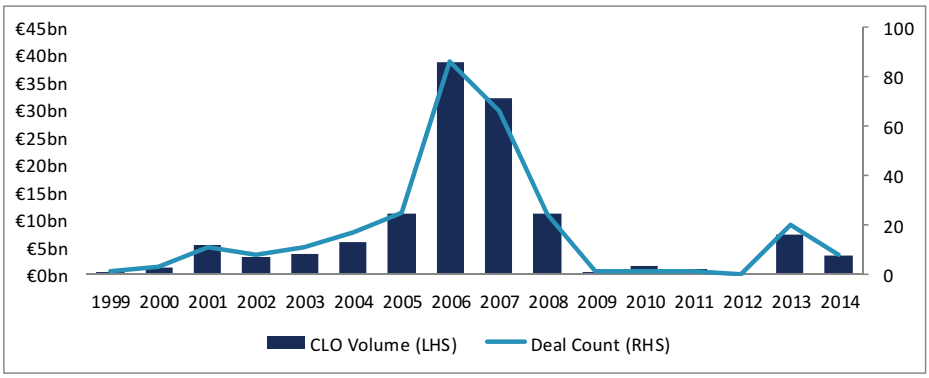
In 2006, prior to the financial crisis, the European primary CLO market annual issuance was approaching €40 billion. However the market largely closed during the financial crisis only to re-emerge in 2013 with €7.4 billion in primary issuance from 20 vehicles. The resurgence in the European CLO market has continued in 2014, as of 30 April 2014, €3.5 billion has been raised from eight vehicles and the forward pipeline also looks robust with seven deals currently waiting to price. As a result various banks have raised their supply forecasts for 2014, with Morgan Stanley and JP Morgan projecting €8-10 billion and €10-15 billion, respectively, in European CLO supply for 2014.[11]

9 Credit Suisse, Leveraged Finance Strategy Monthly, April 2014.

10 Moody's Investor Services, December 2013.

11 LCD News, "Banks raise 2014 CLO supply forecasts following record April", May 7th, 2014.

European CLO Primary Issuance (€ billion)[12]



CONCLUSION

DFME believes improved corporate credit fundamentals and a low interest and default environment will continue to support corporate credit as an asset class. From a technical perspective, DFME expects the new issuance calendar to remain robust over the short to medium term as the market absorbs corporate refinancing needs and private equity uninvested funds. DFME expects the building primary pipeline coupled with a declining investor universe to remain supportive of current yield levels.

12 S&P LCD, European CLO Databank, April 2014.

PART III: INVESTMENT PROCESS AND DFME

THE COMPANY AND THE ORIGINATOR

The Company will invest the Net Placing Proceeds for the acquisition of: (a) Profit Participating Notes issued by the Originator and (b) 15 Class B2 Shares in the Originator (which will be non-voting, and which will be held by a wholly owned subsidiary of the Company). The Originator will use the proceeds from the issue of the Profit Participating Notes, the equity investment and the financing it receives from any Revolving Credit Facility to initially invest predominantly in senior secured loans, and subsequently (with the exception of any financing under any Revolving Credit Facility) in CLO Income Notes issued by Originator CLOs in accordance with its investment objective and policy (which mirrors the Company's investment objective and policy and strategy).

The Company will be self-managed, with an independent non-executive Board. Further details of the Board are set out in Part V of this Prospectus. The Originator is also internally managed with a non-executive Board. Further details of the Originator's directors are set out in Part IX of this Prospectus.

DFME, acting as the Service Support Provider, will provide personnel and certain other service support and assistance to the Originator pursuant to the terms of the Portfolio Service Support Agreement to be entered into between the Originator and the Service Support Provider (further details of which are set out in paragraph 6.1 of Part IX of this Prospectus).

DFME, acting as the Adviser, will also provide advice and assistance in connection with the Company's subscription of the Profit Participating Notes, evaluate prospective CLOs to which the Originator intends to transfer its assets from time to time and monitor the performance of Originator CLOs, in each case pursuant to the Advisory Agreement (further details of which are set out in paragraph 5.6 of Part VIII of this Prospectus).

Master Feeder Structure

The Company is structured as a feeder fund into the Originator which will act as a master fund. Pursuant to the Note Purchase Agreement, DFME has covenanted to the Originator and the noteholders (including the Company) that, for so long as any Profit Participating Notes remain outstanding, DFME will not engage any bank to arrange a CLO which is investing in European loans unless the Originator acts as originator to such CLO or the Originator has otherwise consented to a third party acting as sponsor or other retention holder in respect of such CLO.

As at 31 December 2013, DFME had €7.95 billion of CLO assets under management. Over the next two years, DFME expects that approximately €4-5 billion of such assets will require refinancing. Subject to market conditions and certain other factors, including but not limited to the performance of the Originator's investments and continued investor appetite for the asset class, DFME intends to establish at least one other feeder fund to invest into the Originator to enable the Originator to continue to invest in accordance with its investment policy and anticipates that the Originator's investment portfolio could increase to in excess of €400 million within the next 24 months.

DFME's Role as Service Support Provider and CLO Manager

DFME in its capacity as the Service Support Provider will provide the Originator's directors with credit research, pursuant to the Portfolio Service Support Agreement. In addition, DFME, or an affiliate, in its capacity as the CLO Manager will also manage Originator CLOs pursuant to CLO Management Agreements to be entered into from time to time.

The CLO Manager's objective in managing the CLOs is principal preservation through credit analysis and portfolio diversification. In order to achieve these objectives, it is expected that the CLO Manager will maintain a defensive approach towards its investments by emphasising risk control through: (i) undertaking comprehensive due diligence and credit analysis, (ii) careful portfolio construction with an emphasis on diversification, (iii) maintaining on-going monitoring of credits and sectors by research analysts and (iv)

portfolio managers' monitoring of portfolios, market conditions and transaction structure with a view towards anticipating positive and negative credit events. DFME considers it a priority in meeting its objectives, as the Service Support Provider and the CLO Manager, that it has and maintains a strong and experienced management team that understands investing in credit within structural constraints.

Comprehensive Due Diligence and Credit Analysis

DFME's credit research will be based on rigorous credit review and relative value analysis performed by its research analysts, portfolio managers and traders. Potential investments are analysed on the merits of the individual company relative to its position in the industry and the general strength of the industry within the context of the overall economy. Credit analysis includes, but may not be limited to, an analysis of the key drivers of revenue, expense, cash flow, and sources and uses of working capital. Research analysts typically prepare a formal credit memorandum that documents an investment hypothesis and supporting information on, among other things, due diligence performed, review of historical operational and financial information and the industry status of such potential investment, information presented in bank meetings, offering memoranda, management meetings and modelling of "down-side" financial scenarios. When deemed appropriate, the due diligence process may include interviews with management and controlling shareholder(s), review of external and proprietary research and on-site visits.

Investment Process

New investment opportunities will generally be initially reviewed by the personnel made available to the Originator by DFME (in conjunction with the services of DFME under the Portfolio Support Services Agreement) and the relevant research analyst, followed by, in the case of assets that are viewed favourably, the preparation of a formal credit memorandum and, if appropriate, a recommendation of the asset to the directors of the Originator. The directors of the Originator will then make the investment decisions based on these recommendations. The personnel made available to the Originator by DFME (pursuant to the Portfolio Service Support Agreement) will also take into consideration information from DFME's traders who will be responsible for contact with the primary and secondary desks within the dealer community and for providing an opinion to the personnel regarding the investments under consideration. An asset purchase will usually be recommended to the Originator's directors only upon consensus of the personnel made available to the Originator by DFME (pursuant to the Portfolio Service Support Agreement) who will meet as often as they consider necessary to discuss potential new investments and existing positions. As part of this process, these personnel will also take into consideration an analysis of a potential investment's impact on the applicable portfolio's structure.

Investment Monitoring and Risk Management

DFME's research analysts and portfolio managers will maintain the credit monitoring process and provide inputs to the personnel made available to the Originator by DFME (pursuant to the Portfolio Service Support Agreement). Individual investment performance will be compared to the initial investment hypothesis, giving consideration to new financial information, market news, price or other events. As part of an overall risk management strategy, a "Credit Watch List" will be maintained and monitored, which will be derived from general market information including security prices, company press releases, news and statements and ongoing due diligence. Data from the "Credit Watch List" will also be used as part of the process to forecast the occurrence of specific credit events and model the impact of credit events on a portfolio. When deemed appropriate, ongoing monitoring may include: meetings with management and advisors, obtaining a seat on committees and seeking new investors/capital. In performing credit monitoring processes, various software, publications and third party monitoring services may be used. Based on these inputs, the personnel made available to the Originator by DFME (pursuant to the Portfolio Service Support Agreement) will provide updates to the Originator's directors in relation to the performance of the Originator's investments.

The Service Support Provider's third party and proprietary models have been designed to monitor ongoing performance of both individual investments and the overall portfolio, and will be available to the personnel

made available to the Originator by DFME (pursuant to the Portfolio Service Support Agreement) in performing their functions.

Allocation Policy

DFME and the Originator (as applicable) will seek to manage potential conflicts of interest in good faith in circumstances where the portfolio strategies employed by the GSO Affiliates and Blackstone Affiliates in managing their respective Other Accounts could conflict with the transactions and strategies employed: (a) by DFME in managing the portfolio on behalf of the Originator CLOs and in providing services to the Originator; (b) by the Originator in managing its portfolio and/or; (c) by DFME in advising the Company under the Advisory Agreement, and may affect the prices and availability of the securities and instruments in which the Originator CLOs invest, or in which the Originator itself invests. Conversely, participation in specific investment opportunities may be appropriate, at times, for the Originator CLOs, the Originator itself and Other Accounts (and by association, with the Originator and Originator CLOs). It is the policy of the GSO Affiliates and Blackstone Affiliates to generally share appropriate investment opportunities (including purchase and sale opportunities) with the Other Accounts. In general and except as provided below, this means that such opportunities will be allocated *pro rata* among the Originator CLOs, the Originator (if the Originator wishes to invest in any such opportunity) and the Other Accounts based on targeted acquisition size (generally based on available capacity) or targeted sale size (or, in some sales cases, the aggregate positions), taking into account available cash and the relative capital of the respective entities.

Nevertheless, investment opportunities may be allocated other than on a *pro rata* basis, if GSO Affiliates or Blackstone Affiliates (including certain of the employees provided by DFME under the Portfolio Service Support Agreement) (as applicable), deem in good faith that the Originator CLOs, the Originator (if the Originator wishes to invest in any such opportunity) and the Other Accounts (as applicable) receive fair and equitable treatment and determine that a different allocation among the Originator CLOs, the Originator and the Other Accounts is appropriate, taking into account, among other considerations, (a) the risk-return profile of the proposed investment relative to the current risk profiles of the Originator CLOs, the Originator or the Other Accounts; (b) the investment guidelines, restrictions and objectives of the Originator CLOs, the Originator or the Other Accounts, including whether such objectives are considered solely in light of the specific investment under consideration or in the context of the respective portfolio's overall holdings; (c) the need to re-size risk in the portfolios of the Originator CLOs, the Originator or Other Accounts, including the potential for the proposed investment to create an industry, sector or issuer imbalance among the portfolios of the Originator CLOs, the Originator and the Other Accounts; (d) liquidity considerations of the Originator CLOs, the Originator and Other Accounts, including during a ramp-up or wind-down of the Originator CLOs, the Originator or Other Accounts, proximity to the end of the specified term of the Originator CLOs, the Originator's investment period or Other Accounts, any redemption/withdrawal requests, anticipated future contributions and available cash; (e) tax consequences; (f) regulatory restrictions or consequences; (g) when a *pro rata* allocation could result in *de minimis* or odd lot allocations; (h) degree of leverage availability and any requirements or other terms of any existing leverage facilities; (i) the nature and extent of involvement in the transaction on the part of the respective teams of investment professionals or service support teams dedicated to the Originator CLOs, the Originator or an Other Account (as applicable); and (j) any other considerations deemed relevant by DFME (including certain of the employees provided by DFME under the Portfolio Service Support Agreement), the Originator or the applicable investment adviser to an Other Account.

Orders may be combined for all such accounts, and if any order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, securities may be allocated among the different accounts on a basis which DFME, the Originator in providing services under the Portfolio Service Support Agreement (including the employees provided by DFME) or their respective affiliates consider equitable. From time to time, the Originator CLOs, the Originator and the Other Accounts may make investments at different levels of an issuer's capital structure or otherwise in different classes of an issuer's securities. Such investments may inherently give rise to conflicts of interest or perceived conflicts of interest between or among the various classes of securities that may be held by such entities. See further the risk factors set out in the section titled "*Risks relating to conflicts of interest*".

Neither the Blackstone Affiliates nor the Other Accounts are under any obligation to offer investment opportunities of which they become aware to the Originator CLOs or the Originator or to share with the Originator CLOs or the Originator or to inform the Originator CLOs or the Originator of any such transaction or any benefit received by them from any such transaction or to inform the Originator CLOs or the Originator of any investments before offering any investments to other funds or accounts that they manage or advise. Furthermore, Blackstone Affiliates and/or GSO Affiliates may make an investment on their own behalf or on behalf of their clients without offering the opportunity to add such investment, or adding such investment, to the portfolios of the Originator CLOs or the Originator. Affirmative obligations may exist or may arise in the future, whereby affiliates of DFME may be obligated to offer certain investments to funds or accounts that such affiliates manage or advise before or without DFME offering those investments to the Originator CLOs or the Originator. DFME may invest in or, in its capacity as Service Support Provider or CLO Manager (as applicable), provide services or advice (as applicable) in respect of, assets on behalf of the Originator CLOs or the Originator (as applicable) that it or any of its clients has declined to invest in for its own account, the account of any of its affiliates or the account of its other clients.

Biographies of the Members of GSO European Credit Committee

The GSO European Credit Committee comprises Alan Kerr, Fiona O'Connor, Alex Leonard, Mark Moffat, Michael Ryan, David Barry and Marion Buten. Of these, Alan Kerr, Fiona O'Connor and Alex Leonard (and such other personnel as may be determined from time to time) will be made available (as human resources) by DFME to the Originator pursuant to the Portfolio Service Support Agreement.

Alan Kerr

Alan Kerr is a Senior Managing Director of the Blackstone Group and is a Co-Head of European Customised Credit Strategies ("**CCS Europe**"). Mr Kerr has primary portfolio management responsibility for GSO's European CLOs and comingled funds. Mr. Kerr is a member of the CCS Europe Investment Committee and the GSO U.S. CCS Management Committee. Mr. Kerr joined GSO in January 2012 following the acquisition by GSO of Harbourmaster Capital Management Limited where he was Co-Head with Mark Moffat. He joined Harbourmaster at its inception in 2000. Mr. Kerr has 20 years of experience in the industry, including high yield bank loans, CLOs and bank loan funds. Formerly, Mr. Kerr was with Ernst & Young as a Financial Services Group Manager. Mr. Kerr has an Honours Commerce Degree (Banking & Finance) from University College Dublin, a Masters in Accountancy from University College Dublin, and is a member of Chartered Accountants Ireland.

Fiona O'Connor

Fiona O'Connor is a Managing Director of the Blackstone Group and Head of Credit for CCS Europe. Prior to 2012, Ms. O'Connor was Head of Credit for Harbourmaster for five years, running a team of credit analysts responsible for all aspects of credit origination, investment selection and ongoing monitoring of its €7.5 billion portfolio of leveraged loans. Prior to joining Harbourmaster, Ms. O'Connor worked for Bank of Ireland, Dublin, as a Director of its Acquisition Finance Origination group and previously within its Project Finance division. Prior to joining Bank of Ireland, Ms. O'Connor worked in Corporate Credit in Australia & New Zealand Bank (ANZ) in New York and as a credit analyst in AIB in New York. Ms. O'Connor has 22 years' experience in Acquisition Finance, Project Finance and Structured Finance. She has a Masters in Business Studies from Michael Smurfit Graduate School of Business and Bachelor of Commerce from University College Dublin.

Alex Leonard

Alex Leonard is a Managing Director of the Blackstone Group and a Senior Portfolio Manager and Loan Trader of CCS Europe. Mr. Leonard joined GSO in January 2012 following the acquisition by GSO of Harbourmaster. Prior to 2012, Mr. Leonard was a Director and Co-Head of Portfolio Management and Trading at Harbourmaster, primarily involved in fund structuring, portfolio management and trading. Before joining Harbourmaster in 2006, Mr. Leonard was a Director at Depfa with responsibility for management of Depfa's public sector asset CDO program. Prior to joining Depfa, Mr. Leonard worked for 5 years as a Senior

Structurer and then Co-Head of Euro Capital Structures. At ECS, he had responsibility for structuring deals across a wide variety of asset classes, including corporate bank loans, non-performing loans and CLOs. Prior to joining ECS, Mr. Leonard worked as a quantitative analyst in ING Barings and Airbus Industry's aerospace finance team. Mr. Leonard holds an M.A. in Economics from the University College Dublin.

In addition, the biographies of some of the other members of the GSO European Credit Committee are as follows:

Mark Moffat

Mark Moffat is a Senior Managing Director of the Blackstone Group LP and is a Co-Head of CCS Europe. Mr. Moffat is a member of the CCS Europe Investment Committee and the GSO CCS Management Committee. Mr. Moffat was Co-Head of Harbourmaster prior to its acquisition by GSO. Prior to joining Harbourmaster in 2007, Mr. Moffat was Head of European Debt and Equity Capital Markets and the European CLO business of Bear Stearns. Whilst at Bear Stearns, Mr. Moffat was responsible for the origination, structuring and execution of CLOs in Europe over a seven year period. Prior to Bear Stearns, Mr. Moffat held similar roles at ABN AMRO where he was Global Head of CLOS and Greenwich NatWest, the fixed income division of National Westminster Bank, where he was a Director in the Principal Finance team. Mr. Moffat has over 18 years of structuring, managing and investing in CLOs and holds a BA (Hons.) from Nottingham University.

Michael Ryan

Michael Ryan is a Managing Director of the Blackstone Group LP. Mr. Ryan joined GSO in January 2012 following the acquisition by GSO of Harbourmaster. He is involved in all aspects of credit origination, investment selection and ongoing monitoring of CCS Europe's CDO portfolio. Prior to joining Harbourmaster, Mr. Ryan was with Hypo Real Estate Bank and KPMG. Mr. Ryan has a Master's degree in Business Studies & Accounting and an honours degree in Accounting & Finance, both from Dublin City University. Mr. Ryan is also a qualified Chartered Accountant.

David Barry

David Barry is a Principal of the Blackstone Group LP. Mr. Barry is involved in the on-going analysis and evaluation of primary and secondary loan market investments across multiple industries. Prior to the acquisition of Harbourmaster by GSO in 2012, Mr. Barry was a Director within the Investment Team at Harbourmaster for five years where his primary responsibilities included analysing investment opportunities as well as representing Harbourmaster on restructuring and workouts. Mr. Barry received a B.Comm in Banking and Finance from University College Dublin.

Marion Buten

Marion Buten is a Principal of the Blackstone Group LP. Since joining Blackstone in 2003, Ms. Buten has been involved in the ongoing analysis, evaluation and monitoring of investment opportunities across multiple industry categories in both Europe and the U.S. Before joining Blackstone, Ms. Buten was an Associate Director within the Leveraged Finance and Corporate Finance departments at UBS Warburg's offices in Zurich, London and New York. Ms. Buten received a Master of Management degree, with distinction, from the European School of Management.

Although the persons described above are currently employed by the Blackstone Group and are engaged in the activities of the Service Support Provider, such persons may not necessarily continue to be employed by the Blackstone Group during the entire term of the Portfolio Service Support Agreement and, if so employed, may not remain engaged in the activities of the Service Support Provider.

GSO AND THE BLACKSTONE GROUP

DFME is a limited liability company incorporated in Ireland (registered number 349646) with its registered office at Arthur Cox Building, Earlsfort Terrace, Dublin 2, Ireland and will act as (i) Adviser to the Company; (ii) Service Support Provider to the Originator and (iii) CLO Manager for each Originator CLO. Portfolio managers employed by the Service Support Provider have relevant experience in accountancy, banking, asset

management or investment funds. DFME is authorized pursuant to Regulation 6 of S.I. No. 60 of 2007, European Communities (Markets in Financial Instruments) Regulations, 2007 (as amended) to provide services by the European Central Bank. DFME is also a MIFID regulated affiliate of GSO Capital Partners LP ("**GSO**"), and an affiliate of the The Blackstone Group L.P. (together with its affiliates, the "**Blackstone Group**").

The Blackstone Group is traded on the New York Stock Exchange under the ticker symbol "BX". The Blackstone Group, an investment and advisory firm with offices in New York, Atlanta, Beijing, Boston, Chicago, Dallas, Dubai, Dusseldorf, Hong Kong, Houston, London, Los Angeles, Menlo Park, Mumbai, Paris, San Francisco, Seoul, Shanghai, Singapore, Sydney, Tokyo and Turkey, was founded in 1985. Through its different investment businesses, as of 31 March 2014, the Blackstone Group has total assets under management of $271.75 billion. This is comprised of $147.48 billion in corporate private equity and real estate funds and $124.27 billion in credit-orientated alternative asset programs (including proprietary hedge funds). The Blackstone Group's core business includes the management of corporate private equity funds, real estate funds, fund of hedge funds, mezzanine funds, senior debt vehicles, proprietary hedge funds and closed-end mutual funds. The Blackstone Group also provides various financial advisory services, including corporate and mergers and acquisition advisory, restructuring and reorganisation advisory and fund placement services.

In January 2012, GSO acquired Harbourmaster Capital Limited and Harbourmaster Capital Management Limited (together, "**Harbourmaster**"), which were subsequently renamed Blackstone / GSO Debt Funds Europe and Blackstone / GSO Debt Funds Management Europe Limited, respectively. The acquisition of Harbourmaster added $9.8 billion of assets under management (as of the date of acquisition) to GSO, making GSO one of the largest leveraged loan investors in Europe as well as the United States. GSO is an alternative asset manager specializing in the leveraged finance marketplace with approximately $66.01 billion in assets under management as of 31 March 2014 and offices in New York, London, Houston and Dublin. GSO was founded in July 2005 by Bennett Goodman, J. Albert "Tripp" Smith and Douglas Ostrover. GSO draws on the skills and experience of its worldwide employee base to invest in a broad array of public and private securities across multiple investment strategies. Key areas of focus include leveraged loans, distressed investments, special situations, capital structure arbitrage, mezzanine securities and private equity. GSO manages capital on behalf of insurance companies, banks, pension funds, endowments, foundations, family offices and funds of funds and is staffed by 57 investment professionals covering credit management and research, portfolio management, trading and capital markets.

In March 2008, Affiliates of the Blackstone Group acquired a controlling interest in GSO and its Affiliates (the "**Acquisition**"). This resulted in the formation of one of the largest integrated credit platforms in the alternative asset management business, with over $21 billion of total assets under management at the time of the Acquisition.

As of April 2014, GSO has assets under management of €8.9 billion invested in European loans amongst 24 funds and had exposure to 178 EU corporate credits. In 2013, GSO accounted for 19 per cent. of European CLO issuance.

DFME's European track record represents the combined track record of CLOs originally issued and managed by Harbourmaster and those of the Blackstone Group. As at December 31, 2013 DFME was the largest manager of CLOs in Europe, with €7.95 billion, and the largest globally with $21.4 billion of CLO assets under management.[13]

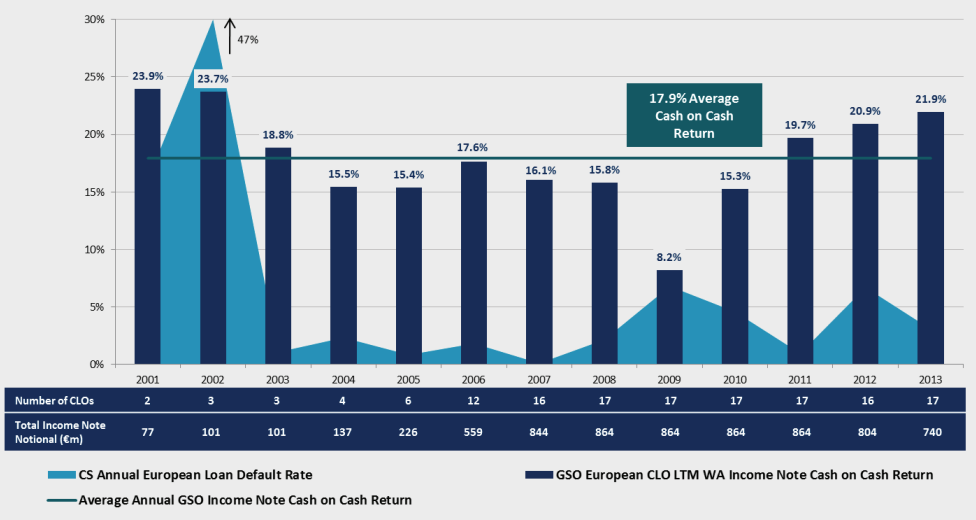
In addition, the performance of CLOs managed by DFME has been in the top quartile of European CLOs (as measured by the quarterly distributions paid to holders of CLO Income Notes issued by CLOs managed or established by DFME or its affiliates). DFME believes that this represents a degree of consistency throughout the credit cycle. DFME is the only large manager to manage a material number of deals with twenty CLOs under management, ahead of the second largest manager in the top quartile which manages five CLOs.[14]

13 CLO Master Data, December 31, 2013.

14 Citi Research, Global Structured Credit Strategy, October 11, 2013.

The chart below demonstrates the weighted average performance of the CLO Income Notes issued by European CLOs managed by DFME since inception of the DFME's European CLO business. In each year the performance measures the annualised cash on cash returns received in that year. The point in the credit cycle is indicated by the Credit Suisse European Loan Default Rate.

GSO Established European CLO Income Note Cash on Cash Returns and CS European Default Rate[15]



15 Source: GSO for the performance of the Adviser's CLO Income Notes, and Credit Suisse, January 2001 to December 2013, for the European Loan Default Rate.

PART IV: WAREHOUSE ASSETS AND SEED CLO

INVESTMENTS BY ORIGINATOR PRIOR TO THE PLACING

As at the date of this Prospectus the issued share capital and funding sources of the Originator are as follows:

- Intertrust Nominees (Ireland) Limited (the "**Share Trustee**") holds 200 ordinary shares of €1.00 each (the "**Ordinary Shares**");
- Blackstone Singapore holds 5 Class B1 shares of €1.00 each (the "**Class B1 Shares**");
- Blackstone Singapore has provided to the Originator a temporary subordinated loan facility of principal value €45,000,000; and
- Bank of America, N.A. London Branch has provided to the Originator a temporary senior loan facility of the maximum principal value €366,670,000.

The Originator has used the equity investment, the subordinated loan facility and the senior loan facility to acquire the Warehouse Assets which it has committed to sell to the Seed CLO, subject to certain conditions (such as, the assets being eligible for the Seed CLO on its closing date and the closing date occurring).

Warehouse Assets

The Originator has acquired the Warehouse Assets prior to the Placing and the subsequent investment by the Company in order to facilitate a timely investment of the proceeds of the Placing and to take advantage of existing opportunities. Each Warehouse Asset, at the time of entering into a binding commitment to acquire such obligation by the Originator satisfied the following criteria (the "**Warehouse Eligibility Criteria**") as determined by the Originator in its reasonable discretion:

- it is an obligation in respect of which, following acquisition thereof by the Originator by the selected method of transfer, payments to the Originator will not be subject to withholding tax imposed by any jurisdiction unless the obligor is required to make "gross-up" payments to the Originator that cover the full amount of any such withholding on an after-tax basis;
- it does not require the Originator or the pool of collateral to be registered as an investment company under the Investment Company Act;
- its acquisition by the Originator does not result in the imposition of stamp duty or stamp duty reserve tax payable by the Originator, unless such stamp duty or stamp duty reserve tax has been included in the purchase price of such Warehouse Asset;
- upon acquisition, the Warehouse Asset is capable of being, and is, the subject of a first fixed charge, a first priority security interest or comparable security arrangement having substantially the same effect in favour of the Warehouse Security Trustee for the benefit of the Warehouse Secured Parties;
- it has not been called for, and is not subject to a pending, redemption;
- it is capable of being sold, assigned or participated to the Originator, together with any associated security, without any breach of applicable selling restrictions or of any contractual provisions or of any legal or regulatory requirements and the Originator does not require any authorisations, consents, approvals or filings (other than such as have been obtained or effected) as a result of or in connection with any such sale, assignment or participation under any applicable law;
- it is not an obligation whose acquisition by the Originator will cause the Originator to be deemed to have participated in a primary loan origination in the United States;
- it is in registered form for U.S. federal income tax purposes, unless it is not a "registration-required obligation" as defined in Section 163(f) of the U.S. Internal Revenue Code; and
- it is a "qualifying asset" for the purposes of section 110 of the Taxes Consolidation Act 1997, as amended, of Ireland.

In addition to the above Warehouse Eligibility Criteria, the agreements between the Originator and the Senior Facility Provider contain provisions which supplement the Originator's broader asset management procedures. Such provisions include, among other things:

- the right for the Senior Facility Provider to agree a list of potential assets with the Originator from time to time which the Originator can then purchase as Warehouse Assets; and
- market value, par value and subordination tests.

Seed CLO

All of the Warehouse Assets will, subject to certain conditions such as the assets being eligible for the Seed CLO on its closing date and the closing date of the Seed CLO occurring, form the initial part of the portfolio for the Seed CLO, and the Originator will acquire 51 per cent. of the CLO Income Notes issued by the Seed CLO. The proceeds from the sale of the Warehouse Assets to the Seed CLO will be used to repay the temporary senior loan facility.

The timetable of the pricing and close of the Seed CLO is as follows:

- 27 June 2014: the Seed CLO priced and committed to purchase the Warehouse Assets and the Originator committed to purchase €23.25 million of CLO Income Notes issued by the Seed CLO representing 51 per cent. of the CLO Income Notes issued by the Seed CLO;
- on or around 23 July 2014: Admission;
- on or around 24 July 2014: the Seed CLO closes, the Warehouse Assets transfer to the Seed CLO and the Originator funds the Seed CLO with the CLO Income Notes it retains.

The Seed CLO will be Phoenix Park CLO Limited which has a target par amount of €400 million on the following key characteristics:

Asset Manager:	DFME
Arranger:	Bank of America Merrill Lynch
End of No Call Period:	29 July 2016
End of Reinvestment Period:	29 July 2018

Capital Structure:

Tranche	*Par Amount*	*% of Total*	*Rating Fitch/Moody's*	*Coupon*
Class A-1 Notes	€236,000,000	57.11%	AAA/Aaa	3mE + 1.35%
Class A-2 Notes	€47,000,000	11.37%	AA/Aa2	3mE + 2.10%
Class B Notes	€24,000,000	5.81%	A/A2	3mE + 2.55%
Class C Notes	€23,000,000	5.56%	BBB/Baa2	3mE + 3.50%
Class D Notes	€24,000,000	5.81%	BB/Ba2	3mE + 6.00%
Class E Notes	€14,000,000	3.39%	B-/B2	3mE +7.00%
Income Notes	€45,250,000	10.95%	NR	Residual
TOTAL	€413,250,000			

The Originator has committed to purchase €23,250,000 of the CLO Income Notes issued by the Seed CLO. The target cash on cash return of the Income Notes (including an upfront fee of 5 per cent. to be paid to Originator) during the reinvestment period is 15 per cent. to 18 per cent. and the target IRR is 13 per cent. to 15 per cent.

Notwithstanding the above, the Originator may from time to time:

- hold assets within its portfolio to maturity;

- sell assets within its portfolio to the market; or
- sell assets within its portfolio to another CLO.

ACQUISITION BY THE COMPANY OF INTEREST IN THE ORIGINATOR

Immediately following Admission, the Company will, pursuant to the NPA to be entered into between the Company and the Originator, invest the Net Placing Proceeds in the Originator through the purchase of Profit Participating Notes. In addition, the Company will acquire (through a wholly owned subsidiary) 15 Class B2 shares in the Originator (the "**Class B2 Shares**") for an aggregate consideration of €15,000,000 (nominal value of each share being €1 and €14,999,985 being share premium).

The Originator will use a portion of the proceeds of the issue of Class B2 Shares and the Profit Participating Notes to:

(i) redeem the Class B1 Shares held by Blackstone Singapore; and

(ii) repay the subordinated loan facility provided by Blackstone Singapore along with positive carry measured as of that date.

Therefore, following the completion of the transactions outlined above, Blackstone Singapore will have no direct interest in the Originator having been repaid its investment plus positive carry (which will be the accrued interest on the Warehouse Assets, less any interest paid under the temporary senior loan facility, until the date immediately prior to Admission). Separately, Blackstone Singapore or affiliates are subscribing for the lower of: (a) shares in the Company equivalent to €50 million; or (b) 25 per cent. of the share capital of the Company on Admission.

PART V: DIRECTORS AND ADMINISTRATION

DIRECTORS

The Directors are responsible for managing the business affairs, investment management and risk management of the Company in accordance with the Articles and have overall responsibility for the Company's activities including the review of investment activity and performance and the overall control and supervision of the service providers. The Directors may delegate certain functions to other parties such as the Administrator and the Registrar.

The Board comprises 4 Directors, 3 of whom are independent of GSO and DFME. Philip Austin is a director of Blackstone/GSO Debt Funds Europe Limited.

The address of the Directors, all of whom are non-executive, is the registered office of the Company. The Directors of the Company are as follows:

Charlotte Valeur (Chairman)

Charlotte Valeur, aged 50, is the Chairperson of Kennedy Wilson Europe Real Estate Plc, a London-listed REIT, and of Brevan Howard Credit Catalyst, a LSE listed investment company, a non-executive director of JP Morgan Convertible Bond Income Fund, a LSE listed investment company, a non-executive director of Renewable Energy Generation, an AIM listed renewable energy company, a non-executive director of a number of unlisted companies and a managing director of GFG Ltd, a governance consultancy company.

Between 2003 and 2011, Ms Valeur founded and was the managing partner of Brook Street Partners Limited, an alternative investment consultancy. From 1992 until 1999 Ms Valeur worked in the City of London as a director, heading institutional fixed income sales desks at various banks, including Société Générale from 1997 to 1999 and BNP Paribas from 1992 to 1997. From 1982 to 1992, Ms Valeur worked as a fixed income trader in index linked and mortgage backed securities, representing Nordea A/S on the Danish Stock Exchange.

Ms Valeur is also a UK member of the Institute of Directors and is regulated by the Jersey Financial Services Commission as a director. Ms Valeur received a Bachelor of Commerce from Koebmandsskolen, Copenhagen and a Bachelor of Banking from the Institute of Danish Bankers, Bankskolen.

Philip Austin

Philip Austin, aged 65, spent most of his career in banking with HSBC and worked at a senior level in retail, commercial, corporate, credit and Head Office. In 1993 he moved to Jersey where, from 1997 to 2001, he was Deputy Chief Executive of the Bank's business in the Offshore Islands – Jersey, Guernsey and the Isle of Man – as well as being Chairman of the Bank's Fund Administration business in Dublin.

In 2001, Mr Austin became the founding CEO of Jersey Finance Ltd, the body set up as a joint venture between the Government of Jersey and its Finance Industry, to represent and promote the Industry at home and abroad. In 2006, Mr Austin joined Equity Trust where he had direct responsibility for Jersey, Guernsey and Switzerland, as well as being a member of the Group Executive Committee. Mr Austin left Equity Trust at the end of 2009 to set up a portfolio of non-executive directorships. These positions include 3i Infrastructure Plc (Senior Independent Director), City Merchants High Yield Trust Ltd, Royal London Asset Management (CI) Ltd and Invesco Property Income Trust Ltd.

Mr Austin is a Fellow of the Chartered Institute of Bankers and a Fellow of the Chartered Management Institute.

Gary Clark

Gary Clark, aged 49, ACA, acts as an independent non-executive director for a number of boards, including, Emirates NBD Fund Managers (Jersey) Limited and Emirates Portfolio Management PCC. Until 1 March 2011 he was a Managing Director at State Street and their Head of Hedge Fund Services in the Channel

Islands. Mr Clark, a Chartered Accountant, served as Chairman of the Jersey Funds Association from 2004 to 2007 and was Managing Director at AIB Fund Administrators Limited when it was acquired by Mourant in 2006. This business was sold to State Street in 2010. Prior to this Mr Clark was Managing Director of the futures broker, GNI (Channel Islands) Limited in Jersey.

A specialist in alternative investment funds, Mr Clark was one of a number of practitioners involved in a number of significant changes to the regulatory regime for funds in Jersey, including the introduction of both Jersey's Expert Funds Guide and Jersey's Unregulated Funds regime.

Joanna Dentskevich

Joanna Dentskevich, aged 49, has over 25 years of risk, finance & investment banking experience gained in leading global banks worldwide, alternative investments and the offshore fiduciary industry. Ms Dentskevich currently runs her own risk management advisory company providing advice and resourcing to offshore trust, fund & investment businesses.

Previously, Ms Dentskevich was a Director at Morgan Stanley heading up their Global Customer Valuation Group, Director of Risk at Deutsche Bank where she was Global Head of Economic Capital and started up their Exposure Management Department.

Ms Dentskevich has a BSc Hons in Maths & Accounting and is a Member of the Chartered Institute of Securities & Investments. Ms Dentskevich's specialities are Market, Credit & Operational Risk, AIFMD, FATCA, Governance & Compliance.

Management functions of the Board of Directors

As the Company is a self-managed AIF under the AIFM Directive and there are no employees of the Company, the Board performs certain management functions, which include the overseeing of the Company's investment policy and investment strategy, the supervision of any delegated responsibilities to third-party service providers and any necessary investment management functions.

To execute such management functions, the Board intends to:

- hold monthly NAV meetings to review the Company reports at each NAV meeting and to record the Board's conclusions, as part of the performance of its investment management function, prior to which they are to receive regular (at least monthly) reports from the Administrator in respect of the Company's performance, in advance of the monthly NAV meetings for their review;
- lead the risk management function and will remain responsible for the portfolio management and risk management functions;
- have a formal process for generating records of its performance of its portfolio and investment management function;
- have a process for assessing (and recording this assessment) the relevant expertise of the Board prior to the appointment of each director (including in the event of future replacement of a director); and
- have a process for assessing (and recording this assessment) each instance of delegation of an investment management function by the Board.

CORPORATE GOVERNANCE

The Company has voluntarily committed to comply with the UK Corporate Governance Code. In addition, the DTRs require the Company to: (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) describe its internal control and risk management arrangements. In addition, the Board has agreed to comply with the AIC Code of Corporate Governance (the "**AIC Code**") produced by the Association of Investment Companies ("**AIC**"), except as set out below. The UK's Financial Reporting Counsel has confirmed that compliance with the AIC Code would satisfy a company's obligations to comply with the UK Corporate

Governance Code.

The Directors recognise the value of the AIC Code and have taken appropriate measures to ensure that the Company complies, so far as is possible given the Company's size and nature of business, with the AIC Code. Save as set out below, the Company currently complies, and will continue to comply, with the AIC Code and associated disclosure requirements of the Listing Rules (to the extent applicable to or voluntarily adopted by the Company).

There is no chief executive or senior independent director within the Company, which means that the Company cannot comply with Principle 1 of the AIC Code. As an investment company, all the Directors are non-executive and the Company has no employees. Accordingly, Principle 1 of the AIC Code is not relevant to the Company. The Company does not have a senior independent director because all of its Directors are non-executive and the Company has a Chairman. There are no other instances of non-compliance with the UK Corporate Governance Code by the Company as at the date of this Prospectus.

Audit Committee

The Company has established an Audit Committee, which comprises all the Directors with the exception of Mr Philip Austin. The Company's Audit Committee will meet formally at least twice a year for the purpose, amongst other things, of considering the appointment, independence and remuneration of the auditor and to review the Company's annual and half-yearly financial reports. Where audit-related and/or non-audit services are to be provided by the auditors, full consideration of the financial and other implications on the independence of the auditors arising from any such engagement will be considered before proceeding. Gary Clark will act as chairman of the Audit Committee. The responsibilities of the Audit Committee will include monitoring the integrity of the Company's results and financial statements, reviewing reports received from the Administrator on the adequacy and the effectiveness of the Company's internal controls and risk management systems, considering annually whether there is a need for an effectiveness of the Company's internal audit function and assessing the on-going suitability of the external auditors and ensure their co-ordination with any internal audit function.

The chairmanship of the Audit Committee and each Director's performance is reviewed annually by the Chairman and the performance of the Chairman will be assessed by the other Directors.

Remuneration and Nomination Committee

The Company has established a Remuneration and Nomination Committee, which comprises all the Directors with the exception of Mr Philip Austin. The Remuneration and Nomination Committee will meet not less than once a year and will have responsibility for considering the remuneration of the Directors. It will also: (i) identify individuals qualified to become Board members and select the director nominees for election at general meetings of the Shareholders or for appointment to fill vacancies; (ii) determine director nominees for each committee of the Board; and (iii) consider the appropriate composition of the Board and its committees.

VOLUNTARY COMPLIANCE WITH THE LISTING RULES

Applications will be made to the London Stock Exchange for all of the Shares issued and to be issued pursuant to the Placing to be admitted to trading on the Specialist Fund Market. The Specialist Fund Market is an EU regulated market. Pursuant to its admission to the Specialist Fund Market, the Company will be subject to the Prospectus Rules, the Disclosure and Transparency Rules and the Market Abuse Directive (as implemented in the UK through FSMA) and the admission and disclosure standards of the London Stock Exchange. As such, the Listing Rules applicable to closed-ended investment companies which are listed on the premium listing segment of the Official List of the UKLA will not apply to the Company.

However, the Directors intend that should Admission be granted, as a matter of best practice and good corporate governance the Company will conduct its affairs in accordance with the following key provisions of the Listing Rules in such manner as they would apply to the Company were it admitted to the Official List under Chapter 15 of the Listing Rules:

- complying with the Listing Principles set out at Chapter 7 of the Listing Rules;
- the Company, while it is not required to appoint a listing sponsor under Chapter 8 of the Listing Rules, has appointed Dexion and N+1 Singer as financial advisers to guide the Company in understanding and meeting its responsibilities in connection with Admission and complying with Chapter 10 of the Listing Rules relating to significant transactions, with which the Company intends to voluntarily comply;
- the Company intends to comply with the following provisions of Chapter 9 of the Listing Rules from Admission: (i) Listing Rule 9.2.7 to Listing Rule 9.2.10 (Compliance with the Model Code); (ii) Listing Rule 9.3 (Continuing obligations: holders); (iii) Listing Rule 9.5 (Transactions); (iv) Listing Rule 9.6.4 to Listing Rule 9.6.21 other than Listing Rule 9.6.19(2) and Listing Rule 9.6.19(3) (Notifications); (v) Listing Rule 9.7A (Preliminary statement of annual results and statement of dividends); and (vi) Listing Rule 9.8 (Annual financial report);
- the Company intends, in relation to any transaction which would constitute a "related party transaction" as defined in Chapter 11 of the Listing Rules regarding related party transactions to comply, to the extent reasonably practicable, with Chapter 11 of the Listing Rules. This policy may only be modified with Shareholder approval by ordinary resolution;
- in relation to the purchase of its own shares, the Company has adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2;
- the Company intends to comply with the following provisions of Chapter 13 of the Listing Rules from Admission: (i) Listing Rule 13.3 (Contents of all circulars); (ii) Listing Rule 13.4 (Class 1 circulars); (iii) Listing Rule 13.5 (Financial information in Class 1 Circulars); (iv) Listing Rule 13.7 (Circulars about purchase of own equity shares); and (v) Listing Rule 13.8 (Other circulars);
- the Company intends to comply with the following provisions of Chapter 15 of the Listing Rules from Admission: (i) Listing Rule 15.4.2 to Listing Rule 15.4.11 (Continuing obligations); (ii) Listing Rule 15.5 (Transactions); and (iii) Listing Rule 15.6 (Notifications and periodic financial information); and
- Complying with the Model Code for directors' dealings contained in Chapter 9 of the Listing Rules (the "Model Code").

It should be noted that the UK Listing Authority will not monitor the Company's voluntary compliance with the Listing Rules applicable to closed-ended investment companies which are listed on the premium listing segment of the Official List of the UKLA nor will it impose sanctions in respect of any failure of such compliance by the Company.

This Prospectus has been approved by the UK Listing Authority.

The Directors' intention in the medium-term is to move the Company to the Official List, should the Directors consider that such a move would be in the best interests of the Company and Shareholders as a whole.

DIRECTORS OF THE ORIGINATOR

As at the date of this Prospectus, the directors of the Originator who are responsible for managing the business affairs, investment management and risk management of the Originator and have overall responsibility for the Originator's activities are:

Imelda Shine

Ms Shine joined Intertrust in 2009 to establish the Irish office. In her role as Managing Director, Ms Shine works with clients and business partners to provide tailored corporate administration services to a wide variety of structures established by multinational corporates, private equity funds, investment banks, asset managers, aviation leasing companies and alternative investment funds. Ms Shine sits on the boards of SPVs

engaged in structured finance, aviation leasing and finance, as well as a range of corporate and holding companies in the intellectual property, pharmaceuticals, technology and energy space.

Prior to joining Intertrust Ms Shine worked in Asset Management in both the U.S. and Ireland for over 15 years. She held a number of executive roles as Product Specialist and Product Manager for global and international equity and fixed income funds at Bank of Ireland Asset Management (BIAM), OppeheimerFunds, LGT Asset Management (formerly GT Global) and Franklin Templeton.

Ms Shine holds a Bachelor of Business Studies (Hons) from the University of Limerick and a Higher Diploma from the Smurfit Graduate School of Business.

Anne Flood

Ms Flood is Deputy Managing Director of Intertrust Ireland and has responsibility for the Structured Finance and Asset Finance services which provides tailored corporate administration services to a wide variety of structures established by private equity funds, investment banks, aviation leasing companies and alternative investment funds.

Ms Flood joined Intertrust on its acquisition of Walkers Management Services ("**WMS**"), where she had been a Senior Vice President heading up the SPV Services Group. Prior to joining WMS, Anne spent 12 years with AIB Capital Markets in its International Financial Services division as a Senior Manager and Head of the Structured Finance and Asset Finance Services team. Prior to that Ms Flood was a Financial Accountant with ORIX Aviation in Dublin.

Ms Flood provides non-executive directorship services to SPVs engaged in structured finance, aviation leasing and finance, regulated Qualifying Investment Funds, as well as a range of corporate and holding company structures engaged in intellectual property, pharmaceuticals and technology.

DFME

DFME will act as Service Support Provider to the Originator (pursuant to the Portfolio Service Support Agreement), as Adviser to the Company (subject to the Advisory Agreement) and (either itself or through an affiliate) as CLO Manager to Originator CLOs.

Pursuant to the Portfolio Service Support Agreement, the Service Support Provider will be responsible for ensuring the Originator has the required human resources and credit research available to it in order to make necessary business decisions and carry on the day-to-day management of the Originator's business and to implement its investment objective and policy.

Pursuant to the Advisory Agreement, DFME will also provide advice and assistance to the Company in connection with its subscription of the Profit Participating Notes, reviewing prospective CLOs to which assets may be transferred by the Originator and monitor the performance of Originator CLOs.

In addition, DFME (or one of its affiliates) will also manage Originator CLOs pursuant to CLO Management Agreements to be entered into from time to time.

Further details regarding DFME and its relationship with GSO and The Blackstone Group are set out in Part III of this Prospectus. Further details regarding the Portfolio Service Support Agreement are set out in Part IX of this Prospectus, and regarding the Advisory Agreement are set out in Part VIII of this Prospectus.

DFME Fees

DFME will receive:

- out of pocket expenses in relation to the services performed pursuant to the Advisory Agreement;
- in consideration for its services pursuant to the Portfolio Service Support Agreement, DFME will receive a fee which will vary from time to time to reflect allocated costs but will not exceed 50 per cent. of the annual CLO Management Fee rebate (as set out below) paid to the Originator by DFME;

- in consideration for its services as the CLO Manager, an industry standard CLO Management Fee of 50bps pursuant to the CLO Management Agreements entered into in respect of each Originator CLO. In addition, DFME will receive a CLO performance fee equal to 10bps per annum of aggregate principal balance of collateral obligations in the relevant CLO, accruing in arrears on each payment date of the CLO from its issue date. The performance fee will not be payable until the first CLO payment date on which the an IRR threshold of 12 per cent. (the "**IRR Threshold**") has been met or surpassed in respect of the CLO Income Notes and, on such payment date and each subsequent CLO payment date, up to 30 per cent. of any interest proceeds and principal proceeds (after any payment required to satisfy the IRR Threshold) that would otherwise be available to distribute to the holders of the CLO's subordinated notes, will be applied to pay the accrued and unpaid performance fee as of such CLO payment date.

In consideration of its role as Originator, DFME will rebate up to 20 per cent. of the CLO Management Fee it earns in its capacity as CLO Manager of Originator CLOs (excluding any incentive/performance management fee the CLO Manager receives) *pro rata* to CLO Income Notes held by the Originator in each such CLO. After the deduction of all costs (calculated at arm's length) attributable to the Originator, and once the Net Placing Proceeds are substantially invested by the Originator in CLO Income Notes, it is expected that the net rebate after such costs will be at least 10 per cent. of the CLO Management Fee (excluding any incentive/performance management fee the CLO Manager receives) *pro rata* to the CLO Income Notes held by the Originator in such CLOs.

ADMINISTRATOR

State Street has been appointed as Administrator and Company Secretary of the Company pursuant to the Administration Agreement (further details of which are set out in paragraph 5.2 in the section entitled "Material Contracts" in Part VIII of this Prospectus). In such capacity, the Administrator is responsible for the day to day administration of the Company (including but not limited to the calculation and publication of the estimated monthly NAV) and general secretarial functions required by the Companies Law (including but not limited to the maintenance of the Company's accounting and statutory records). Prospective investors should note that it is not possible for the Administrator to provide any investment advice to investors.

The Administrator is a private limited company, created under the laws of Jersey on 20 December 2002 whose registered office is situated at Lime Grove House, Green Street, St Helier, Jersey, JE1 2ST. As at the date of this document, the issued share capital of the Administrator is £25,000, all of which is fully paid up. The Administrator is registered under the Financial Services (Jersey) Law 1998, as amended, with the JFSC to provide fund services business. The JFSC is protected by the Financial Services (Jersey) Law 1998, as amended, against liability arising from the discharge of its functions under that law. The Administrator's principal business activity is providing securities services.

REGISTRAR

Capita Registrars (Jersey) Limited has been appointed as Registrar of the Company pursuant to the Registrar Agreement (further details of which are set out in paragraph 5.4 in the section entitled "Material Contracts" in Part VIII of this Prospectus)).

The Registrar is a private limited company, created under Jersey law on 6 March 1996 whose registered office is situated at 12 Castle Street, St Helier, Jersey, JE2 3RT. As at the date of this document, the issued share capital of the Registrar is £10,000, all of which is fully paid up. The Registrar is registered under the Financial Services (Jersey) Law 1998, as amended, with the JFSC to provide fund services business. The JFSC is protected by the Financial Services (Jersey) Law 1998, as amended, against liability arising from the discharge of its functions under that law. The Registrar's principal business activity is providing securities services.

CUSTODIAN

State Street Custodial Services (Jersey) Limited has been appointed as Custodian of the Company pursuant to the Custody Agreement (further details of which are set out in paragraph 5.5 in the section entitled

"Material Contracts" in Part VIII of this Prospectus). In acting as custodian of the Company's investments, the Custodian shall provide for the safe keeping of certificates of deposit, shares, notes and in general any instrument evidencing the ownership of securities and may take custody of cash and other assets. Assets will be held in a custody account and registered in the name of the Company or the Custodian, its delegate or a nominee.

The Custodian is a private limited company, created under the laws of Jersey on 26 June 1989 whose registered office is situated at Lime Grove House, Green Street, St Helier, Jersey, JE1 2ST. As at the date of this document, the issued share capital of the Custodian is £4,000,000, all of which is fully paid up. The Custodian is registered under the Financial Services (Jersey) Law 1998, as amended, with the JFSC to provide fund services business. The JFSC is protected by the Financial Services (Jersey) Law 1998, as amended, against liability arising from the discharge of its functions under that law. The Custodian's principal business activity is providing securities services.

FEES AND EXPENSES

Initial expenses related to the Placing

The initial expenses of the Company are those which are necessary for the Placing, and are expected to be approximately 2 per cent. of the Gross Placing Proceeds. These expenses will be paid on or around Admission and will include, without limitation: registration, listing and admission fees; placing commission; the cost of settlement and escrow arrangements; printing, advertising and distribution costs; legal fees; and any other applicable expenses.

All costs associated with the Placing will be borne by GSO upon Admission and therefore the Net Placing Proceeds will be equal to the Gross Placing Proceeds (less any amounts retained for working capital purposes) immediately following Admission. However, GSO will be reimbursed for the Placing costs by the Originator to the extent that the Originator earns Upfront Fees at the close of each Originator CLO. If the Placing costs have not been repaid to GSO within 24 months after Admission, GSO will have no further reimbursement claim for any amounts outstanding as at that date.

On-going annual expenses

Based on Gross Initial Proceeds of €200 million the Company's total annual expenses are estimated to be approximately 0.45 per cent. of the net proceeds. On this basis, and once such proceeds are substantially invested in CLO Income Notes, it is expected that the net rebate of at least 10 per cent. of the CLO management fees will meet the majority of the ongoing annual expenses of both the Originator and the Company.

These expenses will include the following:

(i) *DFME*

Please see above in section titled "DFME Fees".

(ii) *Administrator*

Under the terms of the Administration Agreement, the Administrator is entitled to an annual administration fee of up to 0.08 per cent. per annum of the Net Asset Value of the Company per annum, payable monthly in arrears, and other miscellaneous fees and expenses reimbursed, in each case, as determined in the agreement.

(iii) *Registrar*

The Registrar is entitled to an annual fee from the Company for creation and maintenance of the share register equal to £1.65 per holder of Shares appearing on the register during the fee year, with a minimum charge per annum of £5,500. Other registrar activity is charged for in accordance with the Registrar's normal tariff as published from time to time.

(iv) *Custodian*

Under the terms of the Custody Agreement, the Custodian is entitled to receive transaction charges and sub-custodian charges will be recovered by the Custodian from the Company as they are incurred by the relevant sub-custodian. All such charges shall be charged at normal commercial rates.

(v) *Directors*

The Directors are remunerated for their services at a fee of £35,000 per annum (£50,000 for the Chairman). The chairman of the Audit Committee will receive an additional £5,000 for his services in this role. For more information in relation to the remuneration of the Directors, please refer to paragraph 3 in the section entitled "*Memorandum and Articles*" in Part VIII of this Prospectus.

(vi) *Other operational expenses*

All other on-going operational expenses of the Company (excluding fees paid to service providers as detailed above) are borne by the Company including, without limitation: the incidental costs of making its investments and the implementation of its investment objective and policy; travel, accommodation and printing costs; the cost of directors' and officers' liability insurance; the costs of maintaining the Company's Website; corporate brokers' fees; audit and legal fees; brokerage fees and annual Specialist Fund Market fees. All reasonably and properly incurred out of pocket expenses of the Administrator, the Registrar, the Custodian, the CREST agent and the Directors relating to the Company are borne by the Company.

MEETINGS AND REPORTS TO SHAREHOLDERS

All general meetings of the Company shall be held in Jersey.

The Company's audited annual report and accounts will be prepared to 31 December each year, and it is expected that copies will be sent to Shareholders in April each year, or earlier if possible. Shareholders will also receive an unaudited interim report each year commencing in respect of the period to 30 June 2015, expected to be despatched in August each year, or earlier if possible.

The first audited annual report and accounts will be prepared to 31 December 2014, to be published by 30 April 2015.

The Company's accounts are drawn up in Euro and in compliance with IFRS.

PART VI: PLACING ARRANGEMENTS

THE PLACING

The target number of Placing Shares to be issued pursuant to the Placing is in excess of 200 million. As at the date of this Prospectus, the actual number of Placing Shares to be issued under the Placing is not known.

The results of the Placing will be released through a RIS on 18 July 2014, including details of the number of Placing Shares allotted (or such other date as may be notified by the Company through a RIS). It is expected that dealings in the Placing Shares will commence at 8.00 a.m. on 23 July 2014. Whilst it is expected that all Placing Shares will be issued in uncertificated form, if any Placing Shares are issued in certificated form it is expected that share certificates would be despatched approximately two weeks after Admission. No temporary documents of title will be issued.

The Placing will not proceed and will lapse if the Gross Placing Proceeds would be less than €150 million (or such lesser amount as the Company may determine and notify to investors via publication of a supplementary prospectus) (the "**Minimum Gross Proceeds**"). If the Company lowers the Minimum Gross Proceeds and notifies this lower amount to investors via the publication of a supplementary prospectus, the Placing may proceed even if the Gross Placing Proceeds are less than €150 million, provided they are not less than the lower Minimum Gross Proceeds determined by the Company and notified to investors. The minimum issue size should not be taken as an indication of the number of Placing Shares to be issued. The Placing is not being underwritten.

The Company has granted to the Joint Bookrunners an over-allotment option pursuant to which the Company may issue at the Placing Price an additional 25 per cent. of the Shares in issue immediately following Admission (calculated before any utilisation of the Over-allotment Option) (the "**Over-allotment Option**"). The Over-allotment Option may be exercised in whole or in part upon notice by the Joint Bookrunners at any time on or before the first day falling 5 weeks after Admission. Any Shares made available pursuant to the Over-allotment Option will be sold on the same terms and conditions as Placing Shares being offered pursuant to the Placing and will rank *pari passu* in all respects with, and from a single class with, the Placing Shares (including for all dividends and other distributions declared, made or paid on the Placing Shares). The Joint Bookrunners have identified certain institutional investors that will take up some or all of the Shares available under the Over-allotment Option. It is expected that Shares issued pursuant to the Over-allotment Option will be admitted to trading on the Specialist Fund Market within 4 Business Days of the allotment of the Shares.

Shares will be issued at a price equal to €1 per Share. The maximum number of Shares to be issued pursuant to the Placing is 500 million and the minimum number is 150 million. Fractions of Placing Shares will not be issued.

CONDITIONS

The allotment of Placing Shares pursuant to the Placing is conditional on:

(a) Admission of the Placing Shares; and

(b) the Placing Agreement not being terminated in accordance with its terms.

In addition, the issue of Placing Shares pursuant to the Placing is conditional upon the Minimum Gross Proceeds having been raised.

In circumstances where these conditions are not fully met, the issue of Placing Shares pursuant to the Placing will not take place.

The terms and conditions which will apply to any subscriber for Placing Shares are set out in Part VI of this Prospectus.

PLACING AGREEMENT

The Company, the Directors, Dexion, N+1 Singer and GSO have entered into the Placing Agreement pursuant to which Dexion and N+1 Singer have severally agreed, to use their reasonable endeavours to procure subscribers for the Placing Shares to be issued by the Company pursuant to the Placing.

All costs associated with the Placing will be borne by GSO and therefore the Net Placing Proceeds will be equal to the Gross Placing Proceeds (less any amounts retained for working capital purposes) immediately following Admission. However, GSO will be reimbursed for the Placing costs by the Originator to the extent that Originator earns Upfront Fees at the close of each Originator CLO. If the Placing costs have not been repaid to GSO within 24 months after Admission, GSO will have no further reimbursement claim for any amount outstanding as at that date.

Dexion and N+1 Singer may also place Placing Shares through or with the assistance of intermediaries and retain the right to pay a portion of their respective placing commissions to such intermediaries.

For a summary of the terms of the Placing Agreement, please refer to the section entitled "*Material Contracts*" in Part VIII of this Prospectus.

USE OF PROCEEDS

The Net Placing Proceeds will depend on the number of Placing Shares issued pursuant to the Placing. The Directors intend to invest the Net Placing Proceeds in accordance with the Company's investment policy directly into the Originator (further details of the Company's investment process and strategy is set out in Part III of this Prospectus).

SPECIALIST FUND MARKET

The Specialist Fund Market is an EU regulated market. Pursuant to its admission to the Specialist Fund Market, the Company will be subject to the Prospectus Rules, the Disclosure and Transparency Rules and the Market Abuse Directive (as implemented in the UK through the Financial Services and Markets Act 2000, as amended). This Prospectus has been approved by the UK Listing Authority.

DEALINGS

It is expected that Admission will become effective and that unconditional dealing in the Shares will commence at 8.00 a.m. on 23 July 2014. Dealings in Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

The ISIN number for the Shares is JE00BNCB5T53 and the SEDOL code for the Shares is BNCB5T5.

The Company does not guarantee that at any particular time any market maker(s) will be willing to make a market in the Placing Shares, nor does it guarantee the price at which a market will be made in the Placing Shares. Accordingly, the dealing price of the Placing Shares may not necessarily reflect changes in the Net Asset Value per Share. Furthermore, the level of the liquidity in the Placing Shares can vary significantly.

The Placing cannot be revoked after dealings in the Shares have commenced on the LSE.

SCALING BACK AND ALLOCATION

If aggregate applications for Placing Shares exceed 500 million Shares, being the maximum number of Shares to be issued pursuant to the Placing, it will be necessary to scale back applications under the Placing. The Joint Financial Advisers reserve the right, at their sole discretion but after consultation with the Company, to scale back applications in such amounts as they consider appropriate. The Company reserves the right to decline in whole or in part any application for Placing Shares pursuant to the Placing.

GENERAL

In June 2013, the FCA published a policy statement setting out final rules restricting the marketing within the UK of certain pooled investments or 'funds', referred to in the rules as non-mainstream pooled investments ("**NMPIs**"), to 'ordinary retail clients'. These rules took effect from 1 January 2014. The Directors have been advised that the Shares in the Company will be NMPIs and will therefore be subject to these marketing restrictions.

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK and/or Jersey, the Company (and its agents) may require evidence in connection with any application for Placing Shares, including further identification of the applicant(s), before any Placing Shares are issued.

In the event that there are any significant changes affecting any of the matters described in this Prospectus or where any significant new matters have arisen after the publication of this Prospectus, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the significant change(s) or the significant new matter(s).

The Directors may, in their absolute discretion, waive the minimum application amounts in respect of any particular application for Placing Shares under the Placing.

Should the Placing be aborted or fail to complete for any reason, monies received will be returned without interest at the risk of the applicant to the bank account from which the money was received forthwith following such abort or failure, as the case may be.

CLEARING AND SETTLEMENT

Payment for the Placing Shares should be made in accordance with settlement instructions to be provided to Placees by or on behalf of the Company, Dexion or N+1 Singer. To the extent that any application for Placing Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.

Placing Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST from Admission. In the case of Placing Shares to be issued in uncertificated form pursuant to the Placing, these will be transferred to successful applicants through the CREST system. Accordingly, settlement of transactions in the Placing Shares following Admission may take place within the CREST system if any Shareholder so wishes.

CREST is a paperless book-entry settlement system operated by Euroclear which enables securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

The Company will instruct Euroclear to credit the appropriate CREST accounts of the subscribers concerned or their nominees with their respective entitlements to Placing Shares on the date of Admission. The names of subscribers or their nominees investing through their CREST accounts will be entered directly on to the share register of the Company.

The transfer of Placing Shares outside of the CREST system following a Placing should be arranged directly through CREST. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of the registered holder to CREST for share certificates or an uncertificated holding in definitive registered form. If a Shareholder or transferee requests Placing Shares to be issued in certificated form and is holding such Placing Shares outside CREST, a share certificate will be despatched either to him or his nominated agent (at his risk) within 21 days of completion of the registration process or transfer, as the case may be, of the Placing Shares. Shareholders (other than U.S. Persons and persons acting for the account or benefit of any U.S. Person) holding definitive certificates may elect at a later date to hold such Placing Shares through CREST or in uncertificated form provided they surrender their definitive certificates.

Shareholders holding their Placing Shares through CREST or otherwise in uncertificated form may obtain from the Registrar (as evidence of title) a certified extract from the Register showing their Shareholding.

PURCHASE AND TRANSFER RESTRICTIONS

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Placing Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company.

The Company has elected to impose the restrictions described below on the Placing and on the future trading of the Placing Shares so that the Company will not be required to register the offer and sale of the Placing Shares under the U.S. Securities Act, so that the Company will not have an obligation to register as an investment company under the U.S. Investment Company Act and related rules and to address certain ERISA, U.S. Tax Code and other considerations. The Company and its agents will not be obligated to recognise any resale or other transfer of the Placing Shares made other than in compliance with the restrictions described below.

Restrictions due to lack of registration under the U.S. Securities Act and U.S. Investment Company Act

The Placing Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Placing Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. There will be no public offer of the Placing Shares in the United States.

Subject to certain exceptions as described herein, the Placing is only being made outside the United States to non-U.S. Persons in reliance on Regulation S under the U.S. Securities Act.

In addition, except with the express written consent of the Company given in respect of an investment in the Company, the Placing Shares may not be acquired by (i) investors using assets of (A) an "employee benefit plan" as defined in section 3(3) of ERISA that is subject to Title I ERISA; (B) a "plan" as defined in Section 4975 of the U.S. Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Code; or (C) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the U.S. Code or (ii) a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Code, unless its purchase, holding, and disposition of the Placing Shares will not constitute or result in a non-exempt violation of any such substantially similar law.

Subscriber and Shareholder warranties

By participating in the Placing, each subscriber acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the Registrar, Dexion and N+1 Singer that:

(a) if it is located outside the United States, it is not a U.S. Person, it is acquiring the Shares in an offshore transaction meeting the requirements of Regulation S and it is not acquiring the Shares for the account or benefit of a U.S. Person;

(b) if it is located inside the United States or is a U.S. Person, it is an Eligible US Investor and has received, read, understood and, prior to its receipt of any Shares pursuant to the Placing, returned an executed a U.S. Investor Letter to the Company;

(c) it acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons absent registration or an exemption from registration under the U.S. Securities Act;

(d) it acknowledges that the Company has not registered under the U.S. Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the

United States, and to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;

(e) unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the Shares or any beneficial interest therein constitutes or will constitute the assets of (i) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the U.S. Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the U.S. Code. In addition, if an investor is a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Code, its purchase, holding, and disposition of the Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

(f) that if any Shares offered and sold are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with applicable law:

"THE COMPANY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT") AND THE SECURITY EVIDENCED HEREBY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) OUTSIDE THE UNITED STATES TO A NON-US PERSON (AS DEFINED IN RULE 902 OF REGULATION S, "US PERSON") THAT IS NOT A US RESIDENT FOR THE PURPOSES OF THE INVESTMENT COMPANY ACT (A "US RESIDENT") IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT (AND NOT IN A PRE-ARRANGED TRANSACTION RESULTING IN THE RESALE OF SUCH SECURITY INTO THE UNITED STATES) OR (B) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE INVESTMENT COMPANY ACT (PROVIDED THAT, IF SUCH TRANSFER PURSUANT TO THIS CLAUSE (B) IS TO A US PERSON OR A US RESIDENT, THE PURCHASER IS A QUALIFIED PURCHASER WITHIN THE MEANING OF SECTION 3(C)(7) OF THE INVESTMENT COMPANY ACT) AND, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS. THE HOLDER OF THIS SECURITY AGREES THAT IT WILL COMPLY WITH THE FOREGOING RESTRICTIONS. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF ANY EXEMPTION UNDER THE SECURITIES ACT FOR RESALES OF THE SECURITY.

THE HOLDER ACKNOWLEDGES THAT THE COMPANY RESERVES THE RIGHT PRIOR TO ANY SALE OR OTHER TRANSFER TO REQUIRE THE DELIVERY OF SUCH CERTIFICATIONS, LEGAL OPINIONS AND OTHER INFORMATION AS THE COMPANY MAY REASONABLY REQUIRE TO CONFIRM THAT THE PROPOSED SALE OR OTHER TRANSFER COMPLIES WITH THE FOREGOING RESTRICTIONS.

IF A BENEFICIAL OWNER OF THIS SECURITY WHO IS REQUIRED TO BE A QUALIFIED PURCHASER WITHIN THE MEANING OF SECTION 3(C)(7) OF THE INVESTMENT COMPANY ACT IS AT ANY TIME NOT SUCH A QUALIFIED PURCHASER, THE COMPANY MAY (A) REQUIRE SUCH BENEFICIAL OWNER TO SELL THIS SECURITY TO A PERSON WHO IS NOT A US PERSON OR A US RESIDENT OR WHO IS A US PERSON WHO IS ALSO A QUALIFIED PURCHASER AND WHO IS OTHERWISE QUALIFIED TO PURCHASE SUCH SECURITY IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OR (B) SELL THIS SECURITY ON BEHALF OF THE BENEFICIAL OWNER AT THE BEST PRICE REASONABLY OBTAINABLE TO A PERSON WHO IS NOT A US

PERSON OR WHO IS A US PERSON OR A US RESIDENT WHO IS ALSO A QUALIFIED PURCHASER AND WHO IS OTHERWISE QUALIFIED TO PURCHASE SUCH SECURITY IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT.

THIS SECURITY MAY NOT BE DEMATERIALISED INTO CREST OR ANY OTHER PAPERLESS SYSTEM UNLESS THE PARTY REQUESTING SUCH DEMATERIALISATION FIRST OBTAINS A LETTER FROM THE TRANSFEREE STATING THAT SUCH TRANSFEREE IS NOT A US PERSON OR A US RESIDENT.

THE HOLDER OF THIS SECURITY IS DEEMED TO HAVE ACKNOWLEDGED THAT THIS LEGEND WILL NOT BE REMOVED FROM THIS SECURITY FOR AS LONG AS THE COMPANY RELIES ON SECTION 3(C)(7) OF THE INVESTMENT COMPANY ACT."

(g) if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the Shares, it will do so only in compliance with an exemption from the registration requirements of the U.S. Securities Act and under circumstances which will not require the Company to register under the U.S. Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;

(h) if in the future it decides to offer, resell, pledge or otherwise transfer any of the Shares, such Shares may be offered, resold, pledged or otherwise transferred only (A) outside the United States to persons not known to be U.S. Persons in an offshore transaction in accordance with Rule 904 of Regulation S under the U.S. Securities Act (including, for example, an ordinary trade over the London Stock Exchange), (B) in a transaction that does not require registration under the U.S. Securities Act or any applicable United States securities laws and regulations or require the Company to register under the U.S. Investment Company Act, subject to, if requested by the Company, delivery of an opinion of counsel of recognised standing in form and substance reasonably satisfactory to the Company, or (C) to the Company;

(i) it is purchasing the Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Shares in any manner that would violate the U.S. Securities Act, the U.S. Investment Company Act or any other applicable securities laws;

(j) it acknowledges that the Company reserves the right to make inquiries of any holder of the Shares or interests therein at any time as to such person's status under the U.S. federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under the U.S. securities laws to transfer such Shares or interests in accordance with the Articles;

(k) it acknowledges and understands that the Company is required to comply with FATCA and that the Company will follow FATCA's extensive reporting and withholding requirements. The subscriber agrees to furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA;

(l) it is entitled to acquire the Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, Dexion, N+1 Singer or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Placing or its acceptance of participation in the Placing;

(m) it has received, carefully read and understands this Prospectus, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other presentation or offering materials concerning the Shares to within the United States or to any U.S. Persons, nor will it do any of the foregoing; and

(n) if it is acquiring any Shares as a fiduciary or agent for one or more accounts, the investor has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

The Company, Dexion, N+1 Singer and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor will immediately notify the Company.

PART VII: TAXATION

GENERAL

The information below, which relates only to Jersey, UK and Irish taxation, summarises the advice received by the Board and is applicable to the Company and the Originator (except in so far as express reference is made to the treatment of other persons) to persons who are resident or ordinarily resident in Jersey or the United Kingdom for taxation purposes and who hold Placing Shares as an investment. It is based on current Jersey, UK and Irish tax law and published practice, respectively, which law or practice is, in principle, subject to any subsequent changes therein (potentially with retrospective effect). Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Placing Shares in connection with their employment may be taxed differently and are not considered. The tax consequences for each Shareholder of investing in the Company may depend upon the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject.

If you are in any doubt about your tax position, you should consult your professional adviser.

JERSEY

The Directors intend to conduct the Company's affairs such that, based on current law and practice of the relevant tax authorities, the Company will not become resident for tax purposes in any other territory other than Jersey.

General

Under current Jersey law, there are no capital gains, capital transfer, gift, wealth or inheritance taxes or any death or estate duties. No stamp duty is levied in Jersey on the issue, conversion, redemption or transfer of Shares unless there is any element of residential property being transferred, in which case Land Transaction Tax may apply. On the death of an individual holder of Shares (whether or not such individual was domiciled in Jersey), duty at rates of up to 0.75 per cent. of the value of the relevant Shares may be payable on the registration of any Jersey probate or letters of administration which may be required in order to transfer, convert, redeem or make payments in respect of, Shares held by a deceased individual sole shareholder, however total duty payable may not exceed £100,000.

Income – The Company

The Company will be tax resident in Jersey by virtue of being incorporated in Jersey. It will be tax resident in Jersey as long as it is not centrally managed and controlled in a jurisdiction where the highest rate at which any company may be charged to tax on any part of its income is 20 per cent. or higher and it is not resident for tax purposes in that jurisdiction.

The Income Tax (Jersey) Law 1961 (as amended) (the "**Tax Law**") provides that the general rate of income tax on the profits of companies regarded as resident in Jersey or having a permanent establishment in Jersey will be 0 per cent. ("**zero tax status**"). Certain exceptions from zero tax status apply, including:

(a) companies which are regulated by the Jersey Financial Services Commission under certain sections of the Financial Services (Jersey) Law 1998, the Banking Business (Jersey) Law 1991 or the Collective Investment Funds (Jersey) Law 1988, shall be subject to income tax at a rate of 10 per cent. (these companies are defined as "financial services companies" in the Tax Law);

(b) certain utility companies shall be subject to income tax at a rate of 20 per cent. (these companies are defined as "utility companies" in the Tax Law); and

(c) any profits derived from the ownership or disposal of land in Jersey shall be subject to income tax at a rate of 20 per cent;

(d) annual profits or gains arising from the trade of exploitation of land in Jersey including quarrying are subject to tax at 20 per cent; and

(e) annual profits arising from the trade of importing and supplying hydrocarbon oil to or in Jersey will be subject to tax at 20 per cent.

It is anticipated that the Company should have a zero tax status.

Income – Shareholders

Persons holding Shares who are not resident for income tax purposes in Jersey are not subject to taxation in Jersey in respect of any income or gains arising to them in respect of Shares held by them.

Shareholders who are resident for income tax purposes in Jersey will be subject to income tax in Jersey at their marginal income tax rate on any dividends paid on Shares held by them or on their behalf.

Moreover, holders of Shares who are resident in Jersey should be aware of specific anti-avoidance rules which extend the range of what is a potentially taxable distribution to those holders who are resident in Jersey and this may now include repayment of loan principal, proceeds received in the course of winding up, share repurchase/redemption etc.

Withholding tax – the Company

For so long as the Company holds zero tax status, no withholding in respect of Jersey taxation will be required on payments in respect of the Shares to any holder of the Shares.

Goods and services tax

Pursuant to the Goods and Services Tax (Jersey) Law 2007 (the "**2007 Law**"), tax at a rate which is 5 per cent. applies to the supply of goods and services, unless the relevant supplier or recipient of such goods and services is registered as an "international services entity".

The Company is an "international services entity" within the meaning of the 2007 Law, having satisfied the requirements of the Goods and Services Tax (International Services Entities) (Jersey) Regulations 2008, as amended and, as long as it continues to be such an entity, a supply of goods or of a service made by or to the Company shall not be a taxable supply for the purposes of the 2007 Law.

European Union Savings Tax Directive

Jersey is not part of the EU and is not subject to the EU directive 2003/48/EC on the taxation of savings income (the "**Savings Directive**") or other EU fiscal legislation. However, in keeping with Jersey's policy of constructive international engagement (and in line with steps taken by other relevant countries), Jersey has now entered into various agreements regarding the Savings Directive.

Jersey has introduced a system which permits, either:

(a) the disclosure of information concerning details of payments of interest (or other similar payments), and the identity of an individual beneficial owner of the interest to the tax authority of the EU jurisdiction where the owner of the interest payment is resident; or

(b) the imposition of a retention or withholding tax in respect of payments of interest (or other similar income) made to an individual beneficial owner resident in an EU member state by a paying agent situated in Jersey or an EU member state.

(The terms "beneficial owner" and "paying agent" are defined in the bilateral agreements, entered into between Jersey and each of the EU member states relating to the treatment of savings income.)

Where the Company has appointed a paying agent located outside Jersey, the Company is not required to make any disclosures or levy retention tax. However, the rules applicable in the jurisdiction where the paying agent is located will apply.

The retention tax system will apply for an initial transitional period during which tax would be retained from such payments, instead of communicating the details of such payments to the tax authorities of the EU member state in which the individual beneficial owner is resident (the transitional period is prior to the

implementation of a system of automatic communication among all EU member states of information regarding interest payments). In August 2013, the Jersey Council of Ministers asked the States of Jersey to make regulations that will make it mandatory, from 1 January 2015, for Jersey to automatically exchange tax information for EU Savings Tax Agreements. The regulations will repeal the present retention tax provisions for the Savings Tax Agreements that were entered into in 2005 with the Member States of the European Union.

The requirements in respect of information disclosure or retention tax will not apply to payments made to companies, partnerships or to most types of trusts, nor will they apply to individuals who are resident outside the EU.

Identification of Shareholders

In the case of any immediate holders of Shares who are resident in Jersey, the Company may be required to notify the Comptroller of Taxes of amounts paid to those individuals by way of dividends or other distributions. Furthermore, the Company can be required to make a return to the Comptroller of Taxes in Jersey, on request, of the names, addresses and shareholdings of Jersey resident shareholders (in practice this return is not required at more frequent intervals than once a year).

This summary of Jersey taxation issues can only provide a general overview of this area and it is not a description of all the tax considerations that may be relevant to a decision to invest in the Company. The summary of certain Jersey tax issues is based on the laws and regulations in force as of the date of this document and may be subject to any changes in Jersey law occurring after such date. Legal advice should be taken with regard to individual circumstances. Any person who is in any doubt as to his tax position or where he is resident, or otherwise subject to taxation, in a jurisdiction other than Jersey, should consult his professional adviser.

UNITED KINGDOM

The statements set out below in relation to certain UK taxes are not applicable to all categories of holders of Shares and in particular are not addressed to: (i) UK non-resident holders who hold Shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or, in the case of a corporate holder, through a permanent establishment or otherwise); or (ii) UK resident holders who are not domiciled in the UK.

The Company

The Directors intend to conduct the affairs of the Company in such a way that it should not be resident in the UK for UK tax purposes. Accordingly, and provided that the Company does not carry on a trade in the UK (whether or not through a branch, agency or permanent establishment situated therein) and is not centrally managed and controlled in the UK, the Company will not be subject to UK income tax or corporation tax other than by way of withholding on certain types of UK source income such as UK source interest.

Shareholders

UK Offshore Fund Rules

If the Company meets the definition of an "offshore fund" for the purpose of UK taxation, then in order for a UK shareholder to be taxed under the capital gains tax regime (rather than on an income basis) on disposal of Shares, the Company must apply to HM Revenue & Customs to be treated as a reporting fund and maintain reporting fund status throughout the period in which the UK Shareholder holds the Shares.

The Directors are of the opinion that, under current law, the Company should not be an "offshore fund" for the purposes of UK taxation and legislation, contained in Part 8 of the Taxation (International and Other Provisions) Act 2010, should not apply.

On this basis, Shareholders (other than those holding Shares as dealing stock, who are subject to separate rules) who are resident in the UK, or who carry on business in the UK through a branch, agency or permanent

establishment with which their investment in the Company is connected, may, depending on their circumstances and subject as mentioned below, be liable to UK tax on chargeable gains realised on the disposal of their Shares.

Tax on Chargeable Gains

A disposal of Shares by a Shareholder who is resident in the UK for UK tax purposes or who is not so resident but carries on business in the UK through a branch, agency or permanent establishment with which their investment in the Company is connected may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains or capital gains, depending on the Shareholder's circumstances and subject to any available exemption or relief.

For such individual Shareholders capital gains tax at the rate of tax at 18 per cent. (for basic rate taxpayers) or 28 per cent. (for higher or additional rate taxpayers) will be payable on any chargeable gain.

For Shareholders that are bodies corporate any gain will be within the charge to corporation tax. The main rate of corporation tax is currently 23 per cent., reducing to 21 per cent. from 1 April 2014 and reducing to 20 per cent. from 1 April 2015.

Individuals may benefit from certain reliefs and allowances (including a personal annual exemption allowance, which presently exempts the first £11,000 from tax for tax year 2014-15) depending on their circumstances.

Shareholders which are bodies corporate resident in the UK for taxation purposes will benefit from indexation allowance which, in general terms, increases the chargeable gains tax base cost of an asset in accordance with the rise in the retail prices index.

Dividends

Individual Shareholders resident in the UK for tax purposes will be liable to UK income tax in respect of dividends or other income distributions of the Company. An individual Shareholder resident in the UK for tax purposes and in receipt of a dividend from the Company will, provided they own less than 10 per cent. of the Shares, be entitled to claim a non-repayable dividend tax credit equal to one-ninth of the dividend received.

The effect of the dividend tax credit would be to extinguish any further tax liability for eligible basic rate taxpayers (who currently pay tax at the dividend ordinary rate of 10 per cent.). The effect for current eligible higher rate taxpayers (who pay tax at the current dividend upper rate of 32.5 per cent.) would be to reduce their effective tax rate to 25 per cent. of the cash dividend received. For shareholders owning 10 per cent. or more of the Shares, no tax credit will be available and, accordingly, the tax rate will remain at 32.5 per cent.

An additional rate of income tax applies for UK resident individuals with income in excess of £150,000. Such individuals will pay 37.5 per cent. tax on dividends received (reduced to 30.6 per cent. of the cash dividend for eligible taxpayers owning less than 10 per cent. of the company as a result of applying the tax credit).

Unless the recipient is a "small company" (see below), dividends paid by the Company to a corporate Shareholder which is UK resident should generally be expected to fall within one or more of the classes of dividend qualifying for exemption from corporation tax.

Shareholders within the charge to UK corporation tax which are "small companies" (as that term is defined in section 931S of the Corporation Tax Act 2009) will be liable to corporation tax on dividends paid to them by the Company because the Company is not resident in a "qualifying territory" for the purposes of the legislation contained in the Corporation Tax Act 2009. Jersey is a non-qualifying territory for this purpose.

UK pension funds will be exempted from a charge to tax but will not be able to reclaim the notional tax credit associated with the dividend paid by the Company.

Non-UK resident Shareholders

A Shareholder who is not resident in the UK for UK tax purposes will not be liable to income or corporation tax in the UK on dividends paid on the Shares unless such a Shareholder carries on a trade (or profession or vocation) in the UK and the dividends are either a receipt of that trade or, in the case of corporation tax, the dividends are receipts of a trade carried on by the Shareholder through a UK permanent establishment.

*Stamp duty and Stamp Duty Reserve Tax ("**SDRT**")*

No UK stamp duty or SDRT will arise on the issue of Shares. No UK stamp duty will be payable on a transfer of Shares, provided that all instruments effecting or evidencing the transfer (or all matters or things done in relation to the transfer) are not executed in the UK and no matters or actions relating to the transfer are performed in the UK.

Provided that the Shares are not registered in any register kept in the UK by or on behalf of the Company and that the Shares are not paired with shares issued by a company incorporated in the UK, any agreement to transfer the Shares will not be subject to UK SDRT.

ISAs and SSAS/SIPPs

Investors resident in the United Kingdom who are considering acquiring Shares are recommended to consult their own tax and/or investment adviser in relation to the eligibility of the Shares for ISAs and SSAS/SIPPs.

Shares acquired pursuant to the Placing will not be eligible for inclusion in a stocks and shares ISA. On Admission, Shares acquired in the market should be eligible for inclusion in a stocks and shares ISA, subject to applicable subscription limits.

Between 6 April 2014 and 1 July 2014, the total annual ISA investment allowance is £11,880, of which up to £5,940 can be invested in a cash ISA, while the remainder can be invested in a stocks and shares ISA with either the same or another provider.

From 1 July 2014, all existing ISAs will become New ISAs ("**NISAs**"). The annual NISA investment allowance will be flexible to allow saving up to £15,000 in cash, stocks and shares or any combination of the two for the tax year 2014 to 2015.

The Shares should be eligible for inclusion in a SSAS or SIPP, subject to the discretion of the trustees of the SSAS or SIPP, as the case may be.

Other UK Tax Considerations:

Transfer of Assets Abroad

Individuals resident in the UK should note that Chapter II of Part 13 of the Income Tax Act 2007, which contains provisions for preventing avoidance of income tax by transactions resulting in the transfer of income to persons (including companies) abroad, may render them liable to taxation in respect of any undistributed income and profits of the Company.

Close Company Provisions

The attention of Shareholders resident in the UK is drawn to the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 under which, in certain circumstances where the company would be a close company if UK resident, a portion of capital gains made by the Company can be attributed to a Shareholder who holds, alone or together with associated persons, more than a 25 per cent. of the Shares.

Transactions in Securities

The attention of UK resident Shareholders is drawn to the provisions of (in the case of a UK resident individual Shareholder) Chapter 1 of Part 13 Income Tax Act 2007 and (in the case of a UK resident corporate Shareholder) Part 15 of the Corporation Tax Act 2010, which give powers to HMRC to cancel tax advantages derived from certain transactions in securities.

Controlled foreign companies

UK resident corporate Shareholders should be aware of the "controlled foreign companies" rules contained in Part 9A of the Taxation (International and Other Provisions) Act 2010 (which replace the old regime in Part 17 of the Income and Corporation Taxes Act 1988 in relation to accounting periods of non-UK resident companies beginning on or after 1 January 2013). These rules can result in the "chargeable profits" of a non-UK resident company which is controlled or deemed to be controlled by UK tax resident persons (a "**CFC**") being apportioned to and subject to a UK corporation tax-equivalent charge in the hands of UK tax resident companies which have "relevant interests" in the CFC (which include "relevant interests" held by a bare trustee or nominee). A holding of Shares could qualify as a "relevant interest" for these purposes if the Company is or were to become a CFC. However no apportionment would be made to a Shareholder unless that Shareholder (together with any persons connected or associated with it) would have at least 25 per cent. of the Company's profits apportioned to it on a "just and reasonable" basis. Persons who may be treated as "connected" or "associated" with each other for these purposes include two or more companies one of which controls the other(s) or all of which are under common control.

If any Shareholder is in doubt as to his or her taxation position, they are strongly recommended to consult an independent professional adviser without delay.

IRELAND

The following is a summary of the principal Irish tax consequences for individuals and companies of ownership of the Shares based on the laws and practice of the Irish Revenue Commissioners currently in force in Ireland and may be subject to change. It deals with Shareholders who beneficially own their Shares as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding Shares, such as dealers in securities, trusts, etc. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Shares should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Shares and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

The summary set out below is based on the Company maintaining its tax residence outside Ireland and not establishing a branch or agency in Ireland. It is also based on the assumption that the Company will not maintain a share register in Ireland.

Taxation of Shareholders

The Irish tax consequences for Irish resident investors investing in a Jersey resident company differ depending on whether or not the shares in the company are regarded as an investment falling within the Irish offshore funds rules and, if so, whether the investor is treated as having a "material interest" in an offshore fund. For these purposes, investments made in non-Irish resident companies established outside the EU or a country with which Ireland has a double tax treaty in force may be taxed under the offshore funds legislation. Income distributions are treated in the same manner irrespective of whether the offshore fund rules apply or not. However, the tax treatment of gains on a disposal of shares differs.

Income distributions in respect of shares in the Company (whether the offshore funds rules apply or not):

For holders who are Irish resident individuals (or are otherwise subject to tax in Ireland on dividends received from the Company), Irish income tax at the applicable marginal rate (i.e. up to 41 per cent.) plus PRSI and USC will apply to the dividend received. Dividends are taxable on a gross basis with a credit for any withholding tax deducted at source.

For corporate shareholders which are resident in Ireland (or are otherwise subject to tax in Ireland on dividends received from the Company), Irish corporation tax at 25 per cent. will apply to the dividend received (except where the dividend is regarded as a trading receipt, i.e. financial trading companies, in which case it should be taxable at 12.5 per cent.). Dividends are taxable on a gross basis, with a credit for any withholding tax deducted at source. Where a corporate shareholder owns more than 10 per cent. of the share capital of the Company it may be entitled to a credit for the underlying tax suffered by the Company.

Gains on a disposal of shares in the Company:

An investor will be regarded as having a material interest in an offshore fund if, at the time when the person acquired the Shares, it could be reasonably be expected that at some at some time during the period of 7 years beginning at the time of the acquisition the person would be able to realise the value of the interest (whether by transfer, surrender or in any other manner). The value of the interest shall for this purpose be an amount that is reasonably approximate to the portion which the interest represents (directly or indirectly) of the market value of the assets of the Company.

If the holder has a "material interest" and the Irish offshore funds rules apply:

It is unlikely that the Company will be a "qualifying fund" as it is unlikely to meet the diversification requirements. If a shareholder's interest in the Company is "material interest" in a "non-qualifying fund", any gain (including a disposal on a winding up) arising on the disposal of a material interest in the Company will be subject to income tax at marginal rates (i.e. up to 41 per cent.) plus PRSI and USC for Irish resident individuals and generally 25 per cent. in the case of Irish resident companies. If a financial trading company holds the Shares as a trading asset, any gain should be subject to tax as a trading receipt and therefore liable to tax at a rate of 12.5 per cent.

Reporting requirements also apply to investors and intermediaries in relation to the acquisition by Irish residents of a material interest in an offshore fund.

<u>"Normal" tax position (i.e. if the holder does not have a "material interest" or the Irish offshore funds rules are not applicable):</u>

If a shareholder's interest in the Company is not a "material interest" in an offshore fund then any gain on the disposal (including a disposal on a winding up) of Shares will be subject to Irish capital gains tax or corporation tax on gains (together "CGT") liability. Both Irish resident corporate and individual shareholders will be taxed on such gain at 33 per cent., subject to any exemptions or reliefs. If a financial trading company holds the Shares as a trading asset, any gain should be subject to tax as a trading receipt and therefore liable to corporation tax at a rate of 12.5 per cent.

Non-Irish Domiciled Individuals

Persons who are resident but not domiciled in Ireland may be able to claim the remittance basis of taxation, in which case the liability to tax in respect of income distributions or gains will only arise as and when the receipts are remitted to Ireland.

Shareholders should note that certain Irish anti-avoidance legislation may, in certain circumstances, apply in relation to their interest in the Company to render them subject to Irish tax on the undistributed income and/or gains of the Company. For example, it is intended that the Company will not be a close company for Irish tax purposes, however, in the event that it should be deemed to be a close company for Irish tax purposes (were it resident in Ireland for tax purposes), Irish anti-avoidance legislation provides that a portion of the capital gains made by the Company may be attributed back to shareholders who are resident or ordinarily resident and, if an individual, domiciled, in Ireland as offshore income/gains. Such Shareholders may thereby become chargeable to Irish income tax or corporation tax on a portion of such gains as they accrue to the Company.

Encashment Tax

Shareholders in the Company should note that any distributions made by a paying agent in Ireland on behalf of the Company or which are presented to, collected by, received by or otherwise realised by a bank or other person acting on behalf of the Shareholder in Ireland may be subject to encashment tax at the standard rate of income tax which is currently 20 per cent. Encashment tax is creditable against the Shareholder's final income tax liability.

Stamp Duty

No stamp duty will be payable in Ireland on the issue, transfer, repurchase or redemption of shares in the Company provided the consideration is not related to any immovable property situated in Ireland or any right

over or interest in such property, or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B of the Taxes Consolidation Act, 1997 or a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act, 1997) which is registered in Ireland.

Capital Acquisitions Tax

A gift or inheritance comprising of Shares will be within the charge to Irish capital acquisitions tax if either: (i) the disponer or the beneficiary in relation to the gift or inheritance is resident or ordinarily resident (or deemed to be resident or ordinarily resident) in Ireland; or (ii) the Shares are regarded as property situate in Ireland (which will not the case unless the Company's share register is located in Ireland).

PART VIII: ADDITIONAL INFORMATION ON THE COMPANY

1. INCORPORATION AND ADMINISTRATION

1.1 The Company is a registered closed-ended investment company incorporated in Jersey with limited liability on 30 April 2014 under the provisions of the Companies Law, with registered number 115628. The Company continues to be registered and domiciled in Jersey. The registered office and principal place of business of the Company is Lime Grove House, Green Street, St Helier, Jersey, JE1 2ST (telephone number: +44(0) 153 460 9000). The statutory records of the Company are kept at this address. The Company operates and issues shares in accordance with the Companies Law and ordinances and regulations made thereunder and has no employees. The Company shall have an unlimited life.

1.2 The Company has a wholly owned subsidiary, Blackstone / GSO Loan Financing 2 Limited, which is a company incorporated in Jersey with limited liability on 23 May 2014 under the provisions of the Companies Law, with registered number 115812. Its registered office and principal place of business is the same as that of the Company.

1.3 The Directors confirm that the Company has not traded or commenced operations and that, as at the date of this Prospectus, no accounts of the Company have been made up since its incorporation on 30 April 2014. The Company's accounting period will end on 31 December of each year, with the first year end on 31 December 2014.

1.4 Deloitte LLP has been the only auditor of the Company since its incorporation. Deloitte LLP is regulated by the Institute of Chartered Accountants in England and Wales to carry out audit work. The Shareholders have the power, under the Companies Law, to appoint the auditor at each AGM or remove the auditor by of ordinary resolution.

1.5 The annual report and accounts will be prepared according to IFRS.

1.6 Save for its entry into the material contracts summarised in paragraph 5 of this Part VIII of this Prospectus and certain non-material contracts, since its incorporation the Company has not incurred borrowings, issued any debt securities, incurred any contingent liabilities or made any guarantees, nor granted any charges or mortgages.

1.7 Save as set out in paragraph 2 below, there have been no changes to the issued share capital of the Company since incorporation.

2. SHARE CAPITAL

2.1 On incorporation, the share capital of the Company consisted of 2 ordinary shares of £1.00 each, which were converted into 2 ordinary shares of no par value by a shareholder resolution dated 13 June 2014. The Placing Shares will be issued in the form of participating ordinary shares having the rights set out in the Articles. Shareholders have no right to have their Shares redeemed.

2.2 As at the date of this Prospectus, the Company's issued and fully paid up share capital is 2 shares of no par value. As at the date of incorporation, the entire issued share capital of the Company comprising two ordinary shares of £1.00 each was held by Ogier Nominees (Jersey) Limited and Reigo Nominees (Jersey) Limited (two nominee companies associated with the then administrator). Pursuant to a shareholder resolution dated 13 June 2014, the Company's share capital was converted into two ordinary shares of no par value. On the assumption that the Minimum Gross Proceeds are raised pursuant to the Placing, the total assets of the Company will have increased by €150 million immediately following Admission and would have been earnings neutral.

2.3 None of the Shareholders has voting rights attaching to Shares that they hold which are different to the voting rights attached to any other Shares of the same class in the Company.

2.4 As at the date of this Prospectus, the memorandum of association provides that there is no limit on the number of shares of any class which the Company is authorised to issue.

2.5 The Directors have absolute authority under the Articles to allot the Shares to be issued pursuant to the Placing and are expected to do so shortly prior to Admission.

2.6 The Placing Shares are in registered form and, from Admission, will be capable of being held in uncertificated form and title to such Shares may be transferred by means of a relevant system (as defined in the CREST Regulations). Where the Shares are held in certificated form, share certificates will be sent to the registered members or their nominated agent (at their own risk) within 10 days of the completion of the registration process or transfer, as the case may be, of the Shares. Where Shares are held in CREST, the relevant CREST stock account of the registered members will be credited. The Registrar, whose registered address is set out on page 64 of this Prospectus, maintains a register of Shareholders holding their Shares in CREST.

2.7 No share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.

3. DIRECTORS' AND OTHER INTERESTS

3.1 As at the date of this Prospectus, none of the Directors or any person connected with any of the Directors has a Shareholding or any other interest in the share capital of the Company. The Directors and their connected persons may, however, subscribe for Share pursuant to the Placing.

3.2 The Directors are not aware of any person or persons who, following the Placing, will or could, directly or indirectly, jointly or severally, exercise control over the Company.

3.3 There are no outstanding loans from the Company to any of the Directors or any outstanding guarantees provided by the Company in respect of any obligation of any of the Directors.

3.4 The aggregate remuneration and benefits in kind of the Directors in respect of the Company's accounting period ending on 31 December 2014, which will be payable out of the assets of the Company, is not expected to exceed £100,000. Each of the Directors is entitled to receive £35,000 per annum, other than the Chairman who is entitled to receive £50,000 per annum and the chairman of the Audit Committee who is entitled to receive an additional fee of £5,000 per annum. No amount has been set aside or accrued by the Company to provide pension, retirement or other similar benefits.

3.5 No Director has a service contract with the Company, nor are any such contracts proposed. The Directors have been appointed through letters of appointment which can be terminated in accordance with the Articles and without compensation. The notice period specified in the Articles for the removal of Directors is one month. The Articles provide that the office of Director shall be terminated by, among other things: (i) written resignation; (ii) unauthorised absences from board meetings for 12 months or more; (iii) written request of the other Directors; and (iv) an ordinary resolution.

3.6 None of the Directors has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which has been effected by the Company since its incorporation.

3.7 In addition to their directorships of the Company, the Directors hold or have held the directorships and are or were members of the partnerships, as listed in the table below, over or within the past five years.

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Charlotte Valeur	Andrea Investments (Jersey) PCC BH Credit Catalyst Limited Brook Street Partners Holding Limited Cell series 1000 PC FSN Capital GP IV Limited FSN Capital Holding III Limited FSN Capital Holding Jersey Limited GFG Limited GGG Limited Ingenious Clean Energy Income Plc J.P. Morgan Convertibles Bond Income Fund Limited Kennedy Wilson Europe Real Estate Plc Lumx Beach Point Fund Limited Lumx DCI Short Credit Fund Limited Lumx GSB Podium Fund Limited Lumx Horseman Europe Select Fund Limited Lumx Jet Fund Limited Lumx Lancaster Fund Limited LumX LynX Fund Limited LumX MW Core Fund Limited Lumx Octagon High Income Fund Limited LumX Systematic Trend Fund Limited LumX Turiya Limited NTR Plc Renewable Energy Generation Limited TECREF GP Limited Tyndaris European Real Estate Finance SA	3i Infrastructure Plc Agilo Global Fund Limited (Feeder) Agilo Global Fund Limited (Master) AlphaTran Fund LLP (Master) Brook Street Partners (Jersey) Limited Brook Street Partners Limited Cell 2008-1 PC Cell 2008-2 PC Cell 2008-3 PC Cell 2008-4 PC Dansk Egenkapital Management A/S DREAM01 GP Limited DREAM02 (I) GP Limited DREAM02 (I) Limited DREAM02 (II) GP Limited DREAM02 (II) Limited DREAM02 (III) GP Limited DREAM02 (IV) GP Limited DREAM02 (IX) GP Limited DREAM02 (V) GP Limited DREAM02 (VI) GP Limited DREAM02 (VII) GP Limited DREAM02 (VIII) GP Limited DREAM02 (X) GP Limited DREAM02 (XI) GP Limited DREAM02 GP Limited Gyldmark Liquid Macro Fund Ltd Gyldmark Liquid Macro Master Fund Ltd LumX Atlas Global Limited Lumx Avesta Fund Limited LumX CCA Global Macro Fund Limited Lumx Cyril Systematic Fund Limited Lumx GGIE Fund Limited Lumx GLC Gestalt Fund Limited Lumx RWC Biltmore Fund Limited Lumx Third Point Fund Limited Lumx Van Eck Hard Assets Fund Limited LumX Visium Credit Limited VCM Ariel Fund Limited (Feeder) VCM Ariel Fund LP (Master) VCM Ariel General Partner Ltd
Philip Austin	3i Infrastructure Plc Blackstone / GSO Debt Funds Europe Limited City Merchants High Yield Trust Limited Future Finance Group Invesco Property Income Trust Limited	3Q Marketing Services Limited ABN AMRO Nominees (Jersey) Limited Alanrod Investments Limited Alberton Limited Alkantara Limited Allalin Investments Limited Antimer Company Limited Araluen Limited

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Philip Austin *(cont.)*	Jordans Trust Company (Jersey) Limited Royal London Asset Management (CI) Limited	Arash Holdings Limited Argyle Holdings Limited Ariaz Yachting Company Limited Atitlan Limited Badawi Holdings Limited Banner Holdings Limited Bar-Mal Limited Bavis Investments Limited Beaker Ltd Bedula Ltd Bera Ltd Bindrex Limited Bonetti Limited Boreas Investments Limited Bravado Investments Limited Broad River Limited BSNI Limited C H Limited C N Limited C.C. Licensing Limited Capella Holdings Limited Caribou Limited Casa Bella Property Limited CFR Consultants For Financial Research Limited Cherbourg Limited Cherokee Bay Limited Cherry Investments Limited Cheswold Limited Citri Limited Commercial Interior Contracts Limited Core Productions Limited Crabtree Holdings Limited Culverdale (No 1) Limited Dals Investments Limited Danmore Investments Ltd. Danzen Limited Daraydan Holdings Limited – Jersey Dask Properties Limited Dawnbound Limited Dean Properties Limited Deep Blue (Jersey) Limited Deepwater Limited Derard Limited Dobbelmann Ventures Limited Douetto Limited Dudeen Holdings Limited Duke Street Holdings Limited Dunsel Investments Limited E Q Holdings (Jersey) Limited E Q Trust (Jersey) Limited E Q Trust Holdings (Jersey) Limited

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Philip Austin *(cont.)*		Earrach Limited Eclipse Investments Limited Eester Limited Einen Holdings Limited Ellestone Limited Encore Distributors Limited Enerchem Technical Services Limited EQ Corporate Services (Jersey) Limited EQ Executors and Trustees Limited EQ Holdings (Jersey) Limited EQ Nominees (Jersey) Limited EQ Secretaries (Jersey) Limited EQ Trust Holdings (Jersey) Limited Equity Trust (Guernsey) Limited Equity Trust (Jersey) Limited Equity Trust Company (Cayman) Limited Equity Trust Group Services (Jersey) Limited Equity Trust Services Limited Eugenio Limited Fabrimex Far East Ltd Fashion Invention Investments Limited Fedora Limited Ferbane Limited Fereydon Investments Limited Fernbury Properties Limited Fibauk Limited Fides Limited Finton Investments Limited FortWarren Limited Free Spirit Holdings Ltd. Fusina Trust Company Limited Georama Limited Gold Stock Limited Golden Moments Limited Grace Investments Limited Grassroots Investments Limited Grayrigge Investments Limited Green Start Limited Haki Pension Limited Handy Limited Hayseed Limited Heindru Investments Limited Helko Ltd High Marsh Holdings Limited Hi-Hat Limited Hiking Corporation Limited Honey Place Limited HSBC Bank International Ltd

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Philip Austin *(cont.)*		HSBC Funds Administration (Dublin) Ltd HSBC Trust Corporation (Isle of Man) Ltd Husseiny Holdings (Jersey) Limited Hydrangea Company Limited Ikebana Limited Invermar Limited J H Limited J N Limited Jacobs Research Limited Jaseur Holdings Limited Jasper Limited Jawaher Investment Company Limited Jeropco Limited Jersey Finance Limited Jowore Shipping Limited Julia Investment Company Limited Kaiser Overseas Company Limited Kalahari Holdings Limited Kex Ltd Kilifi Holdings Limited Kinnear Limited Kipli Limited KP Global Limited KP Holding Limited KP New Multi Limited Lalandee Investments Company Limited Latin Ltd Lavender Investments Limited Legazpi Ltd Leisehouse Finance Limited Leofric Manor Properties Limited Lobos Limited Lochy Holdings Limited Locksley Limited Lyall Street Properties Ltd Malvern Enterprises Limited Manibhai Limited Mardood Holdings Limited Marenka Holdings Limited Markwell Limited Marlin Holdings Limited Marsh Investments Limited Mashel Investments Limited MCorp Limited Melling Investments Limited Metheringham Limited Mina Holdings Limited Monro Company Limited Moystons Limited Multiformula Limited

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Philip Austin *(cont.)*		Mysorock Limited Nagueles Limited Nama Ltd Natvel Holdings Limited Northchurch Limited Omsk Limited Ostaria Limited Pagham Holdings Limited Pall Mall Capital Holdings Limited PCC Overseas Limited Petrouna Limited Petunia Properties Limited PHI Holdings Limited Priess Investment Company Ltd R2R Lucice Limited R2R Sveti Stefan Limited Rainy Lake Limited Reas Property Holdings Limited Red Dash Limited Renak Limited Result Marketing Communications Limited Roxtone Investments Limited S.A.H Investment Company Limited Sailsbury Holdings Limited Saleel Holdings Limited Saltdean Trading Limited Samat Holdings Limited Samhradh Limited Shebba Investments Limited Sheena Properties Limited Silecroft Limited Silhouette Limited Silver Stock Limited Silver Sun Holdings Limited Simona Limited Sirma Limited Smallville Limited Somara Investments Limited Sugemar Limited Summertown Holdings Limited Sun And Seas Properties Limited Sundeani Holdings Limited Sunseeker Holdings Limited Syspro Europe Limited Syspro Limited Tazkiya Limited Technique Moto Course Internationale Limited Terbury Limited Tesu Cruising Limited The Jubilee Place Company Limited Thormar Ltd

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Philip Austin *(cont.)*		Tina Land Limited Tisza Agriculture Ltd Toboros Holding Limited Toller Limited Toulouse Limited Tropical Fisheries Limited Tush Limited Tyr Investments Ltd Uni Investments Limited Valbella Limited Vas Resources Limited Verofrelo Limited Vertis Asset Management Limited Vertis Capital Partners Limited Vertis Limited Vida De Sol Limited Viewfield Holdings (Jersey) Limited Vishnu Investments Limited Voyant Limited Waterlane Limited Wendale Limited Westshire Limited Whirlwind Limited Xindu Limited Yachts and Racing Limited Zehar Holdings Limited
Gary Clark	AGFT IC Altis Global Futures Portfolio IC Altis Master Fund ICC AW EU Periphery Equity Fund IC AW Short Duration Bond Fund (EUR Hedged) IC AW Short Duration Bond Fund (GBP Hedged) IC AW Short Duration Bond Fund (USD) IC Azure Asset Management Jersey ICC DG Systematic General Partner Ltd DG Systematic Holdings Ltd DG Systematic IP Holdings Ltd Emirates Active Managed Fund PC Emirates Alternative Strategies Fund PC Emirates Balanced Managed Fund PC Emirates Conservative Managed Fund PC Emirates Emerging Market Equity Fund Limited Emirates Funds Limited	AGCT IC Altis Global Commodities Portfolio IC AMFSI IC Emirates Islamic Alternative Strategies Fund Limited GLC Behavioural Trend Fund Ltd GLC Behavioural Trend Leveraged Trading Ltd GLC Behavioural Trend Trading Ltd GLC Directional Fund Ltd GLC Directional Fund Trading Ltd GLC Directional Leveraged Fund Trading Ltd GLC Diversified Fund Ltd GLC Diversified Fund Trading Ltd GLC Gestalt Europe Fund Ltd GLC Gestalt Leveraged Trading Ltd GLC Gestalt Trading Ltd GLC Global Macro Fund Ltd GLC Global Macro Leveraged Trading Ltd GLC Global Macro Trading Ltd Hume Asia Fund Limited Hume Asia Master Fund Limited

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Gary Clark (*cont.*)	Emirates Global Sukuk Fund Limited	IPAF (Bermuda) Ltd
	Emirates Islamic Global Balanced Limited	LDFM (Co-Invest) I Limited
	Emirates Islamic Money Market Fund Limited	Longwood Credit Fund (GP) Ltd.
	Emirates MENA Fixed Income Fund PC	Longwood Credit Fund Limited
	Emirates MENA High Income PC	Longwood Credit Master Fund Limited
	Emirates MENA Opportunities Limited	LRB Limited
	Emirates MENA Top Companies Fund PC	Mourant Fund Services Jersey Ltd (formerly AIB Fund Administrators Ltd formerly AIB Worthytrust Fund Administrators Ltd
	Emirates NBD Fund Managers (Jersey) limited	Newton International Investment Management Nominees Limited
	Emirates Portfolio Management PCC	Nylon Flagship Fund Limited
	Emirates Real Estate Fund Limited	Nylon Flagship Master Fund Limited
	GC SIP Limited	Offco Limited
	GWN Limited	Rochester Capital Fund Limited
	Hume Capital (Jersey) Limited	Rochester Capital Master Fund Limited
	ICG Global Investment Jersey Limited (formerly – ICG EFV Jersey Limited)	State Street (Jersey) Limited
		State Street Services (Jersey) Limited
	ICG Minority Partners Fund 2008 GP Limited	
	ICG Recovery Fund 2008 GP Limited	
	Intermediate Capital GP 2003 Limited	
	Intermediate Capital GP 2003 No.1 Limited	
	IPAF (UK) Limited	
	London Diversified Fund Ltd	
	London Diversified Fund Management International Ltd	
	London Select Fund Ltd	
	M/P Fund Managers Limited	
	Mercury Holdings Limited	
	Mercury Properties Limited	
	Metronome Fund	
	Metronome Master Fund	
	Standard Life Wealth (CI) Limited (formerly NEWTON FUND MANAGERS (C.I.) LIMITED)	
	Standard Life Wealth International Limited (formerly – Newton International Investment Management Limited)	
Joanna Dentskevich	Euphorix Investments Limited	Race Euphorix LLP
	Triskelion Advisors Limited	

3.8 As at the date of this Prospectus, there are no potential conflicts of interest between any duties to the Company of any of the Directors and their private interests and/or other duties. There are no lock-up provisions regarding the disposal by any of the Directors of any Shares.

3.9 Save as set out in paragraph 3.10 below, as at the date of this Prospectus:

(a) none of the Directors has had any convictions in relation to fraudulent offences for at least the previous five years;

(b) save as detailed above, none of the Directors was a director of a company, a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years which has entered into any bankruptcy, receivership or liquidation proceedings;

(c) none of the Directors has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years; and

(d) none of the Directors are aware of any contract or arrangement subsisting in which they are materially interested and which is significant to the business of the Company which is not otherwise disclosed in this Prospectus.

3.10 In respect of the declaration in paragraph 3.9 above, certain of the Directors have been directors of entities which have been dissolved. To the best of each Director's knowledge, no such entity, upon its dissolution, was insolvent or owed any amounts to creditors.

3.11 The Company maintains directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

3.12 No employees of the Administrator have any service contracts with the Company.

4. MEMORANDUM AND ARTICLES

4.1 ***Objects***

The Company's memorandum of association provides that the Company has unrestricted corporate capacity. The Company has all the powers and capacity of a natural person.

The Company's existing Articles include provisions to the following effect:

4.2 ***Share capital***

The Company's share capital is represented by an unlimited number of ordinary shares of no par value.

4.3 ***Alteration of share capital***

The Company may, by altering its memorandum of association by special resolution, alter its share capital in any manner permitted by the Companies Law. Subject to the provisions of the Companies Law, the Company may by special resolution reduce its share capital or any capital redemption reserve or any share premium account in any way.

4.4 ***Purchase of own shares***

Subject to, and in accordance with, the Companies Law and the Listing Rules (to the extent applicable to or voluntarily adopted by the Company), the Company may purchase or agree to purchase in the future any of its own shares of any class (including redeemable shares) in any way and at any price.

4.5 ***Share rights***

Subject to the Companies Law and subject to, and without prejudice to, any special rights attached to any existing shares, any share in the Company may be issued with such rights or restrictions as the Company may by ordinary resolution determine.

Subject to the Companies Law and the Listing Rules (to the extent applicable to or voluntarily adopted by the Company), the Company may issue shares which are to be redeemed, or are liable to be redeemed, at the option of the Company or the holder of such redeemable shares and on such terms and in such manner as may be determined by ordinary resolution.

4.6 ***Allotment of securities and pre-emption rights***

Subject to the provisions of the Companies Law, the Articles and any resolution of the Company passed by the Company conferring authority on the directors to allot shares and without prejudice to any rights attached to existing shares, all unissued shares are at the disposal of the Directors and they may allot, grant options over, grant warrants in respect of or otherwise dispose of them to such persons at such times and generally on such terms as they think fit.

Although the Companies Law does not provide any statutory pre-emption rights, the Articles provide that when proposing to allot shares or fractions of shares of any class, the Company must first offer such shares to existing holders of shares of the relevant class on the same or more favourable terms in proportion to their respective holdings of the relevant shares then in issue.

Such pre-emption rights shall not apply:

(a) where the shares to be allotted are or are to be wholly or partly paid otherwise than in cash;

(b) where the shares are being allotted pursuant to the terms of an Employee Share Scheme (as defined in the Articles); or

(c) where they have been disapplied by way of a special resolution.

4.7 ***Share certificates***

Every holder on becoming the holder of any certificated share whose name is entered on the Company's register of members as a holder of any certificate shares is entitled, without payment, to one certificate in respect of all the shares of any class held by him. In the case of joint holders, delivery of a certificate to one of the joint holders shall be sufficient delivery to all.

4.8 ***Call forfeiture and lien***

The Directors may from time to time make calls upon the holders in respect of any consideration agreed to be paid for such shares that remains unpaid, subject to the terms of allotment of such shares. Each holder shall (subject to being given at least 14 days' notice specifying when and where payment is to be made) pay to the Company the specified amount called on such shares. If any call or instalment of a call remains unpaid on or after the due date for payment, the person from whom it is due and payable shall pay interest on the amount unpaid from the day upon which it became due and payable until it is paid.

Interest shall be paid at the Barclays Bank plc base rate plus two per cent per annum or a rate fixed by the terms of the allotment of the share or, if no rate is fixed, the rate determined by the Directors provided that the Directors may waive payment of the interest wholly or in part. The Directors may also (on giving not less than 14 days' notice or any such period of notice as is provided under the terms of the relevant allotment requiring payment of the amount unpaid together with interest and costs incurred) forfeit the shares by resolution of the Directors. The forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares. The forfeited shares may be sold, re-alloted or otherwise disposed of on such terms and in such manner as the Directors determine.

The Company shall have a first and paramount lien on every share (not being a fully-paid share) for all monies (whether presently payable or not) payable at a fixed time or called by the Company in accordance with the Articles in respect of such share.

The Directors may declare any share to be wholly or partly exempt from the provisions in the Articles in respect of liens. The Company may sell, in such manner as the Directors may determine, any share

on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 days after a notice of intention to sell the share in default of payment shall have been given to the holder of the share.

4.9 ***Variation of rights***

The special rights attached to any class of shares may be varied or abrogated either with the written consent of the holders of not less than two thirds in nominal value of the issued shares of that class or the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

4.10 ***Transfer of shares***

The instrument of transfer of a certificated share shall be in writing and may be in any usual form or in any other form approved by the Directors and shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

A member may transfer all or any of his uncertificated shares in accordance with the Uncertificated Securities Order (as defined in the Articles), provided that legal title to such shares shall not pass until the transfer is entered in the register.

Shares are free from any restriction on transfer and may be transferred in accordance with the Listing Rules (to the extent applicable to or voluntarily adopted by the Company) and any other applicable laws and regulations. Subject to the requirements of the Listing Rules (to the extent applicable to or voluntarily adopted by the Company), the Directors may, in their absolute discretion and without giving a reason, refuse to register the transfer of a certificated share which is not fully paid or the transfer of a certificated share on which the Company has a lien.

The Directors may also refuse to register the transfer of a certificated share unless the instrument of transfer:

(i) is lodged at the office (or at such other place appointed by the Directors) accompanied by the certificate for the share to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

(ii) is in respect of one class of share only;

(iii) is in favour of not more than four transferees; or

(iv) the transfer is in favour of any Non-Qualified Holder or any U.S. Plan Investor.

If any Shares are owned directly, indirectly or beneficially by a person believed by the Board to be a Non-Qualified Holder or a U.S. Plan Investor, the Board may give notice to such person requiring him either: (i) to provide the Board within 30 days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board that such person is not a Non-Qualified Holder or a U.S. Plan Investor; or (ii) to sell or transfer his Shares to a person who is not a Non-Qualified Holder or a U.S. Plan Investor within 30 days and within such 30 days to provide the Board with satisfactory evidence of such sale or transfer. Pending such sale or transfer, the Board may suspend the exercise of any voting or consent rights and rights to receive notice of or attend any meeting of the Company and any rights to receive dividends or other distributions with respect to such Shares. Where condition (i) or (ii) is not satisfied within 30 days after the serving of the notice, the person will be deemed, upon the expiration of such 30 days, to have forfeited his Shares. If the Board in its absolute discretion so determines, the Company may dispose of the Shares at the best price reasonably obtainable and pay the net proceeds of such disposal to the former Shareholder.

If the Directors refuse to register a transfer of a share in certificated form, they shall send the transferee notice of the refusal within two months after the date on which the instrument of transfer was lodged with the Company.

Subject to any applicable stamp duties or other taxes, no fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to a share.

4.11 ***Notification of interests in shares***

Each member shall comply with the notification obligations to the company as a non-UK company contained in Chapter 5 of the FCA's Disclosure and Transparency Rules ("**DTR5**").

If the Company determines that a holder (a "**Defaulting Holder**") has not complied with the provisions of DTR5 with respect to some or all of the shares held by such holder (the "**Default Shares**"), the Company shall have the right by delivery of notice to the Defaulting Holder (a "**Default Notice**") to:

(a) suspend the right of such Defaulting Holder to vote at meetings of the Company in respect of such Default Shares;

(b) withhold, without any obligation to pay interest thereon, any dividend or other amount payable in respect of such Default Shares;

(c) render ineffective any election to receive shares of the Company instead of cash in respect of any dividend or part thereof, and/or

(d) prohibit the transfer of any shares in the Company held by the Defaulting Holder except with the consent of the Company or if the Defaulting Holder can provide satisfactory evidence to the Company to the effect that, after due inquiry, the shares to be transferred are not Default Shares.

4.12 ***Untraced shareholders***

Subject to certain conditions, the Company is entitled to sell any share of a shareholder who is untraceable, provided that:

(a) for a period of not less than 12 years (during which at least three cash dividends have become payable on the share) no cheque, warrant or money order payable on the share has been presented to paying bank of the relevant cheque, warrant or money order and no payment made by the Company by any other means permitted by the Articles has been claimed or accepted;

(b) on expiry of such 12 year period, the Company has given notice of its intention to sell the share by advertisement in a national newspaper and in a newspaper circulating in the area of the address of the holder of, or person entitled by transmission to, the share shown in the register; and

(c) the Company has not, so far as the Directors are aware, during such 12 year period or during a further period of three months following the last of such advertisements, received any communication from the holder of, or person entitled by transmission to, the share.

The Company shall be indebted to the former shareholder for an amount equal to the net proceeds of any such sale.

4.13 ***General meetings***

The Directors shall convene and the Company shall hold an annual general meeting once every year provided there is not a gap of more than fifteen months between one annual meeting and the next. The Directors may convene a general meeting whenever it thinks fit and immediately on receipt of a requisition from members in accordance with the Companies Law.

The quorum for a general meeting is two persons entitled to vote upon the business to be transacted, each being a holder in person or by proxy.

At least 21 clear days' notice shall be given in respect of every annual general meeting and all other general meetings shall be called by not less than 14 clear days' notice. Subject to the provisions of the

Companies Law, the provisions of the Articles and to any restrictions imposed on any shares, the notice shall be sent to all the members, to each of the directors and to the auditors.

The notice shall specify the place, the date and the time of the meeting and the general nature of the business to be dealt with at the meeting. It shall also state that a member entitled to attend and vote may appoint one or more proxies in its place.

In the case of an annual general meeting, the notice shall specify the meeting as such. In the case of a meeting to pass a special resolution, the notice shall specify the intention to propose the resolution as a special resolution.

For the purpose of determining whether a person is entitled as a member to attend or vote at a meeting and how many votes such person may cast, the Company may specify in the notice of the meeting a time not more than 48 hours before the time fixed for the meeting, by which a person who holds shares in registered form must be entered on the register in order to have the right to attend or vote at the meeting or to appoint a proxy to do so.

Subject to any rights and restrictions attached to any shares, members and their duly appointed proxies shall have the right to attend and vote at general meetings and to demand or join in demanding a poll. Every resolution put to the vote at the meeting shall be decided on a show of hands, unless a poll is demanded by:

(i) the chairman of the meeting;

(ii) not less than five members present in person or by proxy and entitled to vote on the resolution;

(iii) a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution; or

(iv) a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

A Director or a representative of the auditor (if any) shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the capital of the Company.

The Chairman may, with the consent of a meeting at which a quorum is present, adjourn the meeting.

4.14 ***Voting rights***

Subject to any rights or restrictions attached to any shares, on a show of hands every member who is present in person or by proxy shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder. On a poll, a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A member may appoint more than one proxy.

Unless the Directors decide otherwise, no member shall be entitled to vote at a general meeting or at a separate meeting of the holders of any class of shares unless all moneys presently payable by him in respect of his shares have been paid.

In the case of joint shareholders only the vote of the senior joint holder shall be accepted.

4.15 ***Appointment of Directors***

Unless otherwise determined by the Company by ordinary resolution, the number of directors shall not be subject to any maximum but shall not be less than two. Directors may be appointed by ordinary resolution or by the Directors.

Subject to the provisions of the Companies Law, the Directors may appoint one or more of their number to hold an executive office with the Company and may enter into an agreement or arrangement with any director for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as (subject to the Law) the Directors think fit and they may remunerate any such director for his services as they think fit.

4.16 ***No share qualification***

A Director shall not be required to hold any shares in the capital of the Company by way of qualification.

4.17 ***Retirement of Directors by rotation***

At each annual general meeting one third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to but not less than one third, shall retire from office provided that if there are fewer than three directors who are subject to retirement by rotation, one shall retire from office.

If any one or more directors; (a) were last appointed or reappointed three years or more prior to the meeting; (b) were last appointed or reappointed at the third immediately preceding annual general meeting; or (c) at the time of the meeting will have served more than nine years as a non-executive director of the Company (excluding as the chairman of the Directors), he or they shall retire from office and shall be counted in obtaining the number required to retire at the meeting.

Subject to the Companies Law and the Articles, the Directors to retire by rotation at an annual general meeting include, so far as necessary to obtain the number required, first, a director who wishes to retire and not offer himself for reappointment, and, second, those Directors who have been longest in office since their last appointment or reappointment. As between two or more who have been in office an equal length of time, the director to retire shall, in default of agreement between them, be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined on the basis of the composition of the board of Directors at the start of business on the date of the notice convening the annual general meeting, disregarding a change in the number or identity of the directors after that time but before the close of the meeting.

4.18 ***Remuneration of Directors***

The remuneration of the directors shall not exceed an aggregate amount of £300,000 per annum or such greater amount as shall be determined by the Company by ordinary resolution.

Subject to the Companies Law and to the Articles and the requirements of the Listing Rules (to the extent applicable to or voluntarily adopted by the Company), the Directors may arrange for part of a fee payable to a director to be provided in the form of fully paid shares in the capital of the Company. The amount of the fee payable in this way shall be at the discretion of the Directors and shall be applied in the purchase or subscription of shares on behalf of the relevant director. In the case of a subscription of shares, the subscription price per share shall be deemed to be the closing middle market quotation for a fully paid share of the Company of that class (or such other quotation derived from such other source as the Directors may deem appropriate) on the day of subscription.

The Directors are entitled, under the Articles, to be paid all reasonable expenses as they may properly incur in attending meetings of the directors or of any committee of the directors or shareholders meetings or otherwise in connection with the discharge of their duties.

4.19 ***Permitted interests of Directors***

Subject to the Companies Law and provided he has disclosed to the Directors the nature and extent of any direct or indirect interest of his, in accordance with the Companies Law, a director, notwithstanding his office:

(a) may enter into or otherwise be interested in a contract, arrangement, transaction or proposal with the Company or any of its subsidiary undertakings or in which the Company or any of its subsidiary undertakings is otherwise interested either in connection with his tenure of an office or place of profit or as seller, buyer or otherwise;

(b) may hold another office or place of profit with the Company or any of its subsidiary undertakings (except that of auditor or auditor of a subsidiary of the Company or any of its subsidiary undertakings) in conjunction with the office of director and may act by himself or through his firm in a professional capacity to the Company or any of its subsidiary undertakings, and in that case on such terms as to remuneration and otherwise as the Directors may decide either in addition to or instead of remuneration provided for by any other provision of the Articles;

(c) may be a director or other officer of, or employed by, or a party to a contract, transaction, arrangement or proposal with or otherwise interested in, a company promoted by the Company or any of its subsidiary undertakings or in which the Company or any of its subsidiary undertakings is otherwise interested or as regards which the Company or any of its subsidiary undertakings has a power of appointment; and

(d) is not liable to account to the Company or any of its subsidiary undertakings for a profit, remuneration or other benefit realised by such contract, arrangement, transaction, proposal, office or employment and no such contract, arrangement, transaction or proposal is avoided on the grounds of any such interest or benefit.

An interested director must declare the nature of his interest at the meeting of the Directors at which the question of entering into the contract, arrangement, transaction or proposal is first considered or if for any reason he fails to comply with that obligation, as soon as practical after that meeting by notice in writing delivered to the secretary of the board of Directors.

A general notice in writing given to the board of Directors by any director that he is to be regarded as interested in any contract, arrangement, transaction or proposal shall be deemed a sufficient declaration of interest in relation to the same.

4.20 ***Restrictions on voting***

A Director shall not vote on any resolution of the Directors concerning a matter in which he has a direct or indirect interest which conflicts or may conflict to a material extent with the interests of the Company but these prohibitions shall not apply to:

(i) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of, or for the benefit of, the Company or any of its subsidiary undertakings;

(ii) the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which the Director has assumed responsibility (in whole or part and whether alone or jointly with others) under a guarantee or indemnity or by the giving of security;

(iii) a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;

(iv) a contract, arrangement, transaction or proposal concerning any other body corporate in which he or any person connected with him is interested, directly or indirectly, and whether as an officer, shareholder, creditor or otherwise, if he and any persons connected with him do not to his knowledge hold an interest representing five per cent. or more of either any class of the equity share capital of such body corporate or of the voting rights in the relevant body corporate (any such interest being deemed for the purpose of this paragraph to be a material interest in all circumstances);

(v) a contract, arrangement, transaction or proposal for the benefit of employees of the Company or of any of its subsidiary undertakings which does not award him any privilege or benefit not generally accorded to the employees to whom the arrangement relates;

(vi) a contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy for the benefit of Directors or for the benefit of persons including Directors; and

(vii) the calling of a general meeting of the Company at which matters relating to the Directors are to be considered and voted upon by the holders.

A director shall not vote (or be counted in the quorum) on any resolution of the Directors or committee of the Directors concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested.

Where proposals are under consideration concerning the appointment (including, without limitation, fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or a company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each director. In that case each of the directors concerned (if not otherwise prevented from voting under the Articles) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

Subject to the Companies Law, the Company may by ordinary resolution suspend or relax the above provisions to any extent or ratify any contract, arrangement, transaction or proposal not properly authorised by reason of a contravention of such provisions provided that doing so will not permit the Company to cease to comply with the Listing Rules (to the extent applicable to or voluntarily adopted by the Company).

4.21 ***Powers of Directors***

Subject to applicable law (including the provisions of the Companies Law) and the Articles and any direction given by special resolution, the business of the Company shall be managed by the Directors which may exercise all the powers of the Company. The Directors may delegate any of their powers to a person or to a committee consisting of more than one person (provided that a majority of the members of a committee shall be directors).

4.22 ***Borrowing powers***

The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or part of the undertaking, property and assets (present or future) and uncalled capital of the Company and, subject to the Companies Law and the Articles, to issue debentures and other securities, whether outright or as collateral security for a debt, liability or obligation of the Company or of a third party.

The Articles permit the Board to borrow up to 10 per cent. of the Company's NAV for day to day administration and cash management purposes.

4.23 ***Proceedings of directors***

A director may, and the secretary at the request of a director shall, call a meeting of the Directors by giving notice of the meeting to each director. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. Any director may waive notice of a meeting and any such waiver may be retrospective.

The quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two. A person who holds office only as an alternate director may, if his appointor is not present, be counted in the quorum.

A resolution in writing executed by all the Directors entitled to receive notice of a board meeting and not being less than a quorum, or by all members of a committee of the board entitled to receive notice of a committee meeting and not being less than a quorum, shall be as valid and effective as if it had been passed at a meeting of the Directors or (as the case may be) a committee of the Directors.

A person entitled to be present at a meeting of the Directors or of a committee of the Directors shall be deemed to be present for all purposes if he is able by way of a conference telephone or other communication equipment which allows everybody participating in the meeting to speak to and be heard by ail those present or deemed to be present simultaneously. A director so deemed to be present shall be entitled to vote and be counted in a quorum accordingly.

4.24 ***Indemnity of officers and insurance***

The Companies Law restricts indemnities or exemptions from liability given by Jersey companies to their directors and officers. In general, directors and officers of a Jersey company cannot be exempted from or receive an indemnity in respect of any liability which would otherwise attach to that director or officer under law by reason of the fact that they are or were a director or officer of the company. There are exemptions to this restriction in particular in respect of proceedings where the director or officer is not held liable or the matter is discontinued, where the director or officer acted in good faith with a view to the best interests of the company and in respect of any liability for which the company normally maintains insurance.

The Articles provide that a director may be indemnified out of the assets of the Company to the extent this is legally permissible under the Companies Law and that, subject to the Companies Law, the Directors may purchase and maintain insurance against any liability for any director of the Company or of any associated company.

4.25 ***Dividends and other distributions***

Subject to the provisions of the Companies Law, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the shareholders, but no such dividend shall exceed the amount recommended by the Directors.

Subject to the provisions of the Companies Law, the Directors may pay fixed rate and interim dividends. If the Directors act in good faith, they shall not incur any liability to the holders of any shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

A general meeting declaring a dividend may, upon the recommendation of the Directors, direct that payment of a dividend shall be satisfied wholly or partly by the issue of shares or the distribution of assets and the Directors shall give effect to such resolution.

Except as otherwise provided by the rights attaching to or terms of issue of any shares, all dividends shall be apportioned and paid *pro rata* according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid.

No dividend or other moneys payable in respect of a share shall bear interest against the Company, unless otherwise provided by the rights attached to the share.

The directors may deduct from any dividend or other moneys payable to a shareholder all sums of money (if any) presently payable by the holder to the Company on account of calls or otherwise in relation to such shares.

Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the holder or the person recognised by the directors as entitled to the share or, if two or more persons are the holders or are recognised by the directors as jointly entitled to the share, to the registered address of the first holder named in the register or to such person or persons entitled and to such address as the directors shall in their absolute discretion determine.

Any dividend unclaimed after a period of 10 years from the date on which it became payable shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company.

4.26 ***Capitalisation of profits and reserves***

The Directors may, with the authority of an ordinary resolution, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's capital redemption reserve and/or share premium account.

4.27 ***Winding up***

On a winding up, the Company may, with the sanction of a special resolution and any other sanction required by the Companies Law, divide the whole or any part of the assets of the Company among the shareholders *in specie* provided that no holder shall be compelled to accept any assets upon which there is a liability.

On return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after payment of its liabilities shall subject to the rights of the holders of other classes of shares, be applied to the holders of ordinary shares equally *pro rata* to their holdings of ordinary shares.

5. MATERIAL CONTRACTS

The following are all of the contracts, not being contracts entered into in the ordinary course of business, that have been entered into by the Company since its incorporation and are, or may be, material or that contain any provision under which the Company has any obligation or entitlement which is or may be material to it as at the date of this Prospectus.

5.1 ***Placing Agreement***

5.1.1 The Placing Agreement dated 10 July 2014 whereby Dexion and N+1 Singer have agreed to use their respective reasonable endeavours, as agents for the Company, to enter into placing commitments with subscribers pursuant to the Placing at the Placing Price.

5.1.2 Dexion and N+1 Singer will be entitled to a commission for their services in connection with the Placing, payable following Admission.

5.1.3 The Company will bear all reasonable expenses of or incidental to the Placing and Admission including, without limitation, the fees of its accountancy, legal and other professional advisers, the cost of printing and distribution of all the Placing documents, the Registrar's fees, UKLA and/or London Stock Exchange fees, the fees of the legal and other professional advisers of Dexion and N+1 Singer and the amount of any expenses which Dexion and/or N+1 Singer may have paid on behalf of the Company.

5.1.4 Dexion and N+1 Singer are entitled to pay part of the commissions received by them to investors in their absolute discretion (and whether by reference to the number of Placing Shares subscribed by investors or otherwise).

5.1.5 Under the Placing Agreement, which may be terminated by Dexion and/or N+1 Singer in certain limited circumstances prior to Admission, each of the Company and DFME have given certain market standard warranties and indemnities to each of Dexion and N+1 Singer which are customary for an agreement of this nature concerning, *inter alia*, the accuracy of the information contained in this document. However, such indemnities do not apply in circumstances where the liability arises from (i) the bad faith, negligence, fraud or wilful default of Dexion and N+1 Singer; or (ii) a material breach of the terms of the Placing Agreement by Dexion and/or N+1 Singer; or (iii) a contravention by Dexion and/or N+1 Singer of the regulatory system (as defined in the handbook and rules of the FCA) of the provisions of the Financial Services and Markets Act 2000, as amended.

5.2 ***Administration Agreement***

5.2.1 An administration agreement dated 9 July 2014 between (i) the Company; and (ii) the Administrator, whereby the Administrator was appointed to act as administrator and secretary of the Company and provide related services (the "**Administration Agreement**").

5.2.2 Under the terms of the Administration Agreement, the Administrator is entitled to an annual administration fee of up to 0.08 per cent. per annum of the Net Asset Value of the Company per annum, payable monthly in arrears, and other miscellaneous fees and expenses reimbursed, in each case, as determined in the Administration Agreement.

5.2.3 The Administration Agreement may be terminated by either party on not less than 90 days' written notice (or such shorter notice as the parties may agree). The Administration Agreement may be terminated immediately by either party: (i) in the event that either party shall go into liquidation or receivership or an examiner shall be appointed to the Company (except for a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the notifying party, such approval not to be unreasonably withheld or delayed) or be unable to pay its debts as they fall due; or (ii) if the other party commits any material breach of the provisions of this Agreement and, if such breach is capable of remedy shall not have remedied that within 30 days after the service of written notice requiring it to be remedied; (iii) illegal or impossible without breach of any applicable laws and for reasons reasonably outside the control of the relevant party for any party to fulfill its obligations hereunder; or (iv) in the event of the Administrator ceasing to hold the necessary licenses, approvals, permits, consents or authorisations required to enable it to perform its functions or any of its duties under the Administration Agreement. The appointment of the Administrator shall also automatically terminate forthwith if the Administrator shall become or be deemed to become resident for tax purposes in the United Kingdom or in any other place or places outside Jersey in circumstances which cause the Company to become liable to pay any taxes which it would not otherwise be liable to pay.

5.2.4 The Company has given certain market standard indemnities in favour of the Administrator in respect of the Administrator's potential losses in carrying out its responsibilities under the Administration Agreement.

5.2.5 The Administration Agreement is subject to arbitration governed by the substantive laws of Jersey.

5.3 ***Note Purchase Agreement and the Profit Participating Notes***

5.3.1 The Company and the Originator shall enter into a note purchase agreement ("**NPA**") with an initial term of 5 years, which will (subject to a longstop redemption date of 1 June 2044) be extended for a further 5 year term every 2 years unless the Company gives notice to the Originator at least 12 months prior to such renewal date that it does not wish to extend the term. The NPA will provide that Profit Participating Notes to be issued pursuant to the NPA will be listed on the Global Exchange Market of the Irish Stock Exchange ("**GEM**") or, with the agreement of the Company and the Originator, on another appropriate exchange which

achieves the benefit of the Eurobond exemption (an "**Appropriate Exchange**"), and that the Profit Participating Notes will remain listed on either the GEM or an Appropriate Exchange (as applicable). The NPA further requires that the Originator and the Profit Participating Notes comply with applicable law (including applicable U.S. securities provisions). The Profit Participating Notes will be unsecured obligations of the Originator. The Originator may issue additional Profit Participating Notes, subject to the first refusal of existing holders.

5.3.2 The NPA will also contain covenants customarily included in loan note terms and conditions (e.g. maintenance of corporate status/payment of debts as they fall due/keeping proper books/not creating any security over its assets (except for security in favour of any Revolving Credit Facility provider, or any secured party in connection with the warehousing phase of the Seed CLO)/maintenance of its tax residency in Ireland).

5.3.3 The NPA will require the Originator to manage its portfolio in accordance with the Originator's investment policy which may not be amended without consultation with DFME and notification to the Company. The Originator will be required to comply with the terms of its Portfolio Service Support Agreement with the Service Support Provider.

5.3.4 Under the NPA, the Company has the right to review and query the following but will not have any rights of veto: (i) all CLO engagement letters prior to signing by the Originator; (ii) CLO term sheets including GSO fees, target returns, etc. prior to broad CLO marketing for all new CLOs; and (iii) CLO call rights.

5.3.5 In addition, the Originator will, if required: (i) provide the Company with all such assistance (including the provision of information) as it might require in order to comply with the Financial Conduct Authority's Listing Rules (to the extent applicable to or voluntarily adopted by the Company), Disclosure and Transparency Rules and Prospectus Rules, as well as any other applicable laws or regulations and also to facilitate with the production of accounts in accordance with the Disclosure and Transparency Rules; (ii) provide to the Company all such information as the Board may require to satisfy its obligations under the AIFM Directive and in the proper exercise of the Board's risk management and portfolio management functions; (iii) provide the Company with all such assistance as it might require in order to maintain its tax residence in Jersey; and (iv) provide the Company with all such assistance as it might require in order to make regular announcements of its net asset value and the composition of the underlying portfolio to the market via a regulatory information service.

5.3.6 The Originator will supply support services to the Company including drafting monthly factsheets to be distributed by the Company to its shareholders and drafting investment sections of interim and final accounts.

5.3.7 The Profit Participating Notes will have a term which matches the term of the NPA. The Profit Participating Notes provide for an Event of Default where the Originator makes a material change to its investment policy which would require the Company to seek approval from its shareholders to make an equivalent change to the Company's investment policy and the shareholders of the Company do not approve such change. Other Events of Default occur on default in the payment of any sum due, breach of agreement, insolvency or administration or significant court judgments. Upon the occurrence of an Event of Default, the Company may elect for the Profit Participating Notes to become immediately due and repayable subject to the conditions listed in 5.3.10 below.

5.3.8 Interest is computed as being the difference between the accumulated net accounting profits of the Originator (as determined in accordance with IFRS), before the calculation of the interest arising under the Profit Participating Notes, having properly accrued for any Irish corporation tax expense of the company as computed under Irish tax principles applicable to the Originator in relation to the interest period in question, and €300 (i.e. €1,200 per annum will be retained by the Originator as annual profit).

5.3.9 Cash in respect of interest accrued or to be accrued on the Profit Participating Notes on a quarterly basis (subject to availability of funds) shall be paid to the Company in such amount as to enable the Company to make payments due under the Company's dividend policy and to cover the Company's ongoing costs and expenses. In circumstances where the Company wishes to receive an amount of cash in respect of such interest which is less than the amount of interest which has accrued for the account of the Company, the Company is entitled to notify the Originator of such lesser amount of cash in respect of interest which the Company wishes to receive. The remainder of such accrued interest which is not paid to the Company may be designated by the Originator to fund the purchase of additional assets and any funds remaining following such designation for investment shall be payable to the Company at the bottom of the Originator's priorities of payments pursuant to the terms of the NPA. The Originator shall, following consultation with the Service Support Provider, have the right to redeem the Profit Participating Notes in full or in part on any Payment Date with the consent of the Company. The Company may also, following consultation with the Originator and subject to the conditions listed in 5.3.10 below, have the right to redeem in part some of its Profit Participating Notes in order to fund any share buybacks by the Company and to cover the Company's ongoing costs and expenses.

5.3.10 All payments in relation to the Profit Participating Notes, including payments following an Event of Default or partial redemption, are subject to legal, contractual and regulatory restrictions on the Originator, including: (a) a restriction on the Originator being able to dispose of CLO Retention Income Notes; and (b) an obligation on the Originator to maintain a reserve of 10 per cent. of the net proceeds of the Profit Participating Notes so as to have sufficient funds to, during the relevant CLO's reinvestment period, originate and sell to each CLO over 50 per cent. of the CLO's total securitised exposures. Such reserve, along with any proceeds from the CLO Retention Income Notes, will be distributable to Noteholders when all CLOs in which the Originator is invested have matured or been redeemed.

5.3.11 The NPA and the Profit Participating Notes are governed by English law.

5.4 ***Registrar Agreement***

5.4.1 A registrar agreement dated 4 July 2014 between (i) the Company; and (ii) the Registrar (the "Registrar Agreement"), pursuant to which the Company appointed the Registrar to act as registrar of the Company for a minimum annual fee of £5,500 payable by the Company.

5.4.2 The Registrar Agreement shall continue for a period of 3 years from its effective date (the "**Initial Period**"). At the expiry of the Initial Period, the Registrar Agreement shall automatically renew for successive periods of 12 months, unless or until terminated by either party, either in accordance with its terms, or: (a) at the end of the Initial Period, provided written notice is given to the other party at least 6 months prior to the end of the Initial Period; or (b) at the end of any successive 12 month period, provided written notice is given to the other party at least 6 months prior to the end of such successive 12 month period.

5.4.3 The Registrar Agreement may also be terminated by either the Company or the Registrar (a) by giving to the other not less than three months' written notice, should the parties not reach an agreement regarding any increase of the fees; (b) upon service of written notice if the other party commits a material breach of its obligations under the Registrar Agreement (including any payment default) which that party has failed to remedy within 45 days of receipt of a written notice to do so from the first party; (c) upon service of written notice if a resolution is passed or an order made for the winding-up, dissolution or administration of the other party, or *if the other party is declared* insolvent or if an administrator, administrative receiver, manager or provisional liquidator (or similar officer to any of the foregoing in the relevant jurisdiction) is appointed over the whole of or a substantial part of the other party or its assets or undertakings.

5.4.4 The Company has given certain market standard indemnities in favour of the Registrar in respect of the Registrar's potential losses in carrying on its responsibilities under the Registrar Agreement.

5.4.5 The Registrar Agreement is governed by the substantive laws of Jersey.

5.5 ***Custody Agreement***

5.5.1 A custody agreement dated 9 July 2014 between (i) the Company; and (ii) the Custodian (the "**Custody Agreement**"), whereby the Custodian was appointed to act as custodian of the Company's investments, cash and other assets.

5.5.2 The Custodian provides custody services in respect of such of the property of the Company which is delivered to and accepted by the Custodian as and when such custody services may be required. Securities are held by the Custodian in one or more cash accounts in the name of the Company and separately designated in the books of the Custodian as belonging to the Company.

5.5.3 Under the terms of the Custody Agreement, the Custodian is entitled to receive transaction charges and sub-custodian charges will be recovered by the Custodian from the Company as they are incurred by the relevant sub-custodian. All such charges shall be charged at normal commercial rates.

5.5.4 The Custody Agreement shall continue for an initial period of six months and thereafter may be terminated by either of the parties hereto on giving ninety days' prior written notice to the other party hereto, provided that the appointment of the Custodian shall not terminate before the appointment of a replacement Custodian provided always if a replacement custodian is not appointed within six months from the date of the relevant termination notice this Agreement shall terminate in any event. It may be terminated without notice in certain specified circumstances including the insolvency of either party.

5.5.5 The Custodian has a market standard indemnity from the Company in relation to liabilities incurred other than as a result of its negligence, fraud, bad faith, wilful default or recklessness in carrying out its responsibilities under the Custody Agreement.

5.5.6 The Custody Agreement is governed by the laws of Jersey.

5.6 ***Advisory Agreement***

5.6.1 An advisory agreement dated 1 July 2014 between (i) the Company and (ii) DFME in its capacity as advisor to the Company (the "**Adviser**" and the "**Advisory Agreement**"), pursuant to which the Company has appointed the Adviser to, *inter alia*, to provide advice and assistance in connection with the Company's subscription of the Profit Participating Notes, evaluation of CLOs to which the Originator intends to transfer its assets from time to time and to monitor the performance of Originator CLOs and compliance by both the Company and the Originator with their respective investment policies.

5.6.2 The Advisory Agreement may be automatically terminated in the event: of (i) the Company determining in good faith that it has become required to register as an investment company under the provisions of the U.S. Investment Company Act (where there is no available exemption), and the Company has given prior notice to the Adviser of such requirement; (ii) the termination of the Portfolio Service Support Agreement; and (iii) such other date as agreed between the Company and the Adviser. In addition, the Advisory Agreement may also be terminated, and the Adviser may be removed for Cause (as defined in the Advisory Agreement) by the Company upon 10 business days' prior written notice to the Adviser. Any resignation or removal of the Adviser will only be effective on the satisfaction of certain specified conditions in the Advisory Agreement.

5.6.3 The Company has given certain market standard indemnities in favour of the Adviser in respect of the Adviser's potential liabilities it may occur in carrying on its responsibilities under the Advisory Agreement.

5.6.4 Under the Advisory Agreement, the Adviser agrees to perform its obligations thereunder, with reasonable care (a) using a degree of skill and attention no less than that which the Adviser exercises with respect to comparable assets that it manages for itself and others having similar investment objectives and restrictions, and (b) to the extent not inconsistent with the foregoing, in a manner consistent with the Adviser's customary standards, policies and procedures in performing its duties under the Advisory Agreement (the "**Standard of Care**"); provided that the Adviser will not be liable for any loss or damages resulting from any failure to satisfy the Standard of Care except to the extent any act or omission of the Adviser constitutes an Adviser Breach (as defined below). The Standard of Care may change from time to time to reflect changes by the Adviser to its customary standards, policies and procedures provided that such customary standards, policies and procedures are at least as rigorous as the foregoing.

5.6.5 The Adviser will not be liable (whether directly or indirectly, in contract or in tort or otherwise) to the Company under the Advisory Agreement for liabilities incurred by the Company as a result of or arising out of or in connection with the performance by the Adviser under the Advisory Agreement, or for any losses or damages resulting from any failure to satisfy the Standard of Care except to the extent such liabilities were incurred by reason of acts or omissions constituting bad faith, fraud, wilful misconduct or due to the gross negligence (with such term given its meaning under New York law) or reckless disregard of the duties and obligations of the Adviser (an "**Adviser Breach**").

5.6.6 Under the Advisory Agreement, the Company will be required to indemnify the Adviser and its affiliates, managers, directors, officers, partners, agents and employees, from and against all liabilities incurred in connection with the Advisory Agreement (except to the extent such liabilities are incurred as a result of any acts or omissions of the Adviser which constitute an Adviser Breach).

5.6.7 The Adviser is able to resign its role under the Advisory Agreement upon 30 days' written notice to the Company. Whilst the resignation will not be effective until the date as of which a successor advisor has been appointed, it may be difficult to locate an alternative advisor as a successor. In addition, the Adviser may immediately resign by providing written notice to the Company upon the occurrence of certain events relating to the Company such as, amongst others, the failure of the Company to comply in any material respect with any investment policy or investment objective to which it is bound to comply, a wilful breach or knowing violation by the Company of a material provision of the Advisory Agreement or the occurrence of insolvency proceedings in respect of the Company.

5.6.8 Under the Advisory Agreement, the Company shall pay to the Adviser as full compensation for the services performed thereunder, the totality of amounts comprising:

(a) all reasonable out of pocket expenses incurred by the Adviser in performing its obligations under the Advisory Agreement; and

(b) an amount equivalent to all reasonable third party costs and expenses incurred by the Adviser in the performance of its obligations thereunder, together with any irrecoverable VAT arising on such costs and expenses.

5.6.9 The Advisory Agreement contains standard limited recourse and non-petition provisions with respect to the Company.

5.6.10 The Advisory Agreement is governed by English law.

5.7 ***Lock Up Agreement***

5.7.1 A lock up agreement dated 10 July 2014 entered into between: (i) the Company; (ii) the Joint Bookrunners; and (iii) Blackstone Singapore, pursuant to which Blackstone Singapore undertakes not to dispose (as defined in the Lock Up Agreement) of the Placing Shares it acquires in the Company pursuant to the Placing for a period of 12 months from Admission.

5.7.2 The Lock Up Agreement is governed by English law.

6 LITIGATION

There are no, and have not been in the last 12 months, any governmental, legal or arbitration proceedings, nor, so far as the Company is aware, are any such proceedings pending or threatened, which may have, or have in the recent past had, a significant effect on the Group's financial position or profitability.

7 RELATED PARTY TRANSACTIONS

Other than as set out in paragraphs 5 of this Part VIII of this Prospectus, the Company has not entered into any related party transactions.

8 GENERAL

8.1 The Placing of Shares is being carried out on behalf of the Company by Dexion and N+1 Singer, both of which are authorised and regulated in the UK by the Financial Conduct Authority.

8.2 The principal place of business and registered office of the Company is at Lime Grove House, Green Street, St Helier, Jersey, JE1 2ST. The Company is the holder of a certificate as a "Company Issuing Units" issued by the JFSC under the Collective Investment Funds (Jersey) Law 1988 (the "**CIF Law**"). The Commission is protected by the CIF Law against liability arising from the discharge of its functions under the CIF Law. The Company is subject to the Jersey Listed Fund Guide issued by the JFSC. The Company is not regulated by the Financial Conduct Authority or any other non-Jersey regulator.

8.3 GSO may be regarded as the promoter of the Company. Save as disclosed in Part V of this Prospectus, no amount or benefit has been paid, or given, to the promoter or any of their subsidiaries since the incorporation of the Company and none is intended to be paid, or given. GSO is a limited partnership, established under the laws of Delaware in 2005 with its registered office at 345 Park Avenue, New York, New York 10154.

8.4 On the assumption that the Minimum Gross Proceeds are raised pursuant to the Placing, the Net Placing Proceeds available for investment by the Company following Admission will be €150 million (less any amounts retained for working capital purposes) and these proceeds will be invested in accordance with the Company's investment policy described in Part I of this Prospectus. Since incorporation, the Company has not commenced operations, and therefore has not generated earnings. As the Shares do not have a par value, the Placing Price consists solely of share premium.

8.5 None of the Shares available under the Placing are being underwritten.

8.6 CREST is a paperless settlement procedure enabling securities to be evidenced other than by certificates and transferred other than by written instrument. The Articles permit the holding of the Shares under the CREST system and the Shares will be admitted to CREST with effect from Admission. Settlement of transactions in the Shares may therefore take place within the CREST system if the relevant Shareholders (other than U.S. Persons and persons acting for the account or benefit of any U.S. Person) so wish. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so upon request from the Registrars.

8.7 Applications will be made to the London Stock Exchange for Shares to be admitted to trading on the Specialist Fund Market. It is expected that Admission will become effective, and that dealings in Shares will commence on or around 23 July 2014. No application is being made for the Placing Shares

to be dealt with in or on any stock exchanges or investment exchanges other than the London Stock Exchange.

8.8 The Company does not own any premises and does not lease any premises.

9 THIRD PARTY SOURCES

9.1 Where third party information has been referenced in this Prospectus, the source of that third party information has been disclosed. Where information contained in this Prospectus has been so sourced, the Company confirms that such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

9.2 GSO has given and not withdrawn its written consent to the issue of this Prospectus with references to its name in the form and context in which such references appear. GSO accepts responsibility for information attributed to it in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information attributed to it in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

9.3 DFME has given and, as at the date of this Prospectus, has not withdrawn its written consent to the issue of this Prospectus with references to its name in the form and context in which such references appear. DFME accepts responsibility for information attributed to it in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information attributed to it in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

9.4 Deloitte LLP has given and has not withdrawn its written consent to the inclusion of its report set out in Part X of this Prospectus in the form and context in which it appears and has authorised the contents of that report solely for the purposes of item 5.5.3R(2)(f) of the Prospectus Rules. A written consent under the Prospectus Rules is different from a consent filed with the SEC under section 7 of the U.S. Securities Act. As the Shares have not been, and will not be, registered under the U.S. Securities Act, Deloitte LLP has not filed a consent under section 7 of the U.S. Securities Act.

10 WORKING CAPITAL

On the assumption that the Minimum Gross Proceeds are raised pursuant to the Placing, the Company is of the opinion that the working capital available to the Group is sufficient for the present requirements of the Group, that is, for at least the next 12 months from the date of this Prospectus.

11 SIGNIFICANT CHANGE

There has been no significant change in the financial or trading position of the Group since 30 April 2014, being the date on which the Company was incorporated.

12 CAPITALISATION AND INDEBTEDNESS

12.1 As at 31 May 2014, the Company:

(a) does not have any secured, unsecured or unguaranteed indebtedness, including indirect and contingent;

(b) has not granted any mortgage or charge over any of its assets; and

(c) does not have any contingent liabilities or guarantees.

12.2 As at the date of this Prospectus, the Company's issued share capital is two ordinary shares of no par value which are held by Ogier Nominees (Jersey) Limited and Reigo Nominees (Jersey) Limited (two nominee companies associated with the initial administrator).

13 INVESTMENT RESTRICTIONS

13.1 The Company will, at all times, invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with the investment policy set out in the section entitled "Investment Policy" in Part I of this Prospectus. For so long as they remain requirements of the UK Listing Authority, the Company will not:

(a) conduct a trading activity which is significant in the context of its group as a whole. This does not prevent the businesses forming part of the portfolio from conducting trading activities themselves; and

(b) invest more than 10 per cent., in aggregate, of the value of its total assets, at the time of investment, in other listed closed-ended investment funds (except to the extent that those investment funds have published investment policies to invest no more than 15 per cent. of their total assets in the other listed closed-ended investment funds).

13.2 In the event of any breach of the Company's investment policy or of the investment restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the Company and/or the Originator (at the time of such a breach) by an announcement issued through a RIS.

14 CITY CODE

14.1 The City Code on Takeovers and Mergers (the "**City Code**") applies to the Company. There are certain considerations that Shareholders should be aware of with regard to the City Code.

14.2 Under Rule 9 of the City Code ("**Rule 9**"), if any person acquires an interest in shares which, when taken together with shares in which he and persons acting in concert with him are already interested, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, that person is normally required to make a general offer in cash to all shareholders in the company at the highest price paid by him or any person acting in concert with him for an interest in such shares within the preceding 12 months. Rule 9 also provides that if any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company which is subject to the City Code but does not hold shares carrying more than 50 per cent. of such voting rights, and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in such company in which he is interested, that person is normally required to make a general offer in cash to all shareholders in the company at the highest price paid by him or any person acting in concert with him for an interest in such shares within the preceding 12 months.

14.3 Under Note 1 on the Notes on the Dispensations from Rule 9, the Takeover Panel (the "**Panel**") will normally waive the requirement for a general offer to be made in accordance with Rule 9 if, *inter alia*, those shareholders of the Company who are independent of the person who would otherwise be required to make an offer and any person acting in concert with it and do not have any interest in the proposed transaction which may compromise their independence (the "**Independent Shareholders**") pass an ordinary resolution on a poll at a general meeting (a "**Whitewash Resolution**") approving such a waiver. The Panel may waive the requirement for a Whitewash Resolution to be considered at a general meeting (and for a circular to be prepared in accordance with Section 4 of Appendix 1 to the City Code) if Independent Shareholders holding more than 50 per cent. of the Company's shares capable of being voted on such a resolution (i.e. more than 50 per cent. of the shares held by Independent Shareholders) confirm in writing that they would vote in favour of the Whitewash Resolution were one to be put to the shareholders of the Company at a general meeting.

14.4 Under Rule 37 of the City Code, when a company purchases its own voting shares a resulting increase in the percentage of voting rights carried by the shareholdings of any person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9 of the City Code. A shareholder who is neither a Director nor acting in concert with a Director will not normally incur an obligation to make an offer under Rule 9 of the City Code in these circumstances.

14.5 However, under Note 2 to Rule 37 of the City Code, where a shareholder has acquired shares at a time when he had reason to believe that a purchase by the company of its own voting shares would take place, then an obligation to make a mandatory bid under Rule 9 of the City Code may arise. Market purchases of Shares by the Company, if any, could have implications under Rule 9 of the City Code for shareholders with significant shareholdings. The market purchases of Shares by the Company, if any, and RIS announcements made by the Company should enable Shareholders and the Company to anticipate the possibility of such a situation arising. Prior to the Board implementing any market purchase of Shares, the Board will endeavour to identify any Shareholders who they are aware may be deemed to be acting in concert under Note 1 of Rule 37 of the City Code and will seek an appropriate waiver in accordance with Note 2 of Rule 37. However, neither the Company, nor any of the Directors will incur any liability to any Shareholder(s) if they fail to identify the possibility of a mandatory offer arising or, if having identified such a possibility, they fail to notify the relevant Shareholder(s) or if the relevant Shareholder(s) fails to take appropriate action.

15 DISCLOSURE REQUIREMENTS AND NOTIFICATION OF INTEREST IN SHARES

15.1 Under Chapter 5 of the Disclosure and Transparency Rules, subject to certain limited exceptions, a person must notify the Company (and, at the same time, the FCA) of the percentage of voting rights he holds (within four trading days) if he acquires or disposes of shares in the Company to which voting rights are attached and if, as a result of the acquisition or disposal, the percentage of voting rights which he holds as a shareholder (or, in certain cases, which he holds indirectly) or through his direct or indirect holding of certain types of financial instruments (or a combination of such holdings):

(a) reaches, exceeds or falls below five per cent. and each five per cent. threshold thereafter up to 30 per cent., 50 per cent. and 75 per cent.; or

(b) reaches, exceeds or falls below an applicable threshold in paragraph 15 of this Part VIII above as a result of events changing the breakdown of voting rights and on the basis of the total voting rights notified to the market by the Company.

15.2 Such notification must be made using the prescribed form TR1 available from the FCA's website at http://www.fca.gov.uk. Under the Disclosure and Transparency Rules, the Company must announce the notification to the public as soon as possible and in any event by not later than the end of the trading day following receipt of a notification in relation to voting rights.

15.3 The FCA may take enforcement action against a person holding voting rights who has not complied with Chapter 5 of the Disclosure and Transparency Rules.

16 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Articles, the constitutional documents of the Originator, the material contracts referred to in paragraphs 5.1 to 5.6 above and this Prospectus will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays and public holidays excepted) up to and including the date of Admission.

A copy of this Prospectus has been submitted to the National Storage Mechanism and is available for inspection at www.hemscott.com/nsm.do. Copies of this Prospectus may be obtained, free of charge during normal business hours on any weekday (bank and public holidays excepted) at the Company's registered office up to and including the date of Admission.

17 RELATIONSHIP BETWEEN SHAREHOLDERS, THE COMPANY AND SERVICE PROVIDERS

The Company is a closed-ended investment company incorporated in Jersey with limited liability on 30 April 2014. While prospective investors will acquire an interest in the Company on subscribing for Placing Shares, 144the Company is the sole legal and/or beneficial owner of its investments. Consequently, Shareholders have no direct legal or beneficial interest in those investments. The liability of Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the Placing Shares held by them.

Shareholders' rights in respect of their investment in the Company are governed by the Articles, the Companies Law and the investment terms set out in this Prospectus.

18 RIGHTS AGAINST THIRD PARTIES, INCLUDING THIRD PARTY SERVICE PROVIDERS

18.1 As the Company has no employees and the Directors have all been appointed on a non-executive basis, the Company is reliant on the performance of service providers listed in this Prospectus (the "**Service Providers**").

18.2 Without prejudice to any potential right of action in tort that a Shareholder may have to bring a claim against a Service Provider, each Shareholder's contractual relationship in respect of its investment in Shares is with the Company only. Therefore, no Shareholder will have any contractual claim against any Service Provider with respect to such Service Provider's default.

19 JURISDICTION AND APPLICABLE LAW

As noted above, Shareholders' rights are governed by the Articles, the Companies Law and the terms set out in this Prospectus. By subscribing for Placing Shares, investors agree to be bound by the Articles, the Companies Law and the terms set out in this Prospectus.

PART IX: ADDITIONAL INFORMATION ON THE ORIGINATOR

1. INCORPORATION AND ADMINISTRATION

1.1 The Originator, Blackstone / GSO Corporate Funding Limited, was incorporated in Ireland on 16 April 2014, under the Companies Acts 1963 to 2013 (the "**Irish Companies Acts**") (registration number 542626). The registered office and principal place of business of the Originator is 3rd Floor, Europa House, The Harcourt Centre, Harcourt Street, Dublin 2, Ireland (telephone number: +353 1416 1290). The statutory records of the Originator are kept at this address. The Originator operates and issues shares in accordance with the Irish Companies Acts and ordinances and regulations made thereunder and has no subsidiaries or employees. The Originator shall have an unlimited life.

1.2 The Originator has commenced operations and the accounts of the Originator are set out in Part X of this Prospectus. The Originator's accounting period will end on 31 December of each year, with the first year end on 31 December 2014. As at the latest practicable date, the unaudited Net Asset Value per share of the Originator was €24,972.61.

1.3 The auditors of the Originator are Deloitte & Touche of Earlsfort Terrace, Dublin 2, Ireland, who are chartered accountants and are members of the Institute of Chartered Accountants of Ireland and registered auditors qualified in practice in Ireland.

1.4 The annual report and accounts will be prepared according to IFRS.

1.5 Save for its entry into the material contracts summarised in this Part IX of this Prospectus and certain non-material contracts, since its incorporation the Originator has not incurred borrowings, issued any debt securities, incurred any contingent liabilities or made any guarantees, nor granted any charges or mortgages.

1.6 Save to the extent disclosed in this Prospectus, there have been no changes to the issued share capital of the Originator since incorporation.

2. SHARE CAPITAL

2.1 The shares in the Originator are divided into three classes – Ordinary Shares, Class B1 Shares and Class B2 Shares (together, the "**Class B Shares**"). The rights attaching to the shares are set out in the Originator's memorandum and articles of association. The rights attaching to a class of shares may be varied either with the consent in writing of the holders of three-quarters of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. As at the date of this Prospectus, the issued and fully paid up share capital of the Originator consists of 200 Ordinary Shares of €1.00 each and 5 Class B1 shares of €1.00 each.

2.2 The issued share capital of the Originator is held as follows:

Intertrust Nominees (Ireland) Limited	200 Ordinary Shares
Blackstone Treasury Asia Pte Ltd	5 Class B1 Shares

Immediately upon Admission, it is anticipated that the Class B1 Shares will be redeemed in their entirety and that the Originator will instead issue 15 Class B2 Shares to be held by a wholly owned subsidiary of the Company.

2.3 The holders of Ordinary Shares in the Originator are entitled to attend and vote at general meetings of the Originator. Any dividends payable by the Originator will be distributed to the holders of the Ordinary Shares, and on the winding-up of the Originator, the Originator's surplus assets will be distributed among the holders of the Ordinary Shares (after any share capital and share premium payable).

2.4 The Ordinary Shares in the Originator are held by Intertrust Nominees (Ireland) Limited (the "**Share Trustee**") on a charitable trust pursuant to a share trust deed dated 3 June 2014 (the "**Share Trust Deed**"). Under the Share Trust Deed, the Share Trustee holds the Ordinary Shares as nominee for and on behalf of the beneficial owner, and waives all rights to any past or future dividends in favour of the beneficial owner. The Share Trustee has covenanted that it will not:

- interfere in the management, administration or conduct of business of the Originator;
- take any steps or actions whatsoever for the purposes, or in support of, winding-up the Originator;
- appoint or remove any director of the Originator;
- make any assignment or conveyance for the benefit of the Originator's creditors generally; or
- sell, transfer, mortgage, assign or otherwise dispose of, secure or deal with all or any of its shares in the Originator.

2.5 The Share Trustee is entitled to be indemnified out of the trust fund from and against all liabilities, losses, damages, costs, expenses, actions, proceedings, claims and demands incurred or made against them in the execution (or purported execution) of the Share Trust Deed, or of their powers or in respect of anything done or omitted in any way relating to the Share Trust Deed.

2.6 Holders of the Class B Shares are not entitled to attend meetings or vote on any resolutions of the Originator, nor do they have any right to participate in the Originator's profits or assets or to receive a dividend.

2.7 The Class B Shares are redeemable at the option of the Originator acting by resolution of directors.

2.8 The Class B2 Shares are not redeemable by the holders thereof until the earlier of 1 June 2044 (by service of notice on the Originator) or the date on which the Originator's investment policy is amended, and an equivalent amendment to the Company's investment policy is not approved by the Company's Shareholders.

2.9 No share or loan capital of the Originator is under option or has been agreed, conditionally or unconditionally, to be put under option.

3. DIRECTORS' AND OTHER INTERESTS

3.1 As at the date of this Prospectus, none of the directors of the Originator or any person connected with any of the directors of the Originator has a shareholding or any other interest in the share capital of the Originator.

3.2 Except as disclosed in paragraph 2.2 of this Part IX of this Prospectus, the Company's directors are not aware of any person or persons who, following the Placing, will or could, directly or indirectly, jointly or severally, exercise control over the Originator.

3.3 There are no outstanding loans from the Originator to any of its directors or any outstanding guarantees provided by the Originator in respect of any obligation of any of the directors.

3.4 The aggregate remuneration of the Originator's directors is included in the fees payable to the Corporate Services Provider and no additional remuneration or benefits in kind are payable to any director of the Originator. No amount has been set aside or accrued by the Originator to provide pension, retirement or other similar benefits.

3.5 No director of the Originator has a service contract with the Originator, nor are any such contracts proposed.

3.6 None of the directors of the Originator has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Originator and which has been effected by the Originator since its incorporation.

3.7 In addition to their directorships of the Originator, the directors of the Originator hold or have held the directorships and are or were members of the partnerships, as listed in the table below, over or within the past five years.

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Imelda Shine	AECOM Global Ireland Services Limited Aircraft MSN 41520 Limited Alexion Pharma International Trading Ancestry Information Operations Company Ancestry International DNA Company Anvilire Anvilire One Anvilire Two AV Edge Limited Blackstone / GSO Corporate Funding Limited BP Pharmaceuticals Laboratories Company CBT (Technology) Limited (in liquidation) Debt Fund Irishco Limited Debt Fund Irishco No. 2 Limited Development Securities Properties (Dublin) Limited Draco CAD Funding Limited Draco Dollar Funding Limited Draco Euro Funding Limited Draco GBP Funding Limited DS Robswall Ireland (Land) Limited DS Robswall Ireland (Residential) Limited Fastnet Aviation 1 Limited Feltscope Limited Fidalco Limited (in liquidation) GSO ADGM Umbrella Fund (Ireland) PLC HLI Credit Investor Irishco Limited Holland Park CLO Limited HRB GTC Ireland I-Cap Exploitation Ireland Limited I-Cap Licence Exploitation Ireland Limited Intertrust Capital Markets (Ireland) Limited Intertrust Corporate Services (Dublin) Limited Intertrust Management Ireland Limited	Alternative Petroleum Technologies (Europe) Ltd Archway Aviation Holding (Ireland) 2 Limited Ardmore Aviation Limited ARK DIY Products ARM Asset Backed Securities PLC (dissolved) Assured Risk Mitigation PLC Blackhunt Management Services Limited Cameron Subsea IP Limited (Alternate) Caspia Management Limited Danika Investments Limited Daypower Licensing Limited Elgan Management Limited Fordland Limited Forever 21 Fashion Ireland Limited I-Cap Licence Exploitation Ireland Limited Inv Jet Leasing Limited ITCP TA Management II Limited ITCP TA Management Limited Justitia Ireland Investment Limited Lakes Japan Investments Limited Mota-Engil Brands Development Limited Notonia Limited QC VII Ireland Finance Limited Rhexia Limited Shap Technology Corporation Limited SSI Investments IV Limited Synchronoss Technologies Ireland Limited Thomson Research Associates International Limited Vestilon Limited Vipaero Ireland Limited WCCM IRL Aviation Holdings I Limited

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Imelda Shine *(continued)*	Intertrust Nominees (Ireland) Limited Kastra Europe Limited Kastra Holdings Limited Kastra Investments Limited Kastra U.S. Limited Kastra UK Limited Littelfuse Holding Limited Macan Aviation 1 Limited Macsen Holdings Limited McGraw Hill Financial (Ireland) Mindleaders Ireland Learning Limited Osteologix Holdings PLC Osteologix Limited OtterBox Ireland Limited Panamera Aviation Leasing Limited Percy Place DS (Ireland) Limited Richer Media Limited Richmond Park CLO Limited S-H Japan Investor Limited (Being Dissolved) Skillsoft Ireland Limited Skillsoft Limited Skybox Imaging Ireland Limited SmartCertify Direct Limited (in liquidation) SSI Investments I Limited SSI Investments II Limited SSI Investments III Limited Stargazer Productions (in liquidation) ThirdForce Group Limited ThirdForce Ireland Limited ThirdForce Limited Thomson Research Associates International Ltd Unicorn Funding Limited Vela CAD Funding Limited Vela Dollar Funding Limited Vela Euro Funding Limited Vela GBP Funding Limited Zeta Dollar Funding Limited	
Anne Flood	Aircraft MSN 41520 Limited Alexion Pharma International Trading Limited Allenwood Aircraft Leasing Limited Amber Circle Funding Limited Appleringo Holdings B.V. Appleringo Ventures I Limited Archway Aviation (Ireland) 2 Limited Archway Aviation (Ireland) 3 Limited Archway Aviation (Ireland) 4 Limited Archway Aviation (Ireland) 5 Limited Archway Aviation (Ireland) 6 Limited	Alafco Irish Aircraft Leasing One Limited Alafco Irish Aircraft Leasing Three Limited Alafco Irish Aircraft Leasing Two Limited Antelope Leasing Limited Avico Skylines Limited Edgur Air Dublin Limited Gabriella Finance 2012 Limited IAS Aviation Holdings Limited Indiaer Leasing 1 Limited

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Anne Flood *(continued)*	Archway Aviation (Ireland) Limited Archway Aviation Holding (Ireland) 2 Limited Archway Aviation Holding (Ireland) Limited AviatorCap SIII, Limited Ballyhaunis Aircraft Leasing Limited Blackstone / GSO Corporate Funding Limited Carlow Aircraft Leasing Limited Case-Mate Ireland Limited China Nonferrous Mining Holdings Limited DINV Aviation Limited Doosan Infracore Bobcat Ireland Limited Dungarvan Aircraft Leasing Limited Elphin Aircraft Leasing Limited Fastnet Aviation 1 Limited Foxfield Aircraft Leasing Limited G3 Gresham HoldCo Limited G3 Gresham Holdco No. 2 Limited G3 MSN 19000200 and 19000208 Limited G3 MSN 34270 and 35066 Limited G3 MSN 3430 Limited G3 MSN 35226 Limited G3 MSN 35543 Limited G3 MSN 36816 and 37886 Limited G3 MSN 37710 Limited G3 MSN 4273 Limited G3 MSN 4273 No. 2 Limited Greystones Aircraft Leasing Limited GSO ADGM Umbrella Fund (Ireland) PLC Ha Thanh Limited Holland Park CLO Limited Howth Aircraft Leasing Limited IMC Strategic Investment Funds plc Intertrust Capital Markets Ireland Limited Intertrust Corporate Services (Dublin) Limited Inv B87 Leasing Company Limited Inv Jet Leasing Limited INV2-R Leasing Company Limited Inver Aircraft Leasing Limited IPF Management ITCL Ireland Limited ITCP TA Management II Limited Ivanplats Finance Limited Jamestown Aircraft Leasing Limited	Integrity Emerald Assets Limited Kebne Aviation Limited Kells Aircraft Leasing Limited Lakes Japan Investments Ltd (Alternate to IS) LCI Helicopters (Ireland) Limited LCI Helicopters (Labuan) Limited Leonora Aviation Ireland Limited Mainsail Aircraft Financing Limited Martin Pecheur Holdings Limited Mcap Europe 01 Limited Mcap Europe Limited McKenzie Capital Limited MENAdrill Investment Holding Company I Limited MENAdrill Investment Holding Company II Ltd Metro Aviation Ireland Limited Mount Kellett Credit Investor (Ireland) Limited Oldcastle Aircraft Leasing Limited Rossbeigh Aviation Limited Sanad Aero Ireland 1 Limited SASOF II (B) Aviation Ireland Limited SASOF II Aviation Ireland Limited S-H Japan Investor Limited Team Cignus Limited Vaja International Holdings Limited Vector Aerospace Financial Services Ireland Ltd Worldwide Aircraft Capital Investments and Services Limited

Name	*Current directorships/partnerships*	*Past directorships/partnerships*
Anne Flood *(continued)*	Justitia Ireland Investment Limited Lahinch Aircraft Leasing Limited Macan Aviation 1 Limited Mallow Aircraft Leasing Limited McGraw Hill Financial (Ireland) Newbridge Aircraft Leasing Limited Panamera Aviation Leasing Limited Richmond Park CLO Limited Sapporo Investments I Limited Stripes 2013 Aircraft 1 Limited Summit Meridian Leasing Company Limited Unicorn Funding Limited Vaja Trading company Limited Vela CAD Funding Limited Vela GBP Funding Limited Vion Europa Limited WCCM IRL Aviation Holdings I Limited WCCM IRL Aviation Holdings II Limited	

3.8 As at the date of this Prospectus, there are no potential conflicts of interest between any duties to the Originator of any of the directors of the Originator and their private interests and/or other duties.

3.9 Save as set out in paragraph 3.10 below, as at the date of this Prospectus:

(a) none of the directors of the Originator has had any convictions in relation to fraudulent offences for at least the previous five years;

(b) save as detailed above, none of the directors of the Originator was a director of a company, a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years which has entered into any bankruptcy, receivership or liquidation proceedings;

(c) none of the directors of the Originator has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years; and

(d) none of the directors of the Originator are aware of any contract or arrangement subsisting in which they are materially interested and which is significant to the business of the Originator which is not otherwise disclosed in this Prospectus.

3.10 In respect of the declaration in paragraph 3.9 above, certain of the directors of the Originator have been directors of entities which have been dissolved. To the best of each director's knowledge, no such entity, upon its dissolution, was insolvent or owed any amounts to creditors.

3.11 No employees of the Corporate Services Provider have any service contracts with the Originator.

4. SERVICE PROVIDERS TO THE ORIGINATOR

4.1 ***Service Support Provider***

Please see the summary set out in Part V of this Prospectus.

4.2 ***Corporate Services Provider***

4.2.1 Intertrust Management (Ireland) Limited, an Irish company, is appointed as the Corporate Services Provider to the Originator pursuant to the terms of the Corporate Services Agreement entered into on 15 May 2014 between the Originator and the Corporate Services Provider (further details of which are set out in paragraph 6 below). In such capacity, the Corporate Services Provider acts as the corporate administrator for the Originator.

4.2.2 The Corporate Services Provider is a private limited company, created under the laws of Ireland, and whose registered office is situated at 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland. As at the date of this Prospectus, the issued share capital of the Corporate Services Provider is €50,000, all of which is fully paid up.

4.3 ***Originator Custodian and Account Bank***

4.3.1 Citibank, N.A. London Branch has been appointed as Originator Custodian and Originator Account Bank to the Originator pursuant to the Originator Custody Agreement dated 2 July 2014 and the Originator Account Bank Agreement dated 2 July 2014, both between (i) the Originator, and (ii) Citibank, N.A. London Branch. Pursuant to the Originator Custody Agreement, the Originator Custodian will act as custodian of certain of the Originator's investments and other assets. Pursuant to the Originator Account Bank Agreement, the Originator Account Bank will act as account bank of the Originator.

4.3.2 The Originator Custodian and Originator Account Bank is a national banking association established under the laws of United States of America, acting through its London branch and having its registered address at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, United Kingdom.

4.4 ***State Street Ireland***

4.4.1 State Street Fund Services (Ireland) Limited ("**State Street Ireland**") has been appointed by the Originator pursuant to the Valuation, Fund Accounting and Financial Reporting Agreement dated on or around 2 July 2014, to provide the Originator with certain valuation, financial reporting and fund accounting services set out therein.

4.4.2 State Street Ireland is a private limited company, created under the laws of Ireland, and whose registered office is situated at 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

5 MEMORANDUM AND ARTICLES

5.1 ***Objects***

The Originator's Memorandum of Association provides that the Originator can invest in a broad range of financial assets, which would include senior secured loans and the CLO Notes.

The Originator's existing Articles of Association include provisions to the following effect:

5.2 ***Share capital***

The share capital of the Originator is €1,000,000 divided into ownership shares, being 999,800 Ordinary Shares of €1.00 each and non-ownership shares, being 100 "B1" Shares of €1.00 each and 100 "B2" Shares of €1.00 each.

5.3 ***Alteration of share capital***

The Originator shall be entitled to create any share ranking in any respect in priority to or *pari passu* with the Class B Shares. Shares may be increased or reduced and be divided into such classes and issued with any special rights as may be provided by the Articles of Association from time to time.

Subject to applicable law any share may be issued with such preferred, deferred or other special rights, or such restrictions as the Originator may determine. Any share may be issued on the terms that it is redeemable.

5.4 ***Purchase of own shares***

Subject to applicable law, the Originator may purchase or otherwise acquire on such terms and in such manner as it thinks fit any shares in the capital of the Originator.

5.5 ***Share rights***

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Originator may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Originator may from determine by ordinary resolution.

The rights attached to any class of shares may be varied or abrogated with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

5.6 ***Allotment of securities and pre-emption rights***

The directors are generally and unconditionally authorised to exercise all the powers of the Originator to allot relevant securities within the meaning of applicable law.

5.7 ***Variation of rights***

If at any time the share capital of the Originator is divided into different classes of shares, the rights attached to any class may be varied or abrogated with the consent in writing of the holders of three-fourths of the issued shares of that class, or by a special resolution passed at a separate general meeting of the holders of the shares of the class provided that nothing in shall require the consent of the holders of the Class B Shares to any winding-up.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

5.8 ***Transfer of shares***

Any member may, subject to the Articles of Association, transfer all or any of its shares by instrument in writing. All share transfers are however subject the approval of the directors of the Originator in their absolute discretion.

5.9 ***General meetings***

Annual general meetings of the Originator shall generally be held in Ireland. An annual general meeting and a meeting called for the passing of a special resolution shall be called by 21 days' notice in writing and any other meeting of the Originator shall be called by seven days' notice in writing.

All general meetings other than annual general meetings shall be called extraordinary general meetings. The directors may, whenever they think fit, convene an extraordinary general meeting.

5.10 ***Voting rights***

Subject to any rights or restrictions attached to any shares, on a show of hands every member who is present in person or by proxy shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder. No member shall be entitled

to vote at any general meeting unless all calls or other sums immediately payable by him in respect of shares in the Originator have been paid.

5.11 ***Appointment of Directors***

The number of directors of the Originator shall not be less than two or more than ten, unless otherwise determined by an ordinary resolution. A majority of the directors must be resident in the State for taxation purposes. The first directors of the Originator shall be deemed to have been appointed pursuant to section applicable law.

At any time when the Originator is a single-member company, the sole member shall be entitled at any time by notice in writing to the Originator to appoint any person to be a director.

5.12 ***No share qualification***

A director shall not be required to hold any shares in the capital of the Originator by way of qualification.

5.13 ***Retirement of Directors***

The directors will not retire by rotation nor will they be required to go forward for re-election.

5.14 ***Remuneration of Directors***

The remuneration of the directors be determined by the Originator in general meeting.

5.15 ***Permitted interests of Directors***

A director shall, if he is in any way interested in a contract or proposed contract, declare the nature of such interest at a meeting of the directors in accordance with applicable law.

A director may hold any other office or place of profit under the Originator (other than the office of auditor) in conjunction with his office of director. No director shall be disqualified by his office from contracting with the Originator nor shall any director being so interested be liable to account to the Originator for any profit realised by any such contract.

5.16 ***Restrictions on voting***

A director may vote in respect of any contract, appointment or arrangement in which he is interested, and he shall be counted in the quorum present at the meeting.

5.17 ***Powers of Directors***

The business of the Originator shall be managed and controlled by the directors in Ireland. They may exercise all such powers of the Originator as are not, by applicable law or by the Articles of Association, required to be exercised by the Originator in general meeting.

5.18 ***Proceedings of directors***

All meetings of the directors of the Originator must take place in Ireland. Questions arising at any meeting shall be decided by a majority of votes. Where there is an equality of votes, the chairman shall have a second or casting vote.

The continuing directors may act so long as a quorum is present. The directors may delegate any of their powers to committees consisting of such members of the board as think fit.

5.19 ***Indemnity of officers and insurance***

Subject to applicable legislation, every director and secretary of the Originator shall be indemnified by the Originator against, losses and expenses which any such director or secretary may incur or become liable to in the discharge of his duties. No director or secretary shall be liable for the acts, receipts, neglects or defaults of any other director or officer.

5.20 ***Dividends and other distributions***

The Originator in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors and shall be paid in accordance with the relevant law.

5.21 ***Capitalisation of profits and reserves***

The Originator in general meeting may resolve to capitalise any sum for the time being standing to the credit of any of the Originator's reserves.

5.22 ***Winding up***

If the Originator is wound up, the liquidator may, with the sanction of a special resolution and any other sanction required by the applicable law, divide the whole or any part of the assets of the Originator among the shareholders *in specie* provided that no holder shall be compelled to accept any assets upon which there is a liability.

The Originator's surplus assets upon a winding up shall be applied first in payment to the holders of the Class B Shares of the capital and share premium paid up on them, with the entire of any residue, divided among the holders of Ordinary Shares in proportion to the amount paid up at the commencement of the winding up on the Ordinary Shares respectively held by them.

6 MATERIAL CONTRACTS

The following are all of the contracts, not being contracts entered into in the ordinary course of business, that have been entered into by the Originator since its incorporation and are, or may be, material or that contain any provision under which the Originator has any obligation or entitlement which is or may be material to it as at the date of this Prospectus.

6.1 ***Portfolio Service Support Agreement***

6.1.1 A portfolio service support agreement dated 3 June 2014 between (i) the Originator and (ii) the Service Support Provider (the "**Portfolio Service Support Agreement**"), pursuant to which the Originator appointed the Service Support Provider to provide certain service support and assistance (including back middle office functions), human resources and credit and market research and analysis in connection with the origination and ongoing management of the portfolio by the Originator.

6.1.2 The Portfolio Service Support Agreement may be automatically terminated in the event of (A) the Originator determining in good faith that the Originator or the portfolio has become required to register as an investment company under the provisions of the Investment Company Act (where there is no available exemption), and the Originator has given prior notice to the Service Support Provider of such requirement, (B) the date on which the portfolio has been liquidated in full and the Originator's Financing Arrangements have been terminated or redeemed in full and (C) such other date as agreed between the Originator and the Service Support Provider.

6.1.3 In addition, the Portfolio Service Support Agreement may be terminated, and the Service Support Provider removed for Cause (as defined in the Portfolio Service Support Agreement) by the Originator upon 10 business days' prior written notice to the Service Support Provider.

6.1.4 Any resignation or removal of the Service Support Provider will only be effective on the satisfaction of certain conditions set out in the Portfolio Service Support Agreement.

6.1.5 The Originator has given certain market standard indemnities in favour of the Service Support Provider in respect of the Service Support Provider's potential liabilities it may occur in carrying on its responsibilities under the Portfolio Service Support Agreement.

6.1.6 Under the Portfolio Service Support Agreement, the Service Support Provider agrees to perform its obligations thereunder, with reasonable care (a) using a degree of skill and attention

no less than that which the Service Support Provider exercises with respect to comparable assets that it manages for itself and others having similar investment objectives and restrictions, and (b) to the extent not inconsistent with the foregoing, in a manner consistent with the Service Support Provider's customary standards, policies and procedures in performing its duties under the Portfolio Service Support Agreement (the "**Standard of Care**"); provided that the Service Support Provider will not be liable for any loss or damages resulting from any failure to satisfy the Standard of Care except to the extent any act or omission of the Service Support Provider constitutes a Service Support Provider Breach (as defined below). The Standard of Care may change from time to time to reflect changes by the Service Support Provider to its customary standards, policies and procedures provided that such customary standards, policies and procedures are at least as rigorous as the foregoing.

6.1.7 The Service Support Provider will not be liable (whether directly or indirectly, in contract or in tort or otherwise) to the Originator under the Portfolio Service Support Agreement for liabilities incurred by the Originator as a result of or arising out of or in connection with the performance by the Service Support Provider under the Portfolio Service Support Agreement, or for any losses or damages resulting from any failure to satisfy the Standard of Care except to the extent such liabilities were incurred by reason of acts or omissions constituting bad faith, fraud, wilful misconduct or due to the gross negligence (with such term given its meaning under New York law) or reckless disregard of the duties and obligations of the Service Support Provider (a "**Service Support Provider Breach**").

6.1.8 Under the Portfolio Service Support Agreement, the Originator will be required to indemnify the Service Support Provider and its affiliates, managers, directors, officers, partners, agents and employees, from and against all liabilities incurred in connection with the Portfolio Service Support Agreement (except to the extent such liabilities are incurred as a result of any acts or omissions of the Service Support Provider which constitute a Service Support Provider Breach).

6.1.9 The Service Support Provider is able to resign its role under the Portfolio Service Support Agreement upon 90 days' written notice to the Originator. Whilst the resignation will not be effective until the date as of which a successor adviser has been appointed, it may be difficult to locate an alternative adviser as a successor. In addition, the Service Support Provider may immediately resign by providing written notice to the Originator upon the occurrence of certain events relating to the Originator such as, amongst others, the failure of the Originator to comply in any material respect with any investment policy or investment objective to which it is bound to comply, a wilful breach or knowing violation by the Originator of a material provision of the Portfolio Service Support Agreement or the occurrence of insolvency proceedings in respect of the Originator.

6.1.10 Under the Portfolio Service Support Agreement, the Service Support Provider agrees to the provision of certain human resources as may be necessary to enable the Originator to conduct any matters related to its portfolio of assets.

6.1.11 Further, in respect of each Originator CLO, the Originator and DFME will enter into a fee rebate letter in the form appended to the Portfolio Service Support Agreement (the "**CLO Fee Rebate Letter**"), pursuant to which DFME will rebate to the Originator 20 per cent. of the CLO Management Fee received by DFME or one of its affiliates (in its capacity as the CLO Manager) in proportion to the CLO Income Notes held by the Originator in each CLO (excluding any incentive/performance management fee the CLO Manager receives).

6.1.12 Under the Portfolio Service Support Agreement, the Originator shall pay to the Service Support Provider as full compensation for the services performed thereunder, the totality of amounts comprising:

- a fee as may be determined from time to time on an arm's length basis; and

- an amount equivalent to all reasonable third party costs and expenses incurred by the Service Support Provider in the performance of its obligations thereunder, together with any irrecoverable VAT arising on such costs and expenses

6.1.13 The Portfolio Service Support Agreement contains standard limited recourse and non-petition provisions with respect to the Originator.

6.1.14 The Portfolio Service Support Agreement is governed by English law.

6.2 ***Note Purchase Agreement and the Profit Participating Notes***

Please see summary set out in paragraph 5.3 of Part VIII of this Prospectus.

6.3 ***Revolving Credit Facility***

A multi-currency revolving credit facility may be entered into from time to time between (i) the Originator and (ii) an RCF Provider (the "**Revolving Credit Facility**"), pursuant to which the Originator is able to draw multi-currency loans from time to time in order purchase assets for its portfolio. The Revolving Credit Facility will be entered into on market standard terms, as negotiated between the Originator and the relevant RCF Provider in each case and will include a senior security package in favour of the RCF provider.

6.4 ***Corporate Services Agreement***

6.4.1 Intertrust Management Ireland Limited (the "**Corporate Services Provider**"), an Irish company, acts as the corporate administrator for the Originator pursuant to the terms of the corporate services agreement entered into on 15 May 2014, between the Originator and the Corporate Services Provider (the "**Corporate Services Agreement**").

6.4.2 Pursuant to the terms of the Corporate Services Agreement, the Corporate Services Provider performs various management functions on behalf of the Originator, including the provision of certain clerical, reporting, administrative and other services until termination of the Corporate Services Agreement. In consideration of the foregoing, the Corporate Services Provider receives various fees and other charges payable by the Originator at rates agreed upon from time to time plus expenses.

6.4.3 The terms of the Corporate Services Agreement provide that either party may terminate the Corporate Services Agreement upon the occurrence of certain stated events, including any material breach by the other party of its obligations under the Corporate Services Agreement which is either incapable of remedy or which is not cured within 30 days from the date on which it was notified of such breach. In addition, either party may terminate the Corporate Services Agreement at any time by giving at least 30 days' written notice to the other party.

6.4.4 The Corporate Services Provider's principal office is at 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

6.5 ***Valuation, Fund Accounting and Financial Reporting Agreement***

6.5.1 The Originator will on or around 2 July 2014 enter into a agreement (the "**Valuation, Fund Accounting and Financial Reporting Agreement**") with State Street Ireland.

6.5.2 Pursuant to the Valuation, Fund Accounting and Financial Reporting Agreement, State Street Ireland will agree to provide the Originator with certain valuation, financial reporting and fund accounting services as outlined out therein. In consideration of the foregoing, State Street Ireland will be entitled to receive various fees and other charges payable by the Originator at rates agreed upon from time to time plus expenses.

6.5.3 The Valuation, Fund Accounting and Financial Reporting Agreement will provide that either party may terminate the agreement upon the occurrence of certain stated events, including any material breach by the other party of its obligations under the Valuation, Fund Accounting and

Financial Reporting Agreement which is either incapable of remedy or which is not cured within 30 days from the date on which it was notified of such breach. In addition, either party may terminate the Valuation, Fund Accounting and Financial Reporting Agreement at any time by giving at least 90 days' written notice to the other party.

6.5.4 The Valuation, Fund Accounting and Financial Reporting Agreement will contain standard limited recourse and non-petition provisions with respect to the Originator.

6.5.5 The Valuation, Fund Accounting and Financial Reporting Agreement will be governed by Irish law.

6.6 ***Non-participating equity subscription letter***

6.6.1 Immediately following Admission, a wholly-owned subsidiary of the Company will subscribe by way of an application letter for 15 Class B2 Shares in the equity of the Originator for a total consideration of €15,000,000 (nominal value of each share being €1 and €14,999,985 being share premium).

6.6.2 The Originator will issue a share certificate in respect of such shares to the wholly-owned subsidiary of the Company and instruct the company secretary of the Originator to update the share register accordingly.

6.6.3 The governing law of the Non-participating equity subscription letter will be Irish law.

6.7 ***Forward Purchase Agreements***

6.7.1 Forward Purchase Agreements may be entered into from time to time, between (i) the Originator and (ii) a CLO (each, a "**Forward Purchase Agreement**"), pursuant to which the Originator may, from time to time enter into sale and purchase contracts with a CLO with respect to the assets of the Originator ("**Forward Sales**"). Such Forward Sales are with a view to effectively managing its access to wholesale funding and exposure to unnecessary market price volatilities of its portfolio. Such Forward Purchase Agreements may be entered into at the same time or shortly after the origination or acquisition of the relevant asset by the Originator, at a later date, or not at all. Where a loan becomes subject to a Forward Purchase Agreement, the Originator will (subject to the conditions set out in paragraph 6.7.2 below) neither receive the gain nor bear the loss that occurs between the date when the loan is added to the Forward Purchase Agreement and the date when the transfer occurs.

6.7.2 Each Forward Sale will be conditional upon:

- the occurrence of the closing date of the relevant CLO; and
- the assets that are the subject of such Forward Sale satisfying a set of eligibility criteria on the closing date of the relevant CLO as agreed between the Originator and the relevant CLO.

6.7.3 The Forward Purchase Agreements will contain standard limited recourse and non-petition provisions with respect to the Originator and with respect to the relevant CLO.

6.7.4 The governing law of the Forward Purchase Agreements will be English law.

6.8 ***Originator Account Bank Agreement***

6.8.1 An account bank agreement dated 2 July 2014 between (i) the Originator and (ii) Citibank, N.A., London Branch (as "**Originator Account Bank**") (the "**Originator Account Bank Agreement**"), pursuant to which the Originator appointed the Originator Account Bank to act as account bank of the Originator for an annual fee of €6,000 payable by the Originator.

6.8.2 The Originator Account Bank Agreement contains terms requiring the Originator Account Bank to establish a cash account(s) in the name of the Originator and to deposit and withdraw

certain amounts from such cash account(s) upon the instructions of an authorised person of the Originator.

6.8.3 The Originator Account Bank may be replaced by the Originator giving 30 clear days' written notice to the Originator Account Bank.

6.8.4 The Originator Account Bank may at any time resign as account bank for any reason by giving at least 45 days' written notice to the Originator.

6.8.5 The Originator has given certain market standard indemnities in favour of the Originator Account Bank in respect of the Originator Account Bank's potential losses in carrying on its responsibilities under the Originator Account Bank Agreement.

6.8.6 The Originator Account Bank Agreement contains standard limited recourse and non-petition provisions with respect to the Originator.

6.8.7 The Originator Account Bank Agreement is governed by English law.

6.9 ***Originator Custody Agreement***

6.9.1 A custody agreement dated 2 July 2014 between (i) the Originator and (ii) Citibank, N.A., London Branch (as "**Originator Custodian**") (the "**Originator Custody Agreement**"), whereby the Originator Custodian was appointed to act as custodian of certain of the Originator's investments and other assets.

6.9.2 The Originator Custodian provides custody services in respect of such of the property of the Originator which is delivered to and accepted by the Custodian as and when such custody services may be required. Securities are held by the Custodian in one or more custody accounts in the name of the Originator and separately designated in the books of the Custodian as belonging to the Originator.

6.9.3 The Originator Custody Agreement may be terminated by either party giving not less than 60 days' notice in writing to the other. It may be terminated without notice in certain specified circumstances including the insolvency of either party.

6.9.4 The Originator Custodian has a market standard indemnity from the Originator in relation to liabilities incurred other than as a result of its negligence, fraud, or wilful misconduct in carrying out its responsibilities under the Originator Custody Agreement.

6.9.5 The Originator Custody Agreement contains standard limited recourse and non-petition provisions with respect to the Originator.

6.9.6 The Originator Custody Agreement is governed by English law.

The Originator has also entered into some of these contracts merely for the purposes of the investment activities being carried out by it prior to the investment by the Company (as set out further in Parts I and IV of this Prospectus), and these will expire shortly following Admission.

6.10 ***Interim Agency Agreement***

6.10.1 An interim agency agreement dated 3 June 2014, between (i) the Originator, (ii) the Senior Agent, (iii) the Security Trustee; (v) Citibank, N.A. London Branch and (vi) Virtus Group LP (as "**Collateral Administrator**") (the "**Interim Agency Agreement**"), pursuant to which the Originator has appointed (i) Citibank to open a custody account to accept custody of all assets forming part of the Warehouse Portfolio; (ii) Citibank to open cash accounts in relation to which cash amounts (representing certain cash of the Originator, interest proceeds and principal proceeds) will be deposited and any payments required to be made under the terms of the Subordinated Deed will be withdrawn from; and (iii) the Collateral Administrator to provide certain administrative services with respect to the Warehouse Portfolio.

6.10.2 The Interim Agency Agreement contains standard limited recourse and non-petition provisions with respect to the Originator.

6.10.3 Under the Interim Agency Agreement the Originator provides a market standard indemnity to the Collateral Administrator and Citibank (in its capacities as custodian and account bank) for liabilities incurred by it in connection with the Interim Agency Agreement.

6.10.4 The governing law of the Interim Agency Agreement is English law.

6.11 ***Senior Facility Agreement***

6.11.1 A senior facility agreement dated 3 June 2014, between (i) the Originator (as the "**Borrower**"), (ii) Bank of America N.A., London Branch (as "**Senior Lender**" and "**Senior Agent**"), (iii) Citibank, N.A. London Branch (as the "**Security Trustee**") and (iv) Blackstone Singapore (as the "**Subordinated Lender**") (the "**Senior Facility Agreement**"), pursuant to which the Senior Lender makes available a multi-currency revolving credit facility of a maximum principal amount of €366,670,000 for the purposes of the Originator's acquisition of loan obligations (the "**Warehouse Portfolio**").

6.11.2 The Senior Facility Agreement includes certain standard loan facility events of default. If any event of default occurs under the Senior Facility Agreement, the Senior Agent may, with consent or direction of the Senior Lender, terminate the Senior Lender's commitment and declare the senior loans due and payable.

6.11.3 Under the Senior Facility Agreement the Originator provides market standard indemnities to the Senior Agent and Senior Lender for liabilities incurred by each of them in connection with the Senior Facility Agreement.

6.11.4 The Senior Facility Agreement contains a market standard increased costs clause requiring the Originator to compensate the Senior Lender for increased costs or reduced return incurred as a result of changes in law and regulation (including the interpretation and application thereof) and compliance by the Senior Lender with any governmental authority's request or directive.

6.11.5 The maturity date of the Senior Facility Agreement (the "**Maturity Date**") is the earlier of (i) the closing date of the Seed CLO, (ii) the date which is 18 months after the date of the Senior Facility Agreement or 6 weeks after the pricing date of the Seed CLO, (iii) the date on which the loans under the Senior Facility Agreement have been repaid and cancelled in full, (iv) the date on which certain other adverse events occur with respect to the Borrower or DFME, (v) the date of the adoption of a change in law making it unlawful for the Senior Lender to make, maintain or fund the loans under the Senior Facility Agreement.

6.11.6 If the Maturity Date occurs other than on the closing date of the Seed CLO or there is an event of default under the Senior Facility Agreement, the Senior Agent may instruct the Originator to sell and liquidate all of the Warehouse Portfolio and the Originator shall arrange such sale and liquidation in accordance with the liquidation procedures set out in the Senior Facility Agreement.

6.11.7 The Senior Facility Agreement contains standard limited recourse and non-petition provisions with respect to the Originator.

6.11.8 All payments under the Senior Facility Agreement are subject to the priorities of payment contained in the Subordination Deed (as defined and described below).

6.11.9 The governing law of the Senior Facility Agreement is English law.

6.12 ***Subordinated Facility Agreement***

6.12.1 A subordinated facility agreement dated 3 June 2014, between (i) the Originator, (ii) the Senior Agent, (iii) the Security Trustee and (iv) the Subordinated Lender (the "**Subordinated Facility**

Agreement"), pursuant to which the Subordinated Lender makes available a credit facility of a maximum principal amount of €45,000,000 for the purposes of the Originator's acquisition of loan obligations for the Warehouse Portfolio.

6.12.2 There is no applicable spread on the amounts drawn under the Subordinated Facility Agreement (the "**Sub Loan**"), however the Subordinated Lender is entitled to be repaid its principal and any excess spread from residual cash (if any) after the loans under the Senior Facility Agreement have been discharged and certain other costs and expenses of the Originator have been paid.

6.12.3 Events of default under the Subordinated Facility Agreement include, among others, (i) failure to pay interest or principal on the Sub Loan, (ii) failure to pay other amounts due under the Subordinated Facility Agreement; (iii) failure to remedy a materially incorrect or untrue representation, warranty, certification or statement made by the Originator in the Senior Facility Agreement and (iv) the Originator becomes insolvent or the subject of insolvency or similar proceedings.

6.12.4 If any event of default occurs under the Subordinated Facility Agreement, the Subordinated Lender may terminate the Subordinated Lender's commitment and declare the Sub Loan due and payable.

6.12.5 Under the Subordinated Facility Agreement the Originator provides a market standard indemnity to the Subordinated Lender for liabilities incurred by it in connection with the Subordinated Facility Agreement.

6.12.6 The Originator agrees to repay the Sub Loan on (i) on the closing date of the Seed CLO in full or (ii) if the Maturity Date is not the closing date of the Seed CLO, by applying any available proceeds on the date on which the senior loans under the Senior Facility Agreement have been discharged (however, see further 6.13.3 below regarding the Reorganisation Date).

6.12.7 The Subordinated Facility Agreement contains standard limited recourse and non-petition provisions with respect to the Originator.

6.12.8 All payments under the Subordinated Facility Agreement are subject to the priorities of payment contained in the Subordination Deed (as defined and described below).

6.12.9 The governing law of the Subordinated Facility Agreement is English law.

6.13 ***Subordination Deed***

6.13.1 A subordination deed dated 3 June 2014, between (i) the Originator, (ii) the Senior Agent, (iii) the Senior Lender (iv) the Security Trustee (v) the Subordinated Lender and (vi) the Collateral Administrator (the "**Subordination Deed**"), pursuant to which the parties agree the priorities of payment between themselves.

6.13.2 The Subordinated Deed contains four priorities of payment:

- a standard interest proceeds priority of payment describing how interest proceeds (including cash payments of interest on the Warehouse Portfolio) will be distributed on each payment date;
- a standard principal proceeds priority of payment describing how principal proceeds (including all sale proceeds of assets other than interest proceeds) will be distributed on each payment date;
- an interest priority of payment describing how available interest proceeds (excess spread) will be distributed on the closing date of the Seed CLO; and
- a principal priority of payment describing how CLO closing principal amounts (the proceeds from the issuance of securities by the Seed CLO and cash not representing excess spread) will be distributed on the closing date of the Seed CLO.

6.13.3 Following Admission, the Borrower will use the proceeds of the Profit Participating Notes to repay the Subordinated Lender's: equity investment in the Borrower, its loans under the Subordinated Facility Agreement and an amount of carry available on such date of repayment (the "**Reorganisation Date**"). On the Reorganisation Date, the Company (as an unsecured creditor of the Borrower) will be required to accede to the Subordination Deed and agree that its debt is subordinated to that of the Senior Lender (and certain other costs and expenses).

6.13.4 The general order of priority in each of the above priorities of payment is: (i) taxes, fees, costs and expenses owed by the Originator, (ii) the Senior Lender and (iii) the Subordinated Lender (or after the Reorganisation Date, the Originator).

6.13.5 The Subordination Deed contains standard limited recourse and non-petition provisions with respect to the Originator.

6.13.6 The governing law of the Subordination Deed is English law.

6.14 ***Deed of Charge and Assignment***

6.14.1 A deed of charge and assignment dated 3 June 2014, between (i) the Originator, (ii) the Senior Agent, (iii) the Senior Lender (iv) the Security Trustee (v) the Subordinated Lender and (vi) the Collateral Administrator (the "**Deed of Charge and Assignment**"), pursuant to which the Originator has created a security interest in favour of the Security Trustee for itself and on behalf of the Senior Lender, the Subordinated Lender, the Senior Agent and certain other service providers (the "**Secured Parties**") for the payment and discharge of all present and future obligations and liabilities of the Originator to the Secured Parties (or any of them) under the Senior Facility Agreement, the Subordinated Facility Agreement, the Deed of Charge and Assignment and the Interim Agency Agreement (the "**Financing Documents**") (the "**Warehouse Security**").

6.14.2 The security interest is granted over all of the assets, rights, interest of the Originator in (i) the Warehouse Portfolio, (ii) the custody and cash accounts opened under the Interim Agency Agreement and (iii) all rights of the Originator with respect to the Warehouse Portfolio, the Financing Documents and the underlying instruments relating to the assets in the Warehouse Portfolio (the "**Secured Assets**").

6.14.3 The Warehouse Security is enforceable by the Security Trustee upon the occurrence of an event of default and acceleration under the Senior Facility Agreement or the Subordinated Facility Agreement. In such circumstances, the Security Trustee would be entitled to enforce the Warehouse Security by taking possession of, holding or disposing of all or any part of the Secured Assets or appoint a receiver to exercise any such powers.

6.14.4 The Deed of Charge and Assignment contains standard limited recourse and non-petition provisions with respect to the Originator.

6.14.5 Under the Deed of Charge and Assignment the Originator provides a market standard indemnity to the Security Trustee for liabilities incurred by it in connection with the Deed of Charge and Assignment.

6.14.6 The governing law of the Deed of Charge and Assignment is English law.

7 CORPORATE GOVERNANCE

The Originator will be required to comply with the provisions of the Companies Act, 1963 to 2013 (as amended from time to time) and its articles of association in the conduct of its business.

8 RELATED PARTY TRANSACTIONS

Other than as set out in paragraphs 6 of this Part VIII of this Prospectus, The Originator has not entered into any related party transactions.

9 THIRD PARTY SOURCES

Where third party information has been referenced in this Prospectus, the source of that third party information has been disclosed. Where information contained in this Prospectus has been so sourced, the Company confirms that such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

10 LITIGATION

There are no, and have not been in the last 12 months, any governmental, legal or arbitration proceedings, nor, so far as the Originator is aware, are any such proceedings pending or threatened, which may have, or have in the recent past had, a significant effect on the Originator's financial position or profitability.

11 SIGNIFICANT CHANGE

11.1 Save as set out in this paragraph 11 (and set out in further detail in Note 7 in the Notes to the Historical Financial Information in Part X of this Prospectus), there has been no significant change in the financial or trading position of the Originator since 31 May 2014, being the latest practicable date prior to the publication of this Prospectus.

11.2 Blackstone Treasury Asia Pte Ltd subscribed for 5 Class B1 shares of the Originator for €5,000,000 representing a share premium of €4,999,995. Total proceeds of €5,000,000 were received.

11.3 Intertrust Nominees (Ireland) Limited subscribed for 199 ordinary shares of the Originator for €199. Total proceeds of €199 were received.

11.4 The Originator entered into a Senior Facility Agreement with Bank of America N.A., London Branch for funding of up to €366,670,000. As at the date of this Prospectus, the Originator has not drawn down this facility.

11.5 The Originator entered into a Subordinated Facility Agreement with Blackstone Treasury Asia Pte Ltd for funding of €45,000,000.

11.6 As at the date of the Prospectus, the Originator has purchased loans of par €206,301,043 at a cost of €205,531,146 with a weighted average spread of 4.13 per cent. and a weighted average maturity of 4 years and 11 months. All of these loans were added to the Forward Purchase Agreement relating to the Seed CLO for the value of €205,531,146.

PART X: FINANCIAL INFORMATION OF THE ORIGINATOR

Deloitte.

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DRAFT

The Board of Directors
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1 Tudor Street
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NPlus1 Singer Advisory LLP
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London EC2N 2AX

10 July 2014

Dear Sirs

Blackstone / GSO Corporate Funding Limited

We report on the financial information for Blackstone / GSO Corporate Funding Limited for the period from 16 April 2014 to 31 May 2014 set out in Part X of the prospectus dated 10 July 2014 of Blackstone / GSO Loan Financing Limited (the "**Company**") (the "**Prospectus**"). This financial information has been prepared for inclusion in the Prospectus on the basis of the accounting policies set out in note 2 to the financial information. This report is required by Annex I item 20.1 of Commission Regulation (EC) No 809/2004 (the "**Prospectus Directive Regulation**") and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

The Directors of the Company are responsible for preparing the financial information in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex I item 23.1 of the Prospectus Directive Regulation, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Prospectus, a true and fair view of the state of affairs of Blackstone / GSO Corporate Funding Limited as at 31 May 2014 and of its profits, cash flows and changes in equity for the period from 16 April 2014 to 31 May 2014 in accordance with International Financial Reporting Standards as adopted by the European Union.

Declaration

For the purposes of Prospectus Rule 5.5.3R(2)(f) we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex I item 1.2 of the Prospectus Directive Regulation.

Yours faithfully

Deloitte LLP
Chartered Accountants

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom. Deloitte LLP is the United Kingdom member firm of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, whose member firms are legally separate and independent entities. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

BLACKSTONE / GSO CORPORATE FUNDING LIMITED

STATEMENT OF COMPREHENSIVE INCOME

For the period from 16 April 2014 to 31 May 2014

The Originator did not trade from inception (16 April 2014) to 31 May 2014 and therefore neither earned any profits nor incurred any losses.

The accompanying notes are an integral part of the Historical Financial Information.

BLACKSTONE / GSO CORPORATE FUNDING LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 May 2014

	Notes	*As at 31 May 2014 EUR*
Assets:		
Receivable for shares issued		1
Total assets		**1**
Total liabilities		–
Capital and reserves		
Share capital	3	1
Retained earnings		–
Total equity		1
Total equity and liabilities		**1**

The accompanying notes are an integral part of the Historical Financial Information.

BLACKSTONE / GSO CORPORATE FUNDING LIMITED

STATEMENT OF CHANGES IN EQUITY

For the period from 16 April 2014 to 31 May 2014

	Notes	*Share Capital EUR*	*Total Equity EUR*
As at 16 April 2014		–	–
Shares issued	3	1	1
Total comprehensive income for the year		–	–
As at 31 May 2014		**1**	**1**

The accompanying notes are an integral part of the Historical Financial Information.

BLACKSTONE / GSO CORPORATE FUNDING LIMITED

STATEMENT OF CASH FLOWS

For the period from 16 April 2014 to 31 May 2014

The Originator did not trade from inception (16 April 2014) to 31 May 2014, nor did it have any cash flows in or out during the period.

The accompanying notes are an integral part of the Historical Financial Information.

BLACKSTONE / GSO CORPORATE FUNDING LIMITED

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

For the period from 16 April 2014 to 31 May 2014

Note 1. General information

Blackstone / GSO Corporate Funding Limited (the "**Originator**") is a limited liability company incorporated in Ireland on 16 April 2014. The registered office of the Originator is 3rd Floor Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

The Originator was dormant during the period from 16 April 2014 to 31 May 2014.

Note 2. Significant accounting policies

Statement of compliance and basis of preparation

The Originator's Historical Financial Information is prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and adopted by the European Union ("EU") and also in accordance with Irish Company Law.

The accounting policies have been applied consistently by the Originator.

2a) *Basis of preparation*

The Originator's Historical Financial Information has been prepared on a historical cost basis.

The functional currency of the Originator is Euro (EUR), as the Directors have determined that this reflects the Originator's primary economic environment. The presentation currency of the Historical Financial Information is also Euro.

The Historical Financial Information comprise the Originator's statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows together with the related notes.

The directors have, at the time of approving the Historical Financial Information, a reasonable expectation that the Originator has adequate resources to continue in operational existence for the foreseeable future. Thus they adopt the going concern basis of accounting in preparing the Historical Financial Information.

2b) *Participating equity shares*

The shares of the Originator are classified as equity based on the substance of the contractual arrangements and in accordance with the definition of equity instruments under International Accounting Standards, Financial Statements: Presentation.

The proceeds from the issue of participating equity shares are recognised in the statement of changes in equity, net of the incremental issuance costs.

2c) *Significant accounting judgements and estimates*

The preparation of the Historical Financial Information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are required on an ongoing basis. Revisions to estimates are recognised prospectively.

As the Originator has not traded to the period 31 May 2014, no significant accounting judgements have been made.

2d) New standards, amendments and interpretations issued but not effective for the financial period beginning 16 April 2014 and not early adopted

The Originator has considered all the upcoming International Accounting Standards Board's ("IASB's") standards including those not yet endorsed by the EU.

As the Originator has not traded for the period to 31 May 2014, there are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Originator.

Note 3. Share capital

Authorised

The authorised share capital of the company is EUR1,000,000 divided into ownership shares (999,800 ordinary shares of €1.00 par value and non-ownership or Class B shares (100 "B1" Shares of €1.00 par value and 100 "B2" Shares of €1.00 par value).

Issued

The issued share capital is 1 ordinary share at EUR1 which is held by Intertrust Nominees (Ireland) Limited (on behalf of a charitable trust) and is not yet fully paid. Blackstone LP is considered to be the ultimate controlling party of the Originator as it has concluded that it controls the Originator under the relevant accounting framework.

Rights

The Directors have the right to allot unissued share capital of the Originator up to an equal amount of the authorised share capital. The members of the Originator present in person or proxy is a sufficient quorum at a general meeting. The members may decide to dispense with the holding of an annual general meeting.

The holders of the Class B shares are not entitled to receive notice of or attend at any meeting of the Originator or vote on any resolution of the Originator. Neither the Class B1 Shares nor the Class B2 Shares carry any entitlement to receive a dividend (whether in cash or *in specie*).

The Originator's surplus assets upon a winding up shall be applied:

- first, in payment to the holders of the Class B Shares of the capital and share premium paid up on them; and
- secondly, the entire of the residual, if any shall, be divided among the holders of ordinary shares in proportion to the amount paid up on ordinary shares held at the commencement of the winding up.

Note 4. Related party transactions

A) *Entities with significant influence over the Originator*

Company Secretary

Intertrust Management (Ireland) Limited acts as the secretary to the Originator.

B) *Key management personnel of the Originator*

Directors' interests

One of the directors of the Originator, Ms. Imelda Shine, is also a director of the Company Secretary.

The aggregate remuneration of the Originator's directors is included in the fees payable to the Corporate Services Provider and no additional remuneration or benefits in kind are payable to any director of the Originator.

Note 5. Contingent Liabilities

There are no contingent liabilities as at 31 May 2014.

Note 6. Significant events during the period

The Originator was incorporated on 16 April 2014 and has remained dormant since the date of incorporation.

The Originator appointed Intertrust Management (Ireland) Limited as the Corporate Services Provider on 16 May 2014.

The following were appointed as Directors of the Originator on 16 April 2014 and have held the positions to the end of the reporting period:

Ms. Anne Flood (Irish resident and national)

Ms. Imelda Shine (Irish resident and national)

With effect from the 2 May 2014 the address of the registered office changed from 9th & 10th Floors, O'Connell Bridge House, D'Olier Street, Dublin 2, Ireland to 3rd Floor Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

Note 7. Significant events after the period

Blackstone Treasury Asia Pte Ltd subscribed for 5 Class B1 shares of the Originator for €5,000,000 representing a share premium of €4,999,995. Total proceeds of €5,000,000 were received.

Intertrust Nominees (Ireland) Limited subscribed for 199 ordinary shares of the Originator for €199. Total proceeds of €199 were received.

The Originator entered into a Senior Facility Agreement with Bank of America N.A., London Branch for funding of up to €366,670,000. As at the date of the Prospectus, the Originator has not drawn down the facility. Citibank, N.A. London Branch was appointed as the security trustee to the facility.

The Originator entered into a Subordinated Facility Agreement with Blackstone Treasury Asia Pte Ltd for funding of €45,000,000. The Originator intends to use this facility (and the facility above) to cover loan purchases as noted below and for future purchases. As at the date of the Prospectus the purchase of the loans has yet to be settled, except for €6,530,141 funded from the Subordinated Facility Agreement.

Virtus Group LP was appointed as the collateral administrator.

In connection with the above financing agreements, the Originator also entered into a Deed of Charge and Assignment, granting security to the lender over the assets of the Originator.

The Originator entered into a Forward Purchase Agreement with Phoenix Park CLO Limited.

As at the date of the Prospectus, the Originator has purchased loans of par €206,301,043 at a cost of €205,531,146 with a weighted average spread of 4.13 per cent. and a weighted average maturity of 4 years and 11 months. All of these loans were added to the Phoenix Park CLO Forward Purchase Agreement for the value of €205,531,146.

Blackstone / GSO Debt Funds Management Europe Limited was appointed as the Originator's Service Support Provider as defined in the Prospectus.

State Street Fund Services (Ireland) Limited will be appointed as the administrator.

Contingent on the receipt of Upfront Fees from Originator CLOs, the Originator may be required to settle certain costs incurred by GSO in connection with the Placing.

There have been no other significant events after the period end, which require adjustment to or disclosure in this Historical Financial Information.

Note 8. Accounting period

The financial period relates to the period from 16 April 2014 (date of incorporation) to 31 May 2014.

PART XI: TERMS AND CONDITIONS OF THE PLACING

1. INTRODUCTION

Each Placee which confirms its agreement (whether orally or in writing) to Dexion and/or Pershing Securities Limited ("**PSL**") (acting as the settlement agent of Dexion in connection with the Placing) to subscribe for Placing Shares under the Placing will be bound by these terms and conditions and will be deemed to have accepted them.

The Company and/or Dexion may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter (a "**Placing Letter**").

N+1 Singer, which is acting as joint placing agent, shall require Placees subscribing for Placing Shares through it, to execute placing letters containing appropriate terms, conditions, warranties and representations.

2. AGREEMENT TO SUBSCRIBE FOR PLACING SHARES

Conditional on: (i) Admission occurring and becoming effective by 8.00 a.m. (London time) no later than 23 July 2014 (or such other time as Dexion and N+1 Singer may agree with the Company but, in any event, no later than 23 August 2014 (save for the Shares issued pursuant to the Over-allotment Option)); (ii) the Placing Agreement becoming otherwise unconditional in all respects and not having been terminated in accordance with its terms; and (iii) Dexion confirming to the Placees their allocation of Placing Shares, a Placee agrees to become a member of the Company and agrees to subscribe for those Placing Shares allocated to it by Dexion at the Placing Price in respect of the Placing Shares allocated to the Placee. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

3. PAYMENT FOR PLACING SHARES

Each Placee must pay the Placing Price for the Placing Shares issued to the Placee in the manner and by the time directed by Dexion. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for Placing Shares shall be rejected.

4. REPRESENTATIONS AND WARRANTIES

By agreeing to subscribe for Placing Shares, each Placee which enters into a commitment to subscribe for Placing Shares will (for itself and any person(s) procured by it to subscribe for Placing Shares and any nominee(s) for any such person(s)) be deemed to agree, represent and warrant to each of the Company, the Registrar, Dexion and PSL that:

4.1 in agreeing to subscribe for Placing Shares under the Placing, it is relying solely on this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and not on any other information given, or representation or statement made at any time, by any person concerning the Company or the Placing. It agrees that none of the Company, Dexion, PSL or the Registrar, nor any of their respective officers, agents or employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;

4.2 the contents of this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus are exclusively the responsibility of the Company and its Directors and apart from the responsibilities and liabilities, if any, which may be imposed on Dexion or PSL by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of Dexion nor any person acting on its behalf nor any of its affiliates (which, for the avoidance of doubt, in this document in respect of Dexion, includes PSL) accept any

responsibility whatsoever for, and makes no representation or warranty, express or implied, as to the contents of this Prospectus or any supplementary prospectus published by the Company subsequent to the date of this Prospectus or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Placing Shares or the Placing and nothing in this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus will be relied upon as a promise or representation in this respect, whether or not to the past or future. Dexion and PSL accordingly disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which they might otherwise have in respect of this Prospectus or any supplementary prospectus published by the Company subsequent to the date of this Prospectus or any such statement;

4.3 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Placing Shares under the Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its placing commitment in any territory and that it has not taken any action or omitted to take any action which will result in the Company, Dexion, PSL the Registrar or any of their respective officers, agents, affiliates or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;

4.4 it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Placing Shares and it is not acting on a non-discretionary basis for any such person;

4.5 it agrees that, having had the opportunity to read this Prospectus, it shall be deemed to have had notice of all information and representations contained in this Prospectus, that it is acquiring Placing Shares solely on the basis of this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and no other information and that in accepting a participation in the Placing it has had access to all information it believes necessary or appropriate in connection with its decision to subscribe for Placing Shares;

4.6 it acknowledges that no person is authorised in connection with the Placing to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and, if given or made, any information or representation must not be relied upon as having been authorised by Dexion, PSL or the Company;

4.7 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;

4.8 it accepts that none of the Placing Shares have been or will be registered under the laws of any Restricted Territory. Accordingly, the Placing Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Restricted Territory unless an exemption from any registration requirement is available;

4.9 if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the Placing Shares may be lawfully offered under that other jurisdiction's laws and regulations;

4.10 if it is a resident in the EEA (other than the United Kingdom), it is a "Qualified Investor" within the meaning of the law in the Relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive;

4.11 if it is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Placing Shares pursuant to the Placing

unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Placing Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;

4.12 it acknowledges that none of Dexion or any of its respective affiliates nor any person acting on its behalf (which, for the avoidance of doubt, in this document in respect of Dexion, includes PSL) is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing or providing any advice in relation to the Placing and participation in the Placing is on the basis that it is not and will not be a client of Dexion or any of its affiliates and that none of Dexion or any of its affiliates have any duties or responsibilities to it for providing protection afforded to its or their respective clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertaking or indemnities contained in these terms and conditions or in any Placing Letter, where relevant;

4.13 it acknowledges the representations, warranties and agreements set out in this Prospectus, including those set out in the section entitled "Purchase and Transfer Restrictions" in Part VI of this Prospectus, and further acknowledges that it is not a U.S. Person, it is not located within the United States, it is subscribing for Placing Shares in an "offshore transaction" as defined in Regulation S and it is not acquiring the Placing Shares for the account or benefit of a U.S. Person, and where it is subscribing for Placing Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the Placing Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this Prospectus or in any Placing Letter, where relevant; and (iii) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company and/or Dexion and/or PSL. It agrees that the provision of this paragraph shall survive any resale of the Placing Shares by or on behalf of any such account;

4.14 it is acting as principal only in respect of the Placing, or, if it is acting for any other person (i) it is and will remain liable to the Company, Dexion and/or PSL for the performance of all its obligations as a placee in respect of the Placing (regardless of the fact that it is acting for another person), (iii) it is both an "authorised person" for the purposes of FSMA and a "qualified investor" as defined at Article 2.1(e)(i) of Directive 2003/71/EC (known as Prospectus Directive) acting as agent for such person, and (iv) such person is either (1) a FSMA Qualified Investor or (2) its "client" (as defined in section 86(2) of FSMA) that has engaged it to act as his agent on terms which enable it to make decisions concerning the Placing or any other offers of transferable securities on his behalf without reference to him;

4.15 it confirms that any of its clients, whether or not identified to Dexion or PSL or any of their affiliates or agents, will remain its sole responsibility and will not become clients of Dexion or PSL or any of their affiliates or agents for the purposes of the rules of the Financial Conduct Authority or the JFSC or for the purposes of any other statutory or regulatory provision;

4.16 where it or any person acting on its behalf is dealing with Dexion and/or PSL, any money held in an account with Dexion and/or PSL on its behalf and/or any person acting on its behalf will not be treated as client money within the meaning of the relevant rules and regulations of the Financial Conduct Authority or the JFSC which therefore will not require Dexion and/or PSL to segregate such money as that money will be held by Dexion and/or PSL under a banking relationship and not as trustee;

4.17 it has not and will not offer or sell any Placing Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 102B of the FSMA;

4.18 it is an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook and it is subscribing for or purchasing the Shares for investment only and not for resale or distribution;

4.19 it irrevocably appoints any Director of the Company and any director of Dexion to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Placing Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;

4.20 it accepts that if the Placing does not proceed or the conditions to the Banks' obligations in respect of such Placing under the Placing Agreement are not satisfied, the Placing Agreement is terminated prior to the admission of the Placing Shares for which valid application are received and accepted to trading on the Specialist Fund Market for any reason whatsoever or such Placing Shares are not admitted to the Specialist Fund Market for any reason whatsoever, then none of Dexion or PSL, the Company or any of their respective affiliates, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;

4.21 it has not taken any action or omitted to take any action which will or may result in Dexion, PSL, the Company or any of their respective directors, officers, agents, affiliates, employees or advisers being in breach of the legal or regulatory requirements of any territory in connection with the Placing or its subscription of Placing Shares pursuant to the Placing;

4.22 in connection with its participation in the Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and countering terrorist financing and that its placing commitment is only made on the basis that it accepts full responsibility for any requirement to identify and verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations 2007 in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing); or (iii) subject to the Jersey AML Requirements; or (iv) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;

4.23 due to anti-money laundering and the countering of terrorist financing requirements, Dexion, PSL and/or the Company may require proof of identity of the Placee and related parties and verification of the source of the payment before the placing commitment can be processed and that, in the event of delay or failure by the Placee to produce any information required for verification purposes, Dexion, PSL and/or the Company may refuse to accept the placing commitment and the subscription moneys relating thereto. It holds harmless and will indemnify Dexion, PSL and the Company against any liability, loss or cost ensuing due to the failure to process the placing commitment, if such information as has been required has not been provided by it or has not been provided timeously;

4.24 any person in Jersey involved in the business of the Company who knows or suspects or has reasonable grounds for knowing or suspecting that any other person (including the Company or any person subscribing for Placing Shares) is involved in money laundering activities, is under an obligation to report such suspicion to the relevant authorities pursuant to the Jersey AML Requirements. Similar disclosures may be required under other legislation;

4.25 it and each person or body (including, without limitation, any local authority or the managers of any pension fund) on whose behalf it accepts Placing Shares pursuant to the Placing or to whom it allocates such Placing Shares have the capacity and authority to enter into and to perform their obligations as a Placee of the Placing Shares and will honour those obligations;

4.26 as far as it is aware it is not acting in concert (within the meaning given in The City Code on Takeovers and Mergers) with any other person in relation to the Company and it is not a related party of the Company for the purposes of the Listing Rules;

4.27 Dexion, N+1 Singer and the Company (and any agent on their behalf) are entitled to exercise any of their rights under the Placing Agreement or any other right in their absolute discretion without any liability whatsoever to them (or any agent acting on their behalf);

4.28 the representations, undertakings and warranties contained in this Prospectus or in any Placing Letter, where relevant, are irrevocable. It acknowledges that Dexion and the Company and their respective affiliates will rely upon the truth and accuracy of such representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the Shares are no longer accurate, it shall promptly notify Dexion and the Company;

4.29 it confirms that it is not, and at Admission will not be, an affiliate of the Company or a person acting on behalf of such affiliate, and it is not acquiring Placing Shares for the account or benefit of an affiliate of the Company or of a person acting on behalf of such an affiliate;

4.30 nothing has been done or will be done by it in relation to the Placing that has resulted or could result in any person being required to publish a prospectus in relation to the Company or to any ordinary shares in accordance with FSMA or the Prospectus Rules or in accordance with any other laws applicable in any part of the European Union or the European Economic Area;

4.31 it will (or will procure that its nominee will) if applicable, make notification to the Company of the interest in its Shares in accordance with Rule 5 of the Disclosure Rules and Transparency Rules issued by the FCA and made under Part VI of the FSMA as they apply to the Company;

4.32 it accepts that the allocation of Placing Shares shall be determined by Dexion, N+1 Singer and the Company in their absolute discretion and that such persons may scale down any placing commitments for this purpose on such basis as they may determine; and

4.33 time shall be of the essence as regards its obligations to settle payment for the Placing Shares and to comply with its other obligations under the Placing.

5. SUPPLY AND DISCLOSURE OF INFORMATION

If Dexion, PSL, the Registrar or the Company or any of their agents request any information in connection with a Placee's agreement to subscribe for Placing Shares under the Placing or to comply with any relevant legislation, such Placee must promptly disclose it to them.

6. DATA PROTECTION

6.1 Pursuant to the Data Protection (Jersey) Law 2005, (the "**DP Law**") the Company, Dexion, N+1 Singer, PSL, the Registrar and/or the Administrator may hold personal data (as defined in the DP Law) relating to past and present Shareholders.

6.2 Such personal data held is used by those parties in relation to the Placing and to maintain a register of the Shareholders and mailing lists and this may include sharing such data with third parties in one or more of the countries mentioned below when (a) effecting the payment of dividends and redemption proceeds to Shareholders (in each case, where applicable) and, if applicable, the payment of commissions to third parties; and (b) filing returns of Shareholders and their respective transactions in shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.

6.3 The countries referred to above include, but need not be limited to, those in the European Economic Area or the European Union and any of their respective dependent territories overseas, Argentina, Australia, Brazil, Canada, Hong Kong, Hungary, Japan, New Zealand, Singapore, South Africa, Switzerland and the United States.

6.4 By becoming registered as a holder of Placing Shares in the Company a person becomes a data subject (as defined in the DP Law) and is deemed to have consented to the processing by the Company, the Administrator, the Registrar, PSL, Dexion or N+1 Singer of any personal data relating to them in the manner described above.

6.5 The Company will be the "data controller" in respect of the personal data, but has appointed the Administrator, the Registrar, PSL, Dexion and N+1 Singer as "data processors" of such data (each as defined in the DP Law). Details of the registration of the Company as data controller can be found on the website of the Jersey Data Protection Commissioner: www.dataprotection.gov.je.

7. MISCELLANEOUS

7.1 PSL is acting as receiving agent for Dexion in connection with the Placing and for no-one else and will not treat a Placee or any other person as its customer by virtue of such application being accepted or owe a Placee or any other person any duties or responsibilities concerning the price of Placing Shares or concerning the suitability of Placing Shares for a Placee or for any other person or be responsible to a Placee or to any other person for providing the protections afforded to its customers.

7.2 The rights and remedies of the Company, Dexion, PSL, the Registrar and the Administrator under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

7.3 On the acceptance of their placing commitment, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

7.4 Each Placee agrees to be bound by the Articles (as amended from time to time) once the Placing Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for Placing Shares under the Placing and the appointments and authorities mentioned in this Prospectus will be governed by, and construed in accordance with, the laws of England. For the exclusive benefit of the Company, Dexion, PSL, the Registrar and the Administrator, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction.

7.5 In the case of a joint agreement to subscribe for Placing Shares under the Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

7.6 Dexion, N+1 Singer and the Company expressly reserve the right to modify the Placing (including, without limitation, its timetable and settlement) at any time before allocations are determined.

7.7 The Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated. For further details of the terms of the Placing Agreement please refer to the section entitled "Material Contracts" in Part VIII of this Prospectus.

8. TERMS AND CONDITIONS OF A PLACING BY N+1 SINGER

Each Placee which confirms its agreement (whether orally or in writing) to N+1 Singer to subscribe for Shares under the Placing will be bound by the terms and conditions set out in a separate placing letter issued by N+1 Singer.

PART XII: DEFINITIONS

The following definitions apply in this Prospectus unless the context otherwise requires:

"**1961 Law**"	the Income Tax (Jersey) Law 1961, as amended
"**2010 PD Amending Directive**"	Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 amending Directives 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading and 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market
"**Administration Agreement**"	the administration agreement between the Company and the Administrator, a summary of which is set out in Part VIII of this Prospectus
"**Administrator**"	State Street Fund Services (Jersey) Limited, or such other person or persons from time to time appointed by the Company
"**Admission**"	admission to trading on the London Stock Exchange's Specialist Fund Market of the Placing Shares becoming effective in accordance with the LSE Admission Standards
"**Adviser**"	DFME acting in its capacity as an adviser pursuant to the Advisory Agreement
"**AIC**"	the Association of Investment Companies
"**AIC Code**"	the AIC Code of Corporate Governance
"**AIF**"	an alternative investment fund, as defined in the AIFM Directive
"**AIFM**"	an alternative investment fund manager, as defined in the AIFM Directive
"**AIFM Directive**"	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directive 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010
"**Approved Pricing Source**"	means, in relation to loans, Markit Partners or any other entity appointed from time to time and, in relation to CLO Income Notes, Thomson Reuters or any other entity appointed from time to time
"**Articles**"	the articles of association of the Company
"**Audit Committee**"	the audit committee of the Company, as more fully described in the section entitled "Audit Committee" in Part V of this Prospectus
"**Auditor**"	Deloitte LLP, or such other person or persons from time to time appointed by the Company
"**Blackstone Group**"	The Blackstone Group L.P. together with its affiliates as the context requires
"**Blackstone Singapore**"	Blackstone Treasury Asia Pte Ltd
"**bps**"	basis point

"**Business Day**"	a day on which the London Stock Exchange and banks in Jersey, the United Kingdom and Ireland are normally open for business
"**CCS Europe**"	European Customised Credit Strategies
"**certificated**" or "**certificated form**"	not in uncertificated form
"**Chairman**"	the chairman of the Board
"**CIF Law**"	the Collective Investment Funds (Jersey) Law 1988
"**Citibank**"	Citibank N.A., London Branch
"**CLO**"	a special purpose vehicle which issues notes backed by a pool of collateral consisting primarily of loans
"**CLO Income Notes**"	the most subordinated tranche of debt issued by a CLO (which may be represented by a debt or equity security)
"**CLO Management Agreement**"	has the meaning given in Part V of the Prospectus
"**CLO Management Fees**"	the fees received by the Adviser in its capacity as the collateral manager to a CLO
"**CLO Manager**"	DFME or an affiliate acting as manager to Originator CLOs from time to time, pursuant to the relevant CLO Management Agreement
"**CLO Retention Income Notes**"	the CLO Income Notes equalling at least 5 per cent. of the maximum portfolio principal amount of the assets in a CLO retained by the Originator, as defined in the Risk Factors to the Prospectus
"**Companies Law**"	the Companies (Jersey) Law 1991, as amended, extended or replaced and any ordinance, statutory instrument or regulation made thereunder
"**Company**"	Blackstone / GSO Loan Financing Limited, a closed-ended investment company incorporated in Jersey under the Companies Law on 30 April 2014 with registration number 115628
"**CREST**"	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations
"**CREST Jersey Regulations**"	the Companies (Uncertificated Securities) (Jersey) Order 1999
"**CREST Manual**"	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, the CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
"**CREST Regulations**"	the Uncertificated Securities Regulations 2001 of the United Kingdom (SI No. 2001/3755) and the CREST Jersey Regulations
"**CRR**"	Regulation 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms

"**CRR Retention Requirements**"	means the retention requirements contained in the CRR as amended from time to time and including any guidance or any technical standards published in relation thereto
"**Custodian**"	means State Street Custodial Services (Jersey) Limited
"**Custody Agreement**"	means the agreement dated 9 July 2014 between the Company and the Custodian, further details of which are set out in Part IX of this Prospectus
"**Dexion Capital**"	Dexion Capital plc, the Company's Joint Financial Adviser and Placing Agent
"**DFME**"	Blackstone / GSO Debt Funds Management Europe Limited
"**Directors**" or "**Board**" or "**Board of Directors**"	the directors of the Company
"**Disclosure and Transparency Rules**" or "**DTRs**"	the disclosure rules and transparency rules made by the FCA under Part VI of FSMA
DP Law	Data Protection (Jersey) Law 2005
"**EEA**"	the European Economic Area being the countries included as such in the Agreement on European Economic Area, dated 1 January 1994, among Iceland, Liechtenstein, Norway, the European Community and the EU Member States, as may be modified, supplemented or replaced
"**Eligibility Criteria**"	has the meaning given in Part I of this Prospectus
"**Eligible U.S. Investor**"	a U.S. Person who is reasonably believed to be a Qualified Institutional Buyer and a Qualified Purchaser and to whom the Company is privately placing a certain number of the Placing Shares in reliance on exemptions from registration under the U.S. Securities Act and the U.S. Investment Company Act and without the involvement of the Placing Agents
"**ERISA**"	the U.S. Employee Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
"**EU**"	the European Union
"**EU Member State**"	a member country of the EU
"**EU Savings Tax Directive**"	Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments
"**EURIBOR**"	Euro interbank offered rate, a benchmark interest rate
"**Euro**" or "**€**"	the lawful currency of the EU
"**Euroclear**"	Euroclear UK & Ireland Limited
"**Eurozone**"	the European countries which have adopted the Euro
"**FATCA**"	the U.S. Foreign Account Tax Compliance Act 2010
"**FATCA Withholding**"	has the meaning given to it in the section entitled Risk Factors

"**Fitch**"	has the meaning given in the section of this Prospectus entitled "*The Loan Market Structure*"
"**Financial Conduct Authority**" or "**FCA**"	the UK Financial Conduct Authority and any successor regulatory authority
"**Forward Purchase Agreement**"	agreements which may be entered into from time to time between the Originator and an Originator CLO pursuant to which the Originator may, from time to time, enter into sale and purchase contracts with a CLO with respect to certain assets of the Originator
"**FSMA**"	the Financial Services and Markets Act 2000 of the United Kingdom, as amended
"**FTT**"	the European Commission's proposal for a Directive for a common financial transaction tax in certain EU Member States
"**Gross Placing Proceeds**"	the aggregate value of the Placing Shares
"**GEM**"	the Official List of the Global Exchange Market of the Irish Stock Exchange
"**GSO**"	GSO Capital Partners LP (together with its affiliates within the credit-focused business unit of The Blackstone Group L.P.)
"**Group**"	means the Company and its wholly owned subsidiary, Blackstone / GSO Loan Financing 2 Limited
"**GST**"	a Jersey goods and services tax applied at a standard rate of five per cent. on the majority of goods and services supplied in Jersey for local use or benefit
"**HMRC**"	Her Majesty's Revenue and Customs
"**IFRS**"	the International Financial Reporting Standards as adopted by the EU
"**IGA**"	the Intergovernmental Agreement entered into between the governments of Jersey and the United States to implement FATCA
"**IRR**"	internal rate of return
"**IRS**"	U.S. Internal Revenue Service
"**ISA**"	an individual savings account
"**ISIN**"	International Securities Identification Number
"**Jersey AML Requirements**"	the Proceeds of Crime (Jersey) Law 1999, the Drug Trafficking Offences (Jersey) Law 1988, the Terrorism (Jersey) Law 2002 and any applicable regulations from time to time relating to prevention of use of the financial system for the purpose of money laundering and made pursuant thereto including the Money Laundering (Jersey) Order 2008
"**Jersey IGA Legislation**"	Jersey legislation implementing the IGA
"**JFSC**" or "**Commission**"	Jersey Financial Services Commission
"**Joint Financial Advisers**"	means Dexion and N+1 Singer
"**LIBOR**"	London interbank offered rate, a benchmark interest rate

"**Listing Rules**"	the listing rules made by the UK Listing Authority pursuant to Part VI of FSMA
"**Lock Up Agreement**"	has the meaning given to it in Part VIII of this Prospectus
"**London Stock Exchange**" or "**LSE**"	London Stock Exchange plc
"**LSE Admission Standards**"	the rules issued by the London Stock Exchange in relation to the admission to trading of, and continuing requirements for, securities admitted to the Specialist Fund Market
"**Market Abuse Directive**"	Directive 2003/6/EC of the European Parliament and of the Council on insider dealing and market manipulation (market abuse)
"**Memorandum**"	the memorandum of association of the Company
"**MIFID**"	Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments
"**Minimum Gross Proceeds**"	€150 million (or such lesser amount as the Company may determine and notify to investors via publication of a supplementary prospectus)
"**Model Code**"	the Model Code for directors' dealings contained in the Listing Rules
"**Money Laundering Directive**"	2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing
"**Moody's**"	has the meaning given in the section of this Prospectus entitled "*The Loan Market Structure*"
"**Net Asset Value**" or "**NAV**"	gross assets less liabilities (including accrued but unpaid fees) determined in accordance with the section entitled "Net Asset Value" in Part I of this Prospectus
"**NAV Calculation Date**"	the relevant date for the calculation of NAV
"**Net Asset Value per Share**" or "**NAV per Share**"	the Net Asset Value divided by the number of Shares in issue at the relevant time
"**Net Placing Proceeds**"	the Gross Placing Proceeds less any amounts retained for working capital purposes
"**NMPI**"	has the meaning given in Part VI
"**Non-Qualified Holder**"	any person whose ownership of Shares (i) may result in the U.S. Plan Threshold being exceeded causing the Company's assets to be deemed "plan assets" for the purpose of ERISA or the U.S. Tax Code; (ii) may cause the Company to be required to register as an "investment company" under the U.S. Investment Company Act (including because the holder of the shares is not a "qualified purchaser" as defined in the U.S. Investment Company Act) or to lose an exemption or a status thereunder to which it might be entitled; (iii) may cause the Company to have to register under the U.S. Exchange Act or any similar legislation; (iv) may cause the Company not to be considered a "Foreign Private Issuer" as such term is defined in rule 3b-4(c) under the U.S. Exchange Act; (v) may result in a person holding shares in violation of the transfer restrictions put forth in any prospectus published by the Company,

	from time to time; and (vi) may cause the Company to be a "controlled foreign corporation" for the purposes of the U.S. Tax Code
"**North America**"	means Canada and the United States of America
"**NPA**"	a Note Purchasing Agreement entered into between the Company and the Originator on 1 July 2014
"**N+1 Singer**"	Nplus1 Singer Advisory LLP, the Company's Joint Financial Adviser and Placing Agent
"**Official List**"	the list maintained by the UK Listing Authority pursuant to Part VI of FSMA
"Other Accounts"	has the meaning given to it in the section entitled "Risk Factors" in this Prospectus
"**Originator**"	Blackstone / GSO Corporate Funding Limited, a company incorporated in Ireland on 16 April 2014 under the Companies Acts 1963 to 2013 with registration number 542626
"**Originator CLO**"	a CLO established by the Originator
"**Originator's Financing Agreements**"	as defined in Portfolio Service Support Agreement
"**Overseas Shareholders**"	all non-UK Shareholders and non-Restricted Shareholders
"**Placee**"	a person subscribing for Shares under the Placing
"**Placing**"	the placing of Placing Shares at the Placing Price to one or more investors
"**Placing Agreement**"	the conditional agreement dated 10 July 2014 between *inter alia* the Company, Dexion and N+1 Singer, a summary of which is set out in paragraph 5.2 of Part VIII of this Prospectus
"**Placing Letter**"	has the meaning given in paragraph 1 of Part XI of this Prospectus
"**Placing Price**"	€1.00
"**Placing Shares**"	Shares to be issued by the Company pursuant to the Placing (including, for the avoidance of doubt, Shares issued pursuant to the Over-allotment Option)
"**Portfolio Service Support Agreement**"	the agreement dated 3 June 2014 between the Originator and the Service Support Provider pursuant to which the Service Support Provider will provide certain service support and human resources to the Originator
"**Profit Participating Notes**"	profit participating notes to be issued by the Originator to the Company pursuant to the NPA
"**Prospectus**"	this prospectus
"**Prospectus Directive**"	Directive 2003/71/EC of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading
"**Prospectus Rules**"	the prospectus rules made by the UK Listing Authority under section 73A of FSMA

"**PRSI**"	Pay Related Social Insurance, as defined under Irish law
"**PSL**"	means Pershing Securities Limited
"**Qualified Institutional Buyers**"	has the meaning given in Regulation 144A of the U.S. Securities Act
"**Qualified Purchasers**"	has the meaning given in the U.S. Investment Company Act
"**Prudential Regulation Authority**" or "**PRA**"	the UK Prudential Regulation Authority and any successor regulatory authority
"**RCF provider**"	the provider of any Revolving Credit Facility to the Originator
"**Register**"	the register of Shareholders
"**Registrar**"	Capita Registrars (Jersey) Limited, or such other person or persons from time to time appointed by the Company
"**Registrar Agreement**"	the registrar agreement between the Company and the Registrar, a summary of which is set out in paragraph 5.4 of Part VIII of this Prospectus
"**Regulation S**"	Regulation S promulgated under the U.S. Securities Act
"**Relevant Member State**"	each member state of the European Economic Area which has implemented the Prospectus Directive
"**Restricted Shareholders**"	Shareholders who are resident in, or citizens of, a Restricted Territory
"**Restricted Territory**"	the United States, Canada, South Africa, or Japan and any other jurisdiction where the extension or availability of the Placing would breach any applicable law
"**Retention Requirements**"	has the meaning given to it in the section entitled Risk Factors
"**Revolving Credit Facility**"	has the meaning given in Part IX of this Prospectus
"**RIS**"	a regulatory information service, being any of the regulatory information services set out in Appendix 2 of the Listing Rules
"**RTS**"	the Regulatory Technical Standards, published by the European Commission
"**SDRT**"	UK Stamp Duty Reserve Tax
"**SEC**"	the U.S. Securities and Exchange Commission
"**SEDOL**"	the Stock Exchange Daily Official List
"**Seed CLO**"	has the meaning given in Part IV of this Prospectus
"**Senior Facility Provider**"	Bank of America, N.A., London Branch
"**Service Support Provider**"	DFME acting as Service Support Provider to the Originator pursuant to the Portfolio Service Support Agreement
"**Share**"	a redeemable ordinary share of no par value in the capital of the Company issued as a "Share" of such class (denominated in such currency) as the Directors may determine in accordance with the Articles and having such rights and being subject to such restrictions as are contained in the Articles

"**Shareholder**"	a holder of Shares
"**Shareholding**"	a holding of Shares
"**Share Trust Deed**"	the trust deed dated 3 June 2014 pursuant to which the Share Trustee holds all of its interest in the shares of the Originator's equity on a charitable trust
"**Share Trustee**"	Intertrust Nominees (Ireland) Limited
"**Specialist Fund Market**"	the specialist fund market of the London Stock Exchange
"**State Street Ireland**"	means State Street Fund Services (Ireland) Limited
"**S&P**"	has the meaning given in the section of this Prospectus entitled "*The Loan Market Structure*"
"**Target Dividend**"	has the meaning given in Part I of this Prospectus
"**Target Total Return**"	has the meaning given in Part I of this Prospectus
"**Takeover Code**"	the City Code on Takeovers and Mergers, as amended from time to time
"**TCA**"	means the Taxes Consolidation Act 1997 of Ireland, as amended
"**UK**" or "**United Kingdom**"	the United Kingdom of Great Britain and Northern Ireland
"**UK Corporate Governance Code**"	the UK Corporate Governance Code as published by the Financial Reporting Council
"**UK Listing Authority**" or "**UKLA**"	the Financial Conduct Authority as the competent authority for listing in the United Kingdom
"**uncertificated**" or "**uncertificated form**"	recorded on the register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
"**United States**" or "**U.S.**"	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
"**Upfront Fee**"	has the meaning given in Part I of this Prospectus
"**USC**"	Universal Social Charge, as defined under Irish law
"**U.S. Dollar**" or "**US$**"	the lawful currency of the United States
"**U.S. Exchange Act**"	the U.S. Securities Exchange Act of 1934, as amended
"**U.S. Investment Advisers Act**"	the U.S. Investment Advisers Act of 1940, as amended
"**U.S. Investment Company Act**"	the U.S. Investment Company Act of 1940, as amended
"**U.S. Person**"	has the meaning given in Regulation S under the U.S. Securities Act
"**U.S. Plan**"	any plan subject to Title 1 of ERISA or section 4975 of the U.S. Tax Code
"**U.S. Plan Assets Regulations**"	the regulations promulgated by the U.S. Department of Labour at 29 CFR 2510.3-101, as modified by section 3(42) of ERISA
"**U.S. Plan Investor**"	(i) an "employee benefit plan" as defined in section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the U.S. Tax Code, including an individual retirement

	account or other arrangement that is subject to Section 4975 of the U.S. Tax Code; or (iii) an entity whose underlying assets are considered to include "plan assets" by reason of investment by an "employee benefit plan" or "plan" described in the preceding clause (i) or (ii) in such entity pursuant to the U.S. Plan Assets Regulations
"**U.S. Plan Threshold**"	ownership by benefit plan investors, as defined under section 3(42) of ERISA, in the aggregate of 25 per cent. or more of the value of any class of equity in the Company (calculated by excluding the value of any equity interest held by any person (other than a benefit plan investor, as defined under section 3(42) of ERISA) that has discretionary authority or control with respect to the assets of the Company or that provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of such a person); the term shall be amended to reflect such new ownership threshold that may be established by a change in the U.S. Plan Asset Regulations or other applicable law
"**U.S. Securities Act**"	the U.S. Securities Act of 1933, as amended
"**U.S. Tax Code**"	the U.S. Internal Revenue Code of 1986, as amended
"**Valuation, Fund Accounting and Financial Reporting Agreement**"	has the meaning given to it in Part VIII of this Prospectus
"**VAT**"	value added tax or a similar consumption tax
"**Warehouse Asset**"	has the meaning given in Part IV of this Prospectus
"**Warehouse Eligibility Criteria**"	has the meaning given in Part I of this Prospectus
"**Warehouse Secured Parties**"	amongst others, Bank of America N.A., London Branch and Blackstone Singapore
"**Warehouse Security Trustee**"	Citibank N.A., London Branch
"**Western Europe**"	means Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom