UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): September 20, 2019 (September 19, 2019)

PennantPark Floating Rate Capital Ltd.
(Exact name of registrant as specified in its charter)

Maryland	**814-00891**	**27-3794690**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification Number)**

590 Madison Avenue, 15th Floor, New York, NY	**10022**
(Address of principal executive offices)	**(Zip Code)**

212-905-1000
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $0.001 per share	**PFLT**	**The Nasdaq Stock Market LLC**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into Material Definitive Agreements.

On September 19, 2019 (the "Closing Date"), PennantPark Floating Rate Capital Ltd. (the "Company") completed a $301.4 million term debt securitization transaction (the "CLO Transaction"), also known as a collateralized loan obligation transaction, which is a form of secured financing incurred by the Company. The secured notes and preferred shares issued in the CLO Transaction and the secured loan borrowed in the CLO Transaction were issued and incurred, as applicable, by the Company's consolidated subsidiaries PennantPark CLO I, Ltd., an exempted company incorporated in the Cayman Islands with limited liability (the "Issuer"), and PennantPark CLO I, LLC, a Delaware limited liability company (the "Co-Issuer" and together with the Issuer, the "Issuers") and are backed by a portfolio of collateral obligations consisting of middle market loans and participation interests in middle market loans as well as by other assets of the Issuer.

The CLO Transaction was executed by (A) the issuance of the following classes of notes pursuant to an indenture dated as of the Closing Date (the "Indenture"), by and among the Issuers and U.S. Bank National Association: (i) $78.5 million of AAA(sf)/AAAsf Class A-1 Notes, which bear interest at three-month LIBOR plus 1.80%, (ii) $15 million of AAA(sf) Class A-2 Notes, which bear interest at a fixed rate of 3.66%, (iii) $14 million of AA(sf) Class B-1 Notes, which bear interest at three-month LIBOR plus 2.90%, (iv) $16 million of AA(sf) Class B-2 Notes, which bear interest at a fixed rate of 4.266%, (v) $19 million of A(sf) Class C-1 Notes, which bear interest at three-month LIBOR plus 4.00%, (vi) $8 million of A(sf) Class C-2 Notes, which bear interest at a fixed rate of 5.379%, and $18 million of BBB-(sf) Class D Notes, which bear interest at three-month LIBOR plus 4.75% (together, the "Secured Notes") and (B) the borrowing by the Issuers of $77.5 million under AAA(sf)/AAAsf Class A-1 floating rate loans (the "Class A-1 Loans" and together with the Secured Notes, the "Debt"), which bear interest at three-month LIBOR plus 1.80%, under a credit agreement (the "Credit Agreement"), dated as of the Closing Date, by and among the Issuers, as borrowers, various financial institutions, as lenders, and U.S. Bank National Association, as collateral agent and as loan agent. The Debt is secured by the middle market loans, participation interests in middle market loans and other assets of the Issuer. The Debt is scheduled to mature on October 15, 2031. Certain of the Secured Notes were privately placed on behalf of the Issuers by GreensLedge Capital Markets LLC.

Concurrently with the issuance of the Secured Notes and the borrowing under the Class A-1 Loans, the Issuer issued 55.4 million preferred shares at a stated value of U.S.$1.00 per share (the "Preferred Shares"). The Preferred Shares were issued by the Issuer as part of its issued share capital and are not secured by the collateral securing the Debt. The Company purchased all of the Class D Notes and Preferred Shares. The Company acts as retention holder in connection with the CLO Transaction for the purposes of satisfying certain U.S. and European Union regulations requiring sponsors of securitization transactions to retain exposure to the performance of the securitized assets and as such has agreed to retain all of the Preferred Shares.

As part of the CLO Transaction, the Company entered into a master loan sale agreement with the Issuer dated as of the Closing Date, which provided for the sale and contribution of approximately $293.5 million par amount of middle market loans from the Company to the Issuer on the Closing Date and for future sales and contributions, as applicable, from the Company to the Issuer on an ongoing basis. Such loans constituted part of the initial portfolio of assets securing the Debt. The remainder of the initial portfolio assets securing the Debt consisted of approximately $279.5 million par amount of middle market loans purchased by the Issuer from PennantPark Floating Rate Funding I, LLC, a wholly-owned subsidiary of the Company, under a master participation agreement executed on the Closing Date between the Issuer and PennantPark Floating Rate Funding I, LLC. The Company and PennantPark Floating Rate Funding I, LLC each made customary representations, warranties, and covenants to the Issuer under the applicable agreement.

Through October 15, 2023, a portion of the proceeds received by the Issuer from the loans securing the Debt may be used by the Issuer to purchase additional middle market loans under the direction of PennantPark Investment Advisers LLC ("PennantPark"), the Company's investment adviser, in its capacity as collateral manager for the Issuer and in accordance with the requirements of the Issuer's indenture and collateral management agreement with PennantPark and the Company's investing strategy and ability to originate eligible middle market loans.

The Debt is the secured obligation of the Issuers, and the Indenture and the Credit Agreement include customary covenants and events of default. The Secured Notes and the Preferred Shares have not been registered under the Securities Act of 1933, as amended, or any state securities (*e.g.*, "blue sky") laws, and may not be offered or sold in the United States absent registration with the Securities and Exchange Commission or pursuant to an applicable exemption from such registration. PennantPark will serve as collateral manager for the Issuer under a collateral management agreement dated as of the Closing Date. PennantPark is entitled to receive fees for providing these services. PennantPark has irrevocably waived its right to receive such fees for so long as it serves as collateral manager for the Issuer.

The proceeds of the issuance and incurrence of the Debt, net of certain fees, will be used to repay a portion of the Company's $520 million secured credit facility.

The above descriptions of the documentation related to the CLO Transaction and other arrangements entered into on or prior to the Closing Date contained in this Current Report on Form 8-K do not purport to be complete and are qualified in their entirety by reference to the underlying agreements attached hereto as Exhibits 99.2, 99.3, 99.4, 99.5 and 99.6.

Item 2.03 Creation of a Direct Financial Obligation.

The information set forth under Item 1.01 above is incorporated by reference into this Item 2.03.

Item 7.01 Regulation FD Disclosure.

On September 19, 2019, the Registrant issued a press release, included herewith as Exhibit 99.1, and by this reference incorporated herein.

The information disclosed under this Item 7.01, including Exhibit 99.1 hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(a) Financial statements:

None

(b) Pro forma financial information:

None

(c) Shell company transactions:

None

(d) Exhibits:

99.1	Press Release of PennantPark Floating Rate Capital Ltd. dated September 19, 2019.
99.2	Indenture, dated as of September 19, 2019, by and among PennantPark CLO I, Ltd., as issuer, PennantPark CLO I, LLC, as co-issuer, and U.S. Bank National Association, as trustee and as collateral agent.
99.3	Credit Agreement, dated as of September 19, 2019, by and among PennantPark CLO I, Ltd., as borrower, PennantPark CLO I, LLC, as co-borrower, the various financial institutions party thereto from time to time, as lenders, and U.S. Bank National Association, as collateral agent and as loan agent.
99.4	Collateral Management Agreement, dated as of September 19, 2019, between PennantPark CLO I, Ltd., as issuer, and PennantPark Investment Advisers, LLC, as collateral manager.
99.5	Master Loan Sale Agreement, dated as of September 19, 2019, among PennantPark Floating Rate Capital Ltd., as seller, PennantPark CLO I Depositor, LLC, as intermediate seller, and PennantPark CLO I, Ltd., as buyer.
99.6	Master Participation Agreement, dated as of September 19, 2019, between PennantPark Floating Rate Funding I, LLC, as seller and PennantPark CLO I, Ltd., as buyer.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: September 20, 2019

PENNANTPARK FLOATING RATE CAPITAL LTD.

By: /s/ Aviv Efrat
Aviv Efrat
Chief Financial Officer & Treasurer

PennantPark
Floating Rate Capital Ltd.

PennantPark Floating Rate Capital Ltd. Completes $301.4 Million Debut CLO

NEW YORK, NY — (GLOBE NEWSWIRE — September 19, 2019) — PennantPark Floating Rate Capital Ltd. (the "Company") (NASDAQ: PFLT) (TASE: PFLT) today announced that it completed a $301.4 million term debt securitization transaction (the "CLO Transaction"). The debt securitization is backed by a diversified portfolio of middle market loans, and consists of the following classes of notes (collectively, the "Secured Notes") and preferred shares (the "Preferred Shares") pursuant to an indenture dated as of September 19, 2019 (the "Closing Date"):

Class	Par Amount ($ in millions)	% of Capital Structure	Coupon	Expected Rating (S&P / Fitch)	Issuance Price
A-1 Note	$ 78.5	26.0%	3 Mo LIBOR + 1.800%	AAA / AAA	100.00%
A-1 Loan	$ 77.5	25.7%	3 Mo. LIBOR + 1.800%	AAA / AAA	100.00%
A-2 Fixed	$ 15.0	5.0%	3.660%	AAA / NR	100.00%
B-1 Float	$ 14.0	4.6%	3 Mo LIBOR + 2.900%	AA / NR	100.00%
B-2 Fixed	$ 16.0	5.3%	4.266%	AA / NR	100.00%
C-1 Float	$ 19.0	6.3%	3 Mo LIBOR + 4.000%	A / NR	100.00%
C-2 Fixed	$ 8.0	2.7%	5.379%	A / NR	100.00%
D	$ 18.0	6.0%	3 Mo LIBOR + 4.750%	BBB- / NR	96.79%
Preferred Shares	$ 55.4	18.4%		NR	N/A
Totals	$ 301.4	100.0%			

The Company has retained all of the Class D Notes and Preferred Shares through a consolidated subsidiary. The reinvestment period for the term debt securitization ends on October 15, 2023 and the Secured Notes are scheduled to mature on October 15, 2031. The proceeds from the Secured Notes will be used to repay a portion of the Company's $520 million secured credit facility. In addition, the Company acts as retention holder in connection with the CLO Transaction for the purposes of satisfying certain U.S. and European Union regulations requiring sponsors of securitization transactions to retain exposure to the performance of the securitized assets and as such has agreed to retain all of the Preferred Shares. GreensLedge Capital Markets LLC acted as lead placement agent on the CLO Transaction.

"I am extremely pleased with the pricing and structure of PennantPark's inaugural collateralized loan obligation, which speaks volumes about our track record and the strength of our investment platform," said Art Penn, Chief Executive Officer. "The maturity, reinvestment period and pricing of this financing are attractive and well matched to our asset base. This CLO also creates even more funding diversity and assists us with achieving leverage targets over time."

The Secured Notes are the secured obligation of the Issuers, and the Indenture and the Credit Agreement include customary covenants and events of default. The Secured Notes and the Preferred Shares offered as part of the term debt securitization have not been and will not be registered under the Securities Act of 1933, as amended, or the Securities Act, or any state "blue sky" laws, and may not be offered or sold in the United States absent registration under Section 5 of the Securities Act or an applicable exemption from such registration requirements. Collateralized loan obligations are a form of secured financing incurred by the Company, which are consolidated by the Company and subject to the Company's overall asset coverage requirements.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the notes in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

ABOUT PENNANTPARK FLOATING RATE CAPITAL LTD.

PennantPark Floating Rate Capital Ltd. is a business development company which primarily invests in U.S. middle-market companies in the form of floating rate senior secured loans, including first lien secured debt, second lien secured debt and subordinated debt. From time to time, the Company may also invest in equity investments. PennantPark Floating Rate Capital Ltd. is managed by PennantPark Investment Advisers, LLC.

ABOUT PENNANTPARK INVESTMENT ADVISERS, LLC

PennantPark Investment Advisers, LLC is a leading middle market credit platform, which today has more than $3.2 billion of assets under management. Since its inception in 2007, PennantPark Investment Advisers, LLC has provided investors access to middle market credit by offering private equity firms and their portfolio companies as well as other middle-market borrowers a comprehensive range of creative and flexible financing solutions. PennantPark Investment Advisers, LLC is headquartered in New York and has offices in Chicago, Houston and Los Angeles.

FORWARD-LOOKING STATEMENTS

This press release may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. You should understand that under Section 27A(b)(2)(B) of the Securities Act and Section 21E(b)(2)(B) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 do not apply to forward-looking statements made in periodic reports we file under the Exchange Act. All statements other than statements of historical facts included in this press release are forward-looking statements and are not guarantees of future performance or results, and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in filings with the Securities and Exchange Commission. The Company undertakes no duty to update any forward-looking statement made herein. You should not place undue influence on such forward-looking statements as such statements speak only as of the date on which they are made.

PennantPark Floating Rate Capital Ltd. may use words such as “anticipates,” “believes,” “expects,” “intends,” “seeks,” “plans,” “estimates” and similar expressions to identify forward-looking statements. Such statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties that could cause actual results to differ materially from its historical experience and present expectations.

CONTACT:
Aviv Efrat
PennantPark Floating Rate Capital Ltd.
(212) 905-1000
www.pennantpark.com

Exhibit 99.2

EXECUTION VERSION

INDENTURE

by and among

PENNANTPARK CLO I, LTD.,
Issuer

PENNANTPARK CLO I, LLC,
Co-Issuer

U.S. BANK NATIONAL ASSOCIATION,
Trustee

and

U.S. BANK NATIONAL ASSOCIATION,
Collateral Agent

Dated as of September 19, 2019

TABLE OF CONTENTS

		Page
	ARTICLE I	
	DEFINITIONS	
Section 1.1	Definitions	2
Section 1.2	Usage of Terms	73
Section 1.3	Assumptions as to Assets	74
	ARTICLE II	
	THE NOTES	
Section 2.1	Forms Generally	76
Section 2.2	Forms of Notes	77
Section 2.3	Authorized Amount; Stated Maturity; Denominations	79
Section 2.4	Execution, Authentication, Delivery and Dating	81
Section 2.5	Registration, Registration of Transfer and Exchange	81
Section 2.6	Mutilated, Defaced, Destroyed, Lost or Stolen Note	92
Section 2.7	Payment of Principal and Interest and Other Amounts; Principal and Interest Rights Preserved	93
Section 2.8	Persons Deemed Owners	96
Section 2.9	Cancellation	97
Section 2.10	DTC Ceases to be Depository	97
Section 2.11	Non-Permitted Holders	98
Section 2.12	[Reserved]	99
Section 2.13	Additional Issuance	100
	ARTICLE III	
	CONDITIONS PRECEDENT	
Section 3.1	Conditions to Issuance of Notes on Closing Date	101
Section 3.2	Conditions to Additional Issuance	105
Section 3.3	Custodianship; Delivery of Collateral Obligations and Eligible Investments	106
	ARTICLE IV	
	SATISFACTION AND DISCHARGE	
Section 4.1	Satisfaction and Discharge of Indenture	107

Section 4.2 Application of Trust Money 109
Section 4.3 Repayment of Monies Held by Paying Agent 109
Section 4.4 Limitation on Obligation to Incur Administrative Expenses 109

ARTICLE V

EVENTS OF DEFAULT; REMEDIES

Section 5.1 Events of Default 109
Section 5.2 Acceleration of Maturity; Rescission and Annulment 111
Section 5.3 Collection of Indebtedness and Suits for Enforcement by Collateral Agent 113
Section 5.4 Remedies 115
Section 5.5 Optional Preservation of Assets 116
Section 5.6 Trustee and Collateral Agent May Enforce Claims Without Possession of Notes 118
Section 5.7 Application of Money Collected 118
Section 5.8 Limitation on Suits 118
Section 5.9 Unconditional Rights of Holders of Secured Debt to Receive Principal and Interest 119
Section 5.10 Restoration of Rights and Remedies 119
Section 5.11 Rights and Remedies Cumulative 120
Section 5.12 Delay or Omission Not Waiver 120
Section 5.13 Control by Majority of Controlling Class 120
Section 5.14 Waiver of Past Defaults 120
Section 5.15 Undertaking for Costs 121
Section 5.16 Waiver of Stay or Extension Laws 121
Section 5.17 Sale of Assets 121
Section 5.18 Action on the Notes 122

ARTICLE VI

THE TRUSTEE AND THE COLLATERAL AGENT

Section 6.1 Certain Duties and Responsibilities 123
Section 6.2 Notice of Event of Default 124
Section 6.3 Certain Rights of Trustee 125
Section 6.4 Not Responsible for Recitals or Issuance of Secured Debt 128
Section 6.5 May Hold Notes 128
Section 6.6 Money Held in Trust 129
Section 6.7 Compensation and Reimbursement 129
Section 6.8 Corporate Trustee Required; Eligibility 130
Section 6.9 Resignation and Removal; Appointment of Successor 130
Section 6.10 Acceptance of Appointment by Successor 132
Section 6.11 Merger, Conversion, Consolidation or Succession to Business of Trustee 132
Section 6.12 Co-Trustees 133

Section 6.13	Certain Duties of Trustee Related to Delayed Payment of Proceeds and the Assets	134
Section 6.14	Authenticating Agents	135
Section 6.15	Withholding	135
Section 6.16	Representative for Noteholders Only; Agent for each other Secured Party	136
Section 6.17	Representations and Warranties of the Bank	136
Section 6.18	Certain Duties and Responsibilities of Collateral Agent	137
Section 6.19	Notice of Event of Default by the Collateral Agent	139
Section 6.20	Certain Rights of Collateral Agent	139
Section 6.21	Collateral Agent Not Responsible for Recitals or Issuance of Secured Debt	144
Section 6.22	Collateral Agent May Hold Secured Debt	144
Section 6.23	Money Held in Trust by the Collateral Agent	144
Section 6.24	Compensation and Reimbursement of the Collateral Agent	144
Section 6.25	Corporate Collateral Agent Required; Eligibility	146
Section 6.26	Resignation and Removal of the Collateral Agent; Appointment of Successor Collateral Agent	146
Section 6.27	Acceptance of Appointment by Successor Collateral Agent	148
Section 6.28	Merger, Conversion, Consolidation or Succession to Business of Collateral Agent	148
Section 6.29	Certain Duties of Collateral Agent Related to Delayed Payment of Proceeds	148
Section 6.30	Withholding	149
Section 6.31	Collateral Agent as Representative for Secured Holders Only; Collateral Agent as Agent for each other Secured Party	149
Section 6.32	Communication with the Rating Agency	149

ARTICLE VII

COVENANTS

Section 7.1	Payment of Principal and Interest	150
Section 7.2	Maintenance of Office or Agency	150
Section 7.3	Money for Note Payments to be Held in Trust	150
Section 7.4	Existence of Co-Issuers	152
Section 7.5	Protection of Assets	153
Section 7.6	Opinions as to Assets	154
Section 7.7	Performance of Obligations	155
Section 7.8	Negative Covenants	155
Section 7.9	Statement as to Compliance	157
Section 7.10	The Co-Issuers May Consolidate, etc.	157
Section 7.11	Successor Substituted	159
Section 7.12	No Other Business	159
Section 7.13	[Reserved]	159
Section 7.14	Annual Rating Review	159

Section 7.15	Reporting	160
Section 7.16	Calculation Agent	160
Section 7.17	Certain Tax Matters	161
Section 7.18	Effective Date; Purchase of Additional Collateral Obligations	162
Section 7.19	Representations Relating to Security Interests in the Assets	165
Section 7.20	Limitation on Certain Maturity Amendments	168
Section 7.21	[Reserved]	168
Section 7.22	Mandatory Sales of Assets under the Volcker Rule	168

ARTICLE VIII

SUPPLEMENTAL INDENTURES

Section 8.1	Supplemental Indentures Without Consent of Holders of Secured Debt or Preferred Shares	168
Section 8.2	Supplemental Indentures With Consent of Holders of Secured Debt and Preferred Shares	172
Section 8.3	Execution of Supplemental Indentures	174
Section 8.4	Effect of Supplemental Indentures	176
Section 8.5	Reference in Notes to Supplemental Indentures	176
Section 8.6	Amendments to Master Loan Sale Agreement	176

ARTICLE IX

REDEMPTION OF NOTES

Section 9.1	Mandatory Redemption	176
Section 9.2	Optional Redemption	177
Section 9.3	Tax Redemption	180
Section 9.4	Redemption Procedures	180
Section 9.5	Secured Debt Payable on Redemption Date	182
Section 9.6	Special Redemption	183
Section 9.7	Optional Re-Pricing	184
Section 9.8	Clean-Up Call Redemption	186

ARTICLE X

ACCOUNTS, ACCOUNTINGS AND RELEASES

Section 10.1	Collection of Money	188
Section 10.2	Collection Account	188
Section 10.3	Transaction Accounts	190
Section 10.4	The Revolver Funding Account	192
Section 10.5	Contributions	193
Section 10.6	Reinvestment of Funds in Accounts; Reports by Collateral Agent	194
Section 10.7	Accountings	195

Section 10.8	Release of Assets	203
Section 10.9	Reports by Independent Accountants	204
Section 10.10	Reports to Rating Agencies and Additional Recipients	205
Section 10.11	Procedures Relating to the Establishment of Accounts Controlled by the Trustee	206
Section 10.12	Section 3(c)(7) Procedures	206

ARTICLE XI

APPLICATION OF MONIES

Section 11.1	Disbursements of Monies from Payment Account	209

ARTICLE XII

SALE OF COLLATERAL OBLIGATIONS;
PURCHASE OF ADDITIONAL COLLATERAL OBLIGATIONS

Section 12.1	Sales of Collateral Obligations	216
Section 12.2	Purchase of Additional Collateral Obligations	219
Section 12.3	Optional Repurchase or Substitution of Collateral Obligations	221
Section 12.4	Conditions Applicable to All Sale and Purchase Transactions	224

ARTICLE XIII

NOTEHOLDERS' RELATIONS

Section 13.1	Subordination	227
Section 13.2	Standard of Conduct	228

ARTICLE XIV

MISCELLANEOUS

Section 14.1	Form of Documents Delivered to Trustee and the Collateral Agent	228
Section 14.2	Acts of Holders	230
Section 14.3	Notices, etc.	231
Section 14.4	Notices to Holders; Waiver	233
Section 14.5	Effect of Headings and Table of Contents	234
Section 14.6	Successors and Assigns	234
Section 14.7	Severability	234
Section 14.8	Benefits of Indenture	235
Section 14.9	Reserved	235
Section 14.10	Governing Law	235
Section 14.11	Submission to Jurisdiction	235
Section 14.12	WAIVER OF JURY TRIAL	235

Section 14.13 Counterparts 235
Section 14.14 Acts of Issuer 236
Section 14.15 Confidential Information 236
Section 14.16 Liability 237
Section 14.17 17g-5 Information 238
Section 14.18 Escheat 239

ARTICLE XV

ASSIGNMENT OF CERTAIN AGREEMENTS

Section 15.1 Assignment of Collateral Management Agreement 240

EXHIBITS AND SCHEDULES

Exhibit A	Forms of Notes
A-1	Form of Global Note
A-2	Form of Certificated Note
Exhibit B	Forms of Transfer and Exchange Certificates
B-1	Form of Transferor Certificate for Transfer of Rule 144A Global Note or Certificated Note to Regulation S Global Note
B-2	Form of Purchaser Representation Letter for Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Certificated Notes
B-3	Form of Transferor Certificate for Transfer of Regulation S Global Note or Certificated Note to Rule 144A Global Note
B-4	Form of Transferee Certificate for Rule 144A Global Note
B-5	Form of Transferee Certificate for Regulation S Global Note
Exhibit C	Form of Securities Account Control Agreement
Exhibit D	Form of Beneficial Ownership Certificate
Exhibit E	Form of Weighted Average S&P Recovery Rate Notice
Exhibit F	Form of Notice of Substitution or Repurchase
Schedule 1	Schedule of Collateral Obligations
Schedule 2	[Reserved]
Schedule 3	S&P Industry Classifications
Schedule 4	Moody’s Rating Definitions
Schedule 5	S&P Recovery Rate Tables
Schedule 6	Fitch Rating Definitions
Schedule 7	S&P CDO Monitor Formula Definitions

INDENTURE, dated as of September 19, 2019, among PennantPark CLO I, Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands (the "Issuer"), PennantPark CLO I, LLC, a limited liability company organized under the laws of the State of Delaware (the "Co-Issuer" and, together with the Issuer, the "Co-Issuers"), and U.S. Bank National Association, a national banking association, in its capacity as trustee (herein, together with its permitted successors and assigns in the trusts hereunder, the "Trustee") and as collateral agent (herein, together with its permitted successors and assigns, the "Collateral Agent").

PRELIMINARY STATEMENT

The Co-Issuers are duly authorized to execute and deliver this Indenture to provide for the Notes issuable as provided herein and to incur the Class A-1 Loans pursuant to the Credit Agreement, dated as of the Closing Date, among the Issuer, as borrower, the Co-Issuer, as co-borrower, the Collateral Agent, the Loan Agent and the lenders party thereto from time to time (the "Credit Agreement"). Except as otherwise provided herein, all covenants and agreements made by the Co-Issuers herein are for the benefit and security of the Secured Parties. The Co-Issuers are entering into this Indenture, and the Trustee is accepting the trusts created hereby, and the Collateral Agent is accepting the agreements established hereby, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

All things necessary to make this Indenture a valid agreement of the Co-Issuers in accordance with the agreement's terms have been done.

GRANTING CLAUSES

The Issuer hereby Grants to the Collateral Agent, for the benefit and security of the Holders of the Secured Debt, the Trustee, the Collateral Manager, the Collateral Agent, the Loan Agent, the Transferor, the Collateral Administrator, the Fiscal Agent, the Custodian, the Document Custodian and the Administrator (collectively, the "Secured Parties"), all of its right, title and interest in, to and under, in each case, whether now owned or existing, or hereafter acquired or arising, (a) the Collateral Obligations (listed, as of the Closing Date, in Schedule 1 to this Indenture) and all payments thereon or with respect thereto, (b) each of the Accounts, and any Eligible Investments on deposit in any of the Accounts, and all income from the investment of funds therein, (c) the Collateral Management Agreement as set forth in Article XV hereof, the Fiscal Agency Agreement, the Securities Account Control Agreement, the Collateral Administration Agreement, the Master Loan Sale Agreement, the Master Participation Agreement, the Credit Agreement and the Administration Agreement, (d) all Cash or Money owned by the Issuer, (e) any Equity Securities received by the Issuer, it being understood that Equity Securities may not be purchased by the Issuer but it is possible that the Issuer may receive an Equity Security in connection with an insolvency, bankruptcy, reorganization, debt restructuring or workout in such case that would be considered "received in lieu of debts previously contracted with respect to the Collateral Obligation" under the Volcker Rule, (f) all accounts, chattel paper, deposit accounts, financial assets, general intangibles, instruments, investment property, letter-of-credit rights, documents, goods and other supporting obligations relating to the foregoing (other than the Preferred Shares Payment Account) (in each case as defined in the UCC), (g) the Issuer's ownership interest in any Equity Holder Subsidiary, (h) any other property of the Issuer and (i) all

proceeds with respect to the foregoing; provided that, such Grants shall not include (i) the U.S.$250 transaction fee paid to the Issuer in consideration of the issuance of the Notes and the Preferred Shares, (ii) the proceeds of the issue and allotment of the Issuer's ordinary shares, (iii) the membership interests of the Co-Issuer, (iv) the Preferred Shares Payment Account and any funds deposited in or credited to such account, (v) the bank account in the Cayman Islands in which the funds referred to in items of (i) and (ii) above are deposited (or any interest thereon) or (vi) any Margin Stock held by the Issuer (collectively, the "Excepted Property") (the assets referred to in (a) through (i), excluding the Excepted Property, are collectively referred to as the "Assets").

The above Grant is made in trust to secure the Secured Debt and certain other amounts payable by the Issuer as described herein. Except as set forth in the Priority of Payments and Article XIII of this Indenture, the Secured Debt is secured by the Grant equally and ratably without prejudice, priority or distinction between any Note or Class A-1 Loan on one hand and any other Note or Class A-1 Loan on the other by reason of difference in time of issuance or otherwise. The Grant is made to secure, in accordance with the priorities set forth in the Priority of Payments and Article XIII of this Indenture, (i) the payment of all amounts due on the Secured Debt in accordance with their respective terms, (ii) the payment of all other sums (other than in respect of the Preferred Shares) payable under this Indenture, (iii) the payment of amounts owing by the Issuer under the Collateral Management Agreement, the Collateral Administration Agreement, the Securities Account Control Agreement, the Master Loan Sale Agreement, the Credit Agreement and the Administration Agreement and (iv) compliance with the provisions of this Indenture, all as provided herein. The foregoing Grant shall, for the purpose of determining the property subject to the lien of this Indenture, be deemed to include any securities and any investments granted to the Collateral Agent by or on behalf of the Issuer, whether or not such securities or investments satisfy the criteria set forth in the definitions of "Collateral Obligation" or "Eligible Investments," as the case may be.

The Collateral Agent acknowledges such Grant, accepts the trusts hereunder in accordance with the provisions hereof, and agrees to perform the duties herein in accordance with the terms hereof.

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. Except as otherwise specified herein or as the context may otherwise require, the following terms have the respective meanings set forth below for all purposes of this Indenture, and the definitions of such terms are equally applicable both to the singular and plural forms of such terms and to the masculine, feminine and neuter genders of such terms. The word "including" shall mean "including without limitation". All references herein to designated "Articles," "Sections," "subsections" and other subdivisions are to the designated articles, sections, sub-sections and other subdivisions of this Indenture. The words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular article, section, subsection or other subdivision.

"17g-5 Information": The meaning specified in Section 14.17(a).

"17g-5 Website": A password-protected website which shall initially be located at https://17g5.com. Any change of the 17g-5 Website shall only occur after notice has been delivered by the Issuer to the Information Agent, the Trustee, the Collateral Agent, the Loan Agent, the Collateral Administrator, the Collateral Manager, the Placement Agent, and the Rating Agencies setting the date of change and new location of the 17g-5 Website.

"1940 Act": The United States Investment Company Act of 1940, as amended from

time to time.

"25% Limitation": The meaning specified in the Fiscal Agency Agreement.

"Accountants' Certificate": The meaning set forth in Section 7.18(d).

"Accounts": (i) The Payment Account, (ii) the Collection Account, (iii) the Ramp-Up Account, (iv) the Revolver Funding Account, (v) the Expense Reserve Account, (vi) the Interest Reserve Account, (vii) the Contribution Account and (viii) the Custodial Account.

"Act" and "Act of Holders": The meanings specified in Section 14.2(a).

"Adjusted Collateral Principal Amount": As of any date of determination, (a) the Aggregate Principal Balance of the Collateral Obligations (other than Defaulted Obligations, Long-Dated Obligations and Discount Obligations), *plus* (b) without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds, *plus* (c) the aggregate of the Defaulted Obligation Balances for each Defaulted Obligation, *plus* (d) the Aggregate Principal Balance of Long-Dated Obligations *multiplied by* 70%; *plus* (e) the aggregate of the purchase prices for each Discount Obligation, excluding accrued interest, expressed as a percentage of par and *multiplied by* the Principal Balance thereof, for such Discount Obligation, *minus* (f) the Excess CCC Adjustment Amount; provided that, with respect to any Collateral Obligation that satisfies more than one of the definitions of Defaulted Obligation, Long-Dated Obligation and Discount Obligation, or any asset that falls into the Excess CCC Adjustment Amount, such Collateral Obligation shall, for the purposes of this definition, be treated as belonging to the category of Collateral Obligations to which it otherwise belongs and which results in the lowest Adjusted Collateral Principal Amount on any date of determination.

"Administration Agreement": An agreement between the Administrator (as administrator and as share owner) and the Issuer relating to the various corporate management functions the Administrator will perform on behalf of the Issuer, including communications with shareholders and the general public, and the provision of certain clerical, administrative and other corporate services in the Cayman Islands, as such agreement may be amended, supplemented or varied from time to time.

"Administrative Expense Cap": An amount equal on any Payment Date (when taken together with any Administrative Expenses paid during the period since the preceding Payment Date or in the case of the first Payment Date, the period since the Closing Date) to the sum of (a) 0.03% *per annum* (prorated for the related Interest Accrual Period on the basis of a 360-day year and the actual number of days elapsed) of the Fee Basis Amount on the related Determination Date and (b) U.S.$250,000 *per annum* (prorated for the related Interest Accrual

Period on the basis of a 360-day year consisting of twelve 30-day months); provided that (1) in respect of any Payment Date after the third Payment Date following the Closing Date, if the aggregate amount of Administrative Expenses paid pursuant to Section 11.1(a)(i)(A), Section 11.1(a)(ii)(A) and Section 11.1(a)(iii)(A) (including any excess applied in accordance with this proviso) on the three immediately preceding Payment Dates and during the related Collection Periods is less than the stated Administrative Expense Cap (without regard to any excess applied in accordance with this proviso) in the aggregate for such three preceding Payment Dates, then the excess may be applied to the Administrative Expense Cap with respect to the then-current Payment Date; and (2) in respect of the third Payment Date following the Closing Date, such excess amount shall be calculated based on the Payment Dates preceding such Payment Date.

"Administrative Expenses": The fees, expenses (including reasonable and documented costs and expenses indemnities) and other amounts due or accrued with respect to any Payment Date (including, with respect to any Payment Date, any such amounts that were due and not paid on any prior Payment Date in accordance with the Priority of Payments) and payable in the following order by the Issuer: *first*, to the Trustee, the Loan Agent and the Collateral Agent for their respective fees and expenses in each of their capacities hereto and pursuant to Section 6.7 and the other provisions of this Indenture and the other Transaction Documents (including the Credit Agreement), *second*, to the Collateral Administrator pursuant to the Collateral Administration Agreement and to the Bank in any of its other capacities, *third*, on a *pro rata* basis, the following amounts (excluding indemnities) to the following parties: (i) the Independent Review Party, Independent accountants, agents (other than the Collateral Manager) and counsel of the Issuer and any Equity Holder Subsidiary for fees and expenses; (ii) the Rating Agencies for fees and expenses (including any annual fee, amendment fees and surveillance fees) in connection with any rating of the Secured Debt or in connection with the rating of (or provision of credit estimates in respect of) any Collateral Obligations; (iii) the Collateral Manager under this Indenture and the Collateral Management Agreement, including without limitation reasonable expenses of the Collateral Manager (including fees for its accountants, agents and counsel) incurred in connection with the purchase or sale of any Collateral Obligations, any other expenses incurred in connection with the Collateral Obligations and any other amounts payable pursuant to the Collateral Management Agreement but excluding the Aggregate Collateral Management Fee; (iv) the Administrator pursuant to the Administration Agreement; (v) the independent manager of the Co-Issuer for fees and expenses; (vi) the independent special member or agent of any Equity Holder Subsidiary for any fees or expenses due under the management agreement between such Equity Holder Subsidiary and independent special member or agent; (vii) any other Person in connection with satisfying the requirements of the EU Securitization Laws; and (viii) any other Person in respect of any other fees or expenses permitted under this Indenture, the Credit Agreement, the Secured Debt and the documents delivered pursuant to or in connection with this Indenture (including without limitation the payment of all legal and other fees and expenses incurred in connection with the purchase or sale of any Collateral Obligations and any other expenses incurred in connection with the Collateral Obligations) and the Secured Debt, including but not limited to, any amounts due in respect of the listing of the Notes on any securities exchange or trading system, any Re-Pricing, redemption, Refinancing or additional issuance of Secured Debt, and *fourth*, on a *pro rata* basis, indemnities payable to any Person pursuant to any Transaction Document; provided that (x) amounts due in respect of actions taken on or before the Closing Date shall not be payable as Administrative Expenses but shall be payable only from the

Expense Reserve Account pursuant to Section 10.3(d) and (y) for the avoidance of doubt, amounts that are expressly payable to any Person under the Priority of Payments in respect of an amount that is stated to be payable as an amount other than as Administrative Expenses (including, without limitation, interest and principal in respect of the Secured Debt) shall not constitute Administrative Expenses.

"Administrator": Crestbridge Cayman Limited, or its successor under the Administration Agreement.

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

"Affected Class": Any Class of Secured Debt that, as a result of the occurrence of a Tax Event, has not received 100% of the aggregate amount of principal and interest that would otherwise be due and payable to such Class on any Payment Date.

" Affiliate": With respect to a Person, (i) any other Person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such Person or (ii) any other Person who is a director, Officer, employee or general partner (a) of such Person, (b) of any subsidiary or parent company of such Person or (c) of any Person described in clause (i) above; provided that neither the Administrator nor any special purpose entity for which it acts as share trustee or administrator will be deemed to be an Affiliate of the Issuer or the Co-Issuer solely because the Administrator or any of its Affiliates serves as administrator or share trustee for the Issuer or the Co-Issuer. For the purposes of this definition, "control" of a Person shall mean the power, direct or indirect, (x) to vote more than 50% of the securities having ordinary voting power for the election of directors of such Persons or (y) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"Affiliate Originated Collateral Obligation": Any Collateral Obligation with respect to which the Depositor, either itself or through related entities (including without limitation the Transferor and the Issuer), directly or indirectly, was involved in the original agreement which created such Collateral Obligation.

"Agent Members": Members of, or participants in, DTC, Euroclear or Clearstream.

"Aggregate Collateral Management Fee": All accrued and unpaid Collateral Management Fees, Current Deferred Management Fees and Cumulative Deferred Management Fees, excluding any Waived Collateral Management Fee.

"Aggregate Coupon": As of any Measurement Date, the sum of the products obtained by multiplying, in the case of each Fixed Rate Obligation (including, for any Permitted Deferrable Obligation, only the required current cash interest required by the Underlying Documents thereon and excluding the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation), (i) the stated coupon payable in cash on such Collateral Obligation expressed as a percentage and (ii) the Principal Balance of such Collateral Obligation.

"Aggregate Funded Spread": As of any Measurement Date, the sum of:

(a) in the case of each Floating Rate Obligation (other than a Defaulted Obligation) that bears interest at a spread over a Libor-based index (including, for any Permitted Deferrable Obligation, only the excess of the required current cash pay interest required by the Underlying Documents thereon over the applicable index and excluding the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation), (i) the stated interest rate spread payable in Cash on such Collateral Obligation above such index *multiplied by* (ii) the outstanding Principal Balance of such Collateral Obligation; provided that, with respect to any Libor Floor Obligation, the stated interest rate spread payable in Cash on such Collateral Obligation over the applicable index shall be deemed to be equal to the sum of (x) the stated interest rate spread payable in Cash over the applicable index and (y) the excess, if any, of the specified "floor" rate relating to such Collateral Obligation over the applicable index; and

(b) in the case of each Floating Rate Obligation (other than a Defaulted Obligation) that bears interest at a spread over an index other than a Libor-based index (including, for any Permitted Deferrable Obligation, only the required current cash pay interest required by the Underlying Documents thereon and excluding the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation), (i) the excess of the sum of such spread and such index payable in Cash over LIBOR as of the immediately preceding Interest Determination Date (which spread or excess may be expressed as a negative percentage) *multiplied by* (ii) the outstanding Principal Balance of each such Collateral Obligation;

provided that, for purposes of this definition, the interest over the applicable index in respect of a floating rate Step-Down Obligation shall be deemed to be the lowest possible interest spread over such index under the Underlying Documents relating to such Step-Down Obligation.

"Aggregate Outstanding Amount": (i) With respect to any of the Secured Debt as of any date, the aggregate unpaid principal amount of such Secured Debt Outstanding on such date and (ii) with respect to the Preferred Shares, the notional amount represented by such Outstanding Preferred Shares, assuming a notional amount of U.S.$1.00 per share.

"Aggregate Principal Balance": When used with respect to all or a portion of the Collateral Obligations or the Assets, the sum of the Principal Balances of all or of such portion of the Collateral Obligations or Assets, respectively.

"Aggregate Unfunded Spread": As of any Measurement Date, the sum of the products obtained by *multiplying* (i) for each Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation (other than Defaulted Obligations), the related commitment fee rate then in effect as of such date and (ii) the undrawn commitments of each such Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation as of such date.

"Alternative Rate": The meaning specified in the definition of "LIBOR".

"AML Compliance": Compliance with the Cayman AML Regulations.

" Asset-backed Commercial Paper": Commercial paper or other short-term obligations of a program that primarily issues externally rated commercial paper backed by assets or exposures held in a bankruptcy-remote, special purpose entity.

"Assets": The meaning specified in the Granting Clauses hereof.

"Assignment/Conversion": The meaning specified in Section 2.5(n)(iv).

"Assumed Reinvestment Rate": LIBOR (as determined on the most recent Interest Determination Date relating to an Interest Accrual Period beginning on a Payment Date or the Closing Date) *minus* 0.25% *per annum*; provided that, the Assumed Reinvestment Rate shall not be less than 0.00%.

"Authenticating Agent": With respect to the Notes or a Class of the Notes, the Person designated by the Trustee to authenticate such Notes on behalf of the Trustee pursuant to Section 6.14 hereof.

"Available Funds": With respect to each Payment Date and each Permitted RIC Distribution Date, the amount (if any) of distributions received by the Fiscal Agent from the Issuer or the Collateral Agent under the Priority of Payments or as a Permitted RIC Distribution, as applicable, for payments on the Preferred Shares.

"Balance": On any date, with respect to Cash or Eligible Investments in any account, the aggregate of the (i) current balance of Cash, demand deposits, time deposits, certificates of deposit and federal funds; (ii) principal amount of interest-bearing corporate and government securities, money market accounts and repurchase obligations; and (iii) purchase price (but not greater than the face amount) of non-interest-bearing government and corporate securities and commercial paper.

"Bank": U.S. Bank National Association, in its individual capacity and not as Trustee, or any successor thereto.

"Bankruptcy Code": The United States federal Bankruptcy Code, Title 11 of the United States Code, as amended from time to time, and any successor statute or any other applicable federal or state bankruptcy law or similar law, and any bankruptcy, insolvency, winding up, reorganization or similar law enacted under the laws of the Cayman Islands or any other applicable jurisdiction, including without limitation, Part V of the Companies Law (as amended) of the Cayman Islands and the Companies Winding Up Rules of the Cayman Islands, each as amended from time to time.

" Bankruptcy Exchange": The exchange of a Defaulted Obligation (without the payment of any additional funds other than reasonable and customary transfer costs) for another debt obligation issued by another Obligor which, but for the fact that such debt obligation is a Defaulted Obligation or a Credit Risk Obligation, would otherwise qualify as a Collateral Obligation and (i) in the Collateral Manager's reasonable business judgment, at the time of the exchange, such debt obligation received on exchange has a better likelihood of recovery than the Defaulted Obligation to be exchanged, (ii) as determined by the Collateral Manager, at the time of the exchange, the debt obligation received on exchange is not less senior in right of payment vis-

à-vis such Obligor's other outstanding indebtedness than the Defaulted Obligation to be exchanged vis-à-vis its Obligor's other outstanding indebtedness, (iii) as determined by the Collateral Manager, both prior to and after giving effect to such exchange, each of the Coverage Tests is satisfied or, if any Coverage Test was not satisfied prior to such exchange, the coverage ratio relating to such test shall be at least as close to being satisfied after giving effect to such exchange as it was before giving effect to such exchange, (iv) as determined by the Collateral Manager, both prior to and after giving effect to such exchange, not more than 10.0% of the Collateral Principal Amount consists of obligations received in a Bankruptcy Exchange, (v) the period for which the Issuer held the Defaulted Obligation to be exchanged shall be included for all purposes in this Indenture when determining the period for which the Issuer holds the debt obligation received on exchange, (vi) the Bankruptcy Exchange Test is satisfied, (vii) the Aggregate Principal Balance of the obligations received in Bankruptcy Exchanges since the Closing Date is not more than 15.0% of the Target Initial Par Amount and (viii) if the debt obligation received on exchange is a Credit Risk Obligation, it has an S&P Rating.

"Bankruptcy Exchange Test": A test that is satisfied if, in the Collateral Manager's reasonable business judgment, the projected internal rate of return of the obligation obtained as a result of a Bankruptcy Exchange is greater than the projected internal rate of return of the Defaulted Obligation exchanged in a Bankruptcy Exchange, calculated by the Collateral Manager by aggregating all Cash and the Market Value of any Collateral Obligation subject to a Bankruptcy Exchange at the time of each Bankruptcy Exchange; provided that the foregoing calculation shall not be required for any Bankruptcy Exchange prior to and including the occurrence of the third Bankruptcy Exchange.

"Beneficial Ownership Certificate": The meaning specified in Section 14.2(e).

"Benefit Plan Investor": Any of the following (i) a "benefit plan investor" as defined in the Plan Asset Regulation, which includes an employee benefit plan (as defined in Section 3(3) of ERISA) that is subject to the fiduciary responsibility provisions of Title I of ERISA, or (ii) any plan to which Section 4975 of the Code applies or an entity whose underlying assets include "plan assets" by reason of such an employee benefit plan's or a plan's investment in such entity within the meaning of the Plan Asset Regulation.

"Board of Directors": With respect to the Issuer, the directors of the Issuer duly appointed by the shareholder of the Issuer or the board of directors of the Issuer pursuant to the current articles of association of the Issuer, and with respect to the Co-Issuer, the manager of the Co-Issuer duly appointed by the sole member of the Co-Issuer.

"Business Day": Any day other than (i) a Saturday or a Sunday or (ii) a day on which commercial banks are authorized or required by applicable law, regulation or executive order to close in New York, New York or in the city in which the Corporate Trust Office of the Trustee or the Collateral Agent is located or, for any final payment of principal, in the relevant place of presentation.

"Calculation Agent": The meaning specified in Section 7.16(a).

" Cash": Such money (as defined in Section 1-201(b)(24) of the UCC) and funds denominated in currency of the United States of America as at the time shall be legal tender for payment of all public and private debts, including funds standing to the credit of an Account.

"Cash Contribution": The meaning specified in Section 10.5.

"Cayman AML Regulations": The Anti-Money Laundering Regulations (2018 Revision) (as amended) and The Guidance Notes on the Prevention and Detection of Money Laundering and Terrorist Financing in the Cayman Islands, each as amended and revised from time to time.

"Cayman FATCA Legislation": The Cayman Islands Tax Information Authority Law (2017 Revision) and the Organisation for Economic Co-operation and Development Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (each as amended, and together with any rules, regulations and guidance notes made pursuant thereto).

"CCC Collateral Obligation": A CCC S&P Collateral Obligation or a CCC Fitch Collateral Obligation, as the context requires.

"CCC Excess": The amount equal to the greater of:

(i) the excess of the Principal Balance of all CCC S&P Collateral Obligations over an amount equal to 17.5% of the Collateral Principal Amount as of such date of determination; and

(ii) the excess of the Principal Balance of all CCC Fitch Collateral Obligations over an amount equal to 17.5% of the Collateral Principal Amount as of such date of determination;

provided that, in determining which of the CCC Collateral Obligations shall be included in the CCC Excess, the CCC Collateral Obligations with the lowest Market Value (expressed as a percentage of the outstanding Principal Balance of such Collateral Obligations as of such date of determination) shall be deemed to constitute such CCC Excess.

"CCC Fitch Collateral Obligation": A Collateral Obligation (other than a Defaulted Obligation) with a Fitch Rating of "CCC+" or lower.

"CCC S&P Collateral Obligation": A Collateral Obligation (other than a Defaulted Obligation) with an S&P Rating of "CCC+" or lower.

"Certificate of Authentication": The meaning specified in Section 2.1.

"Certificated Note": The meaning specified in Section 2.2(b)(iii).

"Certificated Security": The meaning specified in Section 8-102(a)(4) of the UCC.

"Class": (a) In the case of the Secured Debt, all Secured Debt having the same Interest Rate, Stated Maturity and class designation; provided that the Class A-1 Notes and the Class A-1 Loans shall be treated as a single Class of Secured Debt except as otherwise expressly provided or as the context otherwise requires; provided, further, that the Class B-1 Notes and the Class B-2 Notes shall be treated as a single Class of Notes and the Class C-1 Notes and the Class C-2 Notes shall be treated as a single Class of Notes, in each case, except as otherwise expressly provided or as the context otherwise requires; provided, further, that, for purposes of calculating the Interest Coverage Ratio and the Overcollateralization Ratio, the Class A-1 Debt, the Class A-2 Notes and the Class B Notes shall be treated as a single Class; (b) in the case of the Notes, all Notes having the same Interest Rate, Stated Maturity and class designation; and (c) in the case of the Preferred Shares, all of the Preferred Shares.

"Class A-1 Debt": Collectively, the Class A-1 Notes and the Class A-1 Loans.

"Class A-1 Lender": Each lender party to the Credit Agreement.

"Class A-1 Loans": The Class A-1 Senior Secured Loans incurred pursuant to the Credit Agreement.

"Class A-1 Notes": The Class A-1 Senior Secured Floating Rate Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3.

"Class A-2 Notes": The Class A-2 Senior Secured Fixed Rate Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3.

"Class A/B Coverage Tests": The Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class A-1 Debt, the Class A-2 Notes and the Class B Notes.

"Class A/B Interest Coverage Test": The Interest Coverage Test, as applied with respect to the Class A-1 Debt, the Class A-2 Notes and the Class B Notes.

" Class A/B Overcollateralization Ratio Test": The Overcollateralization Ratio Test, as applied with respect to the Class A-1 Debt, the Class A-2 Notes and the Class B Notes.

"Class B Notes": Collectively, the Class B-1 Notes and the Class B-2 Notes.

"Class B-1 Notes": The Class B-1 Senior Secured Floating Rate Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3.

"Class B-2 Notes": The Class B-2 Senior Secured Fixed Rate Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3.

"Class Break-even Default Rate": With respect to the most senior Class of Secured Debt then Outstanding (other than the Class A-1 Debt), the maximum percentage of defaults, at any time, that the Current Portfolio or the Proposed Portfolio, as applicable, can sustain, determined through application of the S&P CDO Monitor, which, after giving effect to S&P's assumptions on recoveries, defaults and timing and to the Priority of Payments, will result in sufficient funds remaining for the payment of such Class of Secured Debt in full. Prior to the S&P CDO Monitor Switchover Date, S&P will provide the Collateral Manager with the Class

Break-even Default Rates for each S&P CDO Monitor input file based upon the Weighted Average Floating Spread and the Weighted Average S&P Recovery Rate to be associated with such S&P CDO Monitor input file as selected by the Collateral Manager from Section 2 of Schedule 5 or any other Weighted Average Floating Spread and Weighted Average S&P Recovery Rate selected by the Collateral Manager from time to time.

"Class C Coverage Tests": The Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class C Notes.

"Class C Interest Coverage Test": The Interest Coverage Test, as applied with respect to the Class C Notes.

"Class C Notes": Collectively, the Class C-1 Notes and the Class C-2 Notes.

"Class C-1 Notes": The Class C-1 Secured Deferrable Floating Rate Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3.

"Class C-2 Notes": The Class C-2 Secured Deferrable Fixed Rate Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3.

"Class C Overcollateralization Ratio Test": The Overcollateralization Ratio Test, as applied with respect to the Class C Notes.

"Class D Coverage Tests": The Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class D Notes.

"Class D Interest Coverage Test": The Interest Coverage Test, as applied with respect to the Class D Notes.

"Class D Notes": The Class D Secured Deferrable Floating Rate Notes issued pursuant to this Indenture and having the characteristics specified in Section 2.3.

"Class D Overcollateralization Ratio Test": The Overcollateralization Ratio Test, as applied with respect to the Class D Notes.

"Class Default Differential": With respect to the most senior Class of Secured Debt then Outstanding (other than the Class A-1 Debt), (i) prior to the S&P CDO Monitor Switchover Date, the rate calculated by subtracting (x) the Class Scenario Default Rate at such time for such Class from (y) the Class Break-even Default Rate, and (ii) on and after the S&P CDO Monitor Switchover Date, the rate calculated by subtracting (x) the S&P CDO Monitor SDR at such time for such Class from (y) the S&P CDO Monitor Adjusted BDR for such Class of Secured Debt.

"Class Scenario Default Rate": With respect to the most senior Class of Secured Debt then Outstanding (other than the Class A-1 Debt), an estimate of the cumulative default rate for the Current Portfolio or the Proposed Portfolio, as applicable, consistent with S&P's Initial Rating of such Class, determined by the Collateral Manager (which determination shall be made solely by application of the S&P CDO Monitor at such time).

"Clean-Up Call Redemption": A redemption of the Secured Debt in accordance with Section 9.8.

"Clearing Agency": An organization registered as a "clearing agency" pursuant to Section 17A of the Exchange Act.

"Clearing Corporation": (i) Clearstream, (ii) DTC, (iii) Euroclear and (iv) any entity included within the meaning of "clearing corporation" under Section 8-102(a)(5) of the UCC.

"Clearing Corporation Security": Securities which are in the custody of or maintained on the books of a Clearing Corporation or a nominee subject to the control of a Clearing Corporation and, if they are Certificated Securities in registered form, properly endorsed to or registered in the name of the Clearing Corporation or such nominee.

"Clearstream": Clearstream Banking, *société anonyme*, a corporation organized under the laws of the Duchy of Luxembourg (formerly known as Cedelbank, *société anonyme*).

"Closing Date": September 19, 2019.

"Closing Date Participation Interests": Any Participation Interest in an asset conveyed to the Issuer on the Closing Date pursuant to the Master Loan Sale Agreement or the Master Participation Agreement, as applicable, until elevated by assignment, which may be settled directly into the Issuer pursuant to such applicable agreement. For the avoidance of doubt, the failure to elevate any Closing Date Participation Interest will not result or be deemed to result in a Default or Event of Default under this Indenture or any other Transaction Document.

"Code": The United States Internal Revenue Code of 1986, as amended.

"Co-Issuer": The Person named as such on the first page of this Indenture until a successor Person shall have become the Issuer pursuant to the applicable provisions of this Indenture, and thereafter "Co-Issuer" shall mean such successor Person.

"Co-Issuers": The Issuer and the Co-Issuer.

"Co-Structuring Agent": Capital One Securities, Inc.

" Collateral Administration Agreement": An agreement dated as of the Closing Date among the Issuer, the Collateral Manager and the Collateral Administrator, as amended from time to time in accordance with the terms thereof.

"Collateral Administrator": U.S. Bank National Association, in its capacity as collateral administrator under the Collateral Administration Agreement, and any successor thereto.

"Collateral Agent": The meaning specified in the first sentence of this Indenture.

"Collateral Interest Amount": As of any date of determination, without duplication, the aggregate amount of Interest Proceeds that has been received or that is expected to be received (other than Interest Proceeds expected to be received from Defaulted Obligations, but including Interest Proceeds actually received from Defaulted Obligations), in each case during the Collection Period in which such date of determination occurs (or after such Collection Period but on or prior to the related Payment Date if such Interest Proceeds would be treated as Interest Proceeds with respect to such Collection Period).

"Collateral Management Agreement": The agreement dated as of the Closing Date, between the Issuer and the Collateral Manager relating to the management of the Collateral Obligations and the other Assets by the Collateral Manager on behalf of the Issuer, as amended from time to time in accordance with the terms thereof.

"Collateral Management Fee": The fee payable to the Collateral Manager in arrears on each Payment Date (prorated for the related Interest Accrual Period) pursuant to Section 8(a) of the Collateral Management Agreement and Section 11.1 of this Indenture, in an amount equal to 0.15% *per annum* (calculated on the basis of the actual number of days in the applicable Interest Accrual Period *divided by* 360) of the Fee Basis Amount at the beginning of the Collection Period relating to such Payment Date.

"Collateral Management Fee Shortfall Amount": To the extent all or a portion of the Collateral Management Fee is not paid on a Payment Date due to insufficient Interest Proceeds or Principal Proceeds (and such fee was not voluntarily deferred or waived by the Collateral Manager), the Collateral Management Fee due on such Payment Date (or the unpaid portion thereof, as applicable). Such amount is automatically deferred for payment on the succeeding Payment Date, with interest at the rate specified in the Collateral Management Agreement, as certified to the Trustee by the Collateral Manager, in accordance with the Priority of Payments.

"Collateral Manager": PennantPark Investment Advisers, LLC, a Delaware limited liability company, until such time, if any, as a successor Person shall have become the Collateral Manager pursuant to the provisions of the Collateral Management Agreement, and thereafter "Collateral Manager" shall mean such successor Person.

"Collateral Manager Notes": Any Notes owned by the Collateral Manager, an Affiliate thereof, or any account, fund, client or portfolio established and controlled by the Collateral Manager or an Affiliate thereof or for which the Collateral Manager or an Affiliate thereof acts as the investment adviser or with respect to which the Collateral Manager or an Affiliate thereof exercises discretionary control thereover.

"Collateral Manager Standard": The meaning specified in the Collateral Management Agreement.

"Collateral Obligation": A debt obligation that is a Senior Secured Loan (including, but not limited to, interests in middle market loans acquired by way of a purchase or assignment), or Participation Interest therein, a Second Lien Loan or Participation Interest therein, or a DIP Collateral Obligation or a Participation Interest therein, that as of the date of acquisition by the Issuer:

(i) is U.S. Dollar denominated and is neither convertible by the Obligor thereof into, nor payable in, any other currency;

(ii) is not (A) a Defaulted Obligation (unless such obligation is a Purchased Defaulted Obligation or is being acquired in connection with a Bankruptcy Exchange) or (B) a Credit Risk Obligation;

(iii) is not a lease;

(iv) if it is a Deferrable Obligation, it is a Permitted Deferrable Obligation;

(v) provides for a fixed amount of principal payable in Cash on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortization or prepayment at a price of less than par;

(vi) does not constitute Margin Stock;

(vii) provides for payments that do not, at the time the obligation was acquired, subject the Issuer to withholding tax unless the related Obligor is required to make additional payments so that the net amount received by the Issuer after satisfaction of such tax is the amount due to the Issuer before the imposition of any withholding tax;

(viii) has an S&P Rating and a Fitch Rating;

(ix) is not a debt obligation whose repayment is subject to substantial non-credit related risk as determined by the Collateral Manager;

(x) except for Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations, is not an obligation pursuant to which any future advances or payments to the borrower or the Obligor thereof may be required to be made by the Issuer; provided that the Issuer may be required, as a lender under the Underlying Document, to make customary protective advances or provide customary indemnities to the agent of the Collateral Obligation (for which the Issuer may receive a participation interest or other right of payment);

(xi) does not have an “f,” “p,” “pi,” “sf” or “t” subscript assigned to the rating by S&P, or an “sf” subscript assigned to the rating by Moody’s;

(xii) is not a commodity forward contract, a bond, a Structured Finance Obligation or a note or any debt obligation that is not a loan;

(xiii) will not require the Issuer, the Co-Issuer or the pool of Assets to be registered as an investment company under the 1940 Act;

(xiv) is not an Equity Security or by its terms convertible into or exchangeable for an Equity Security and does not have Equity Securities attached thereto as part of a unit;

(xv) is not the subject of an Offer of exchange, or tender by its Obligor, for cash, securities or any other type of consideration other than a Permitted Offer;

(xvi) does not mature after the earliest Stated Maturity of any Outstanding Secured Debt;

(xvii) is Registered;

(xviii) is not a Synthetic Security;

(xix) does not pay interest less frequently than semi-annually;

(xx) is not a letter of credit and does not support a letter of credit;

(xxi) is not an interest in a grantor trust;

(xxii) is purchased at a price at least equal to 65% of its Principal Balance;

(xxiii) is not issued by an Obligor Domiciled in Greece, Italy, Portugal or Spain;

(xxiv) is issued by a Non-Emerging Market Obligor Domiciled in the United States, Canada, a Group I Country, a Group II Country, a Group III Country or a Tax Jurisdiction;

(xxv) if it is a Participation Interest (other than a Closing Date Participation Interest), the Third Party Credit Exposure Limits are satisfied with respect to the acquisition thereof;

(xxvi) is not an obligation of a Portfolio Company;

(xxvii) does not have attached equity warrants;

(xxviii) is not a warrant;

(xxix) is not a Loan for which the underlying collateral consists primarily of real property owned by the obligor;

(xxx) is not issued by an Obligor with a most recently calculated EBITDA (calculated in accordance with the related Underlying Documents) of less than U.S.$5,000,000; and

(xxxi) other than in the case of a Fixed Rate Obligation, accrues interest at a floating rate determined by reference to (a) the Dollar prime rate, federal funds rate or LIBOR or (b) a similar interbank offered rate, commercial deposit rate or any other index.

"Collateral Principal Amount": As of any date of determination, the sum of (a) the Aggregate Principal Balance of the Collateral Obligations (other than Defaulted Obligations, except as otherwise expressly set forth herein) and (b) without duplication, the amounts on deposit in any Account (including Eligible Investments therein) representing Principal Proceeds; provided that for purposes of calculating the Concentration Limitations, Defaulted Obligations shall be included in the Collateral Principal Amount with a Principal Balance equal to the Defaulted Obligation Balance thereof.

"Collateral Quality Test": A test satisfied as of the Effective Date and any other date thereafter on which such test is required to be determined hereunder if, in the aggregate, the Collateral Obligations owned (or in relation to a proposed purchase of a Collateral Obligation, proposed to be owned) by the Issuer satisfy each of the tests set forth below (or, after the Effective Date, if any such test is not satisfied at the time of reinvestment, the level of compliance with such test is maintained or improved as described in the Investment Criteria):

(i) the Minimum Floating Spread Test;

(ii) the Minimum Weighted Average Coupon Test;

(iii) the S&P CDO Monitor Test;

(iv) the Maximum Fitch Rating Factor Test;

(v) the Minimum Weighted Average Fitch Recovery Rate Test;

(vi) the Minimum Fitch Floating Spread Test;

(vii) prior to the S&P CDO Monitor Switchover Date, the Minimum Weighted Average S&P Recovery Rate Test; and

(viii) the Weighted Average Life Test.

"Collection Account": The account established pursuant to Section 10.2 which consists of the Principal Collection Subaccount and the Interest Collection Subaccount.

" Collection Period": (i) With respect to the first Payment Date, the period commencing on the Closing Date and ending at the close of business on the eighth Business Day prior to the first Payment Date; and (ii) with respect to any other Payment Date, the period commencing on the day immediately following the prior Collection Period and ending (a) in the case of the final Collection Period preceding the latest Stated Maturity of any Class of Secured Debt, on the day of such Stated Maturity, (b) in the case of the final Collection Period preceding an Optional Redemption, Tax Redemption or Clean-Up Call Redemption in whole of the Secured Debt, on the Redemption Date and (c) in any other case, at the close of business on the eighth Business Day prior to such Payment Date.

"Concentration Limitations": Limitations satisfied on each Measurement Date on or after the Effective Date and during the Reinvestment Period if, in the aggregate, the Collateral Obligations owned (or in relation to a proposed purchase of a Collateral Obligation, proposed to be owned) by the Issuer comply with all of the requirements set forth below (or in relation to a proposed purchase after the Effective Date, if not in compliance, the relevant requirements (excluding clause (vii)(B) of this definition) must be maintained or improved after giving effect to the purchase), calculated in each case as required by Section 1.3 herein:

(i) not less than 95.0% of the Collateral Principal Amount may consist of Senior Secured Loans, Cash and Eligible Investments (assuming for purposes of these calculations that Eligible Investments representing Principal Proceeds are Senior Secured Loans);

(ii) not more than 5.0% of the Collateral Principal Amount may, in the aggregate, consist of First-Lien Last-Out Loans and Second Lien Loans;

(iii) not more than 2.5% of the Collateral Principal Amount may consist of obligations issued by a single Obligor and its Affiliates; provided that one Obligor shall not be considered an Affiliate of another Obligor solely because they are controlled by the same financial sponsor;

(iv) (A) not more than 17.5% of the Collateral Principal Amount may consist of Collateral Obligations with an S&P Rating of "CCC+" or below (other than Defaulted Obligations), and (B) not more than 17.5% of the Collateral Principal Amount may consist of Collateral Obligations with a Fitch Rating of "CCC+" or below (other than Defaulted Obligations);

(v) not more than 5.0% of the Collateral Principal Amount may consist of Current Pay Obligations;

(vi) not more than 10.0% of the Collateral Principal Amount may consist, in the aggregate, of unfunded commitments under Delayed Drawdown Collateral Obligations and unfunded and funded commitments under Revolving Collateral Obligations;

(vii) (A) not more than 10.0% of the Collateral Principal Amount may consist of Participation Interests, and (B) the Third Party Credit Exposure Limits may not be exceeded with respect to any such Participation Interest; provided that Closing Date Participation Interests will be excluded for purposes of this clause (vii) for the first 90 days following the Closing Date;

(viii) not more than 10.0% of the Collateral Principal Amount may have an S&P Rating derived from a Moody's Rating as set forth in clause (iii)(a) of the definition of the term "S&P Rating";

(ix) no more than the percentage listed below of the Collateral Principal Amount may be issued by Obligors Domiciled in the country or countries set forth opposite such percentage:

% Limit	Country or Countries
15.0%	All countries (in the aggregate) other than the United States;
10.0%	Canada;
5.0%	all countries (in the aggregate) other than the United States, Canada and the United Kingdom;
2.5%	any individual Group I Country;
2.0%	all Group II Countries in the aggregate;
2.0%	any individual Group II Country;
1.5%	all Group III Countries in the aggregate; and
1.5%	all Tax Jurisdictions in the aggregate;

(x) not more than 12.0% of the Collateral Principal Amount may consist of Collateral Obligations that are issued by Obligors that belong to any single S&P Industry Classification, except that (x) the largest S&P Industry Classification may represent up to 20.0% of the Collateral Principal Amount; (y) the second-largest S&P Industry Classification may represent up to 17.5% of the Collateral Principal Amount; and (z) the third-largest S&P Industry Classification may represent up to 15.0% of the Collateral Principal Amount;

(xi) not more than 2.5% of the Collateral Principal Amount may consist of Collateral Obligations that are Permitted Deferrable Obligations;

(xii) not more than 5.0% of the Collateral Principal Amount may consist of DIP Collateral Obligations;

(xiii) not more than 15.0% of the Collateral Principal Amount may consist of Cov-Lite Loans

(xiv) not more than 5.0% of the Collateral Principal Amount may consist of Collateral Obligations that pay interest at least semi-annually, but less frequently than quarterly;

(xv) not more than 5.0% of the Collateral Principal Amount may consist of Fixed Rate Obligations; and

(xvi) not more than 10.0% of the Collateral Principal Amount may consist of Collateral Obligations with respect to which the related Obligor's most recently calculated EBITDA (calculated in accordance with the related Underlying Documents) is less than U.S.$ 10,000,000.

"Confidential Information": The meaning specified in Section 14.15(b).

"Contribution": The meaning specified in Section 10.5.

"Contribution Account": The account established pursuant to Section 10.3(f).

"Contributor": The meaning specified in Section 10.5.

"Controlling Class": The Class A-1 Debt so long as any Class A-1 Notes or Class A-1 Loans are Outstanding; then the Class A-2 Notes so long as any Class A-2 Notes are Outstanding; then the Class B Notes so long as any Class B Notes are Outstanding; then the Class C Notes so long as any Class C Notes are Outstanding; then the Class D Notes so long as any Class D Notes are Outstanding; and then the Preferred Shares.

"Controlling Person": A Person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of an entity or any Person who provides investment advice for a fee (direct or indirect) with respect to such assets or an affiliate of any such Person. For this purpose, an "affiliate" of a Person includes any Person, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Person. "Control," with respect to a Person other than an individual, means the power to exercise a controlling influence over the management or policies of such Person, and "Controlling" shall have the meaning correlative to the foregoing.

"Conversion Date": The meaning specified in Section 2.5(n).

"Conversion Option": The option of a Converting Lender to convert all or a portion of its Class A-1 Loans into an equivalent principal amount of Class A-1 Notes pursuant to the Credit Agreement and this Indenture.

"Converting Lender": A Class A-1 Lender that has exercised a Conversion Option.

"Corporate Trust Office": The designated corporate trust office of (a) the Trustee at which the Trustee administers this Indenture and the other Transaction Documents to which it is a party, currently located at (i) for Note transfer purposes and for presentment and surrender of the Notes for final payment thereon, 111 Fillmore Avenue East, St. Paul, Minnesota 55107-1402, Attention: Bondholder Services – EP-MN-WS2N, Reference: PennantPark CLO I, Ltd., and (ii) for all other purposes, U.S. Bank National Association, One Federal Street, Third Floor, Boston, Massachusetts 02110, Attention: Global Corporate Trust – PennantPark CLO I, Ltd., email: PennantPark.Team@usbank.com; (b) the Collateral Agent at which the Collateral Agent administers this Indenture and the other Transaction Documents to which it is a party, currently located at U.S. Bank National Association, One Federal Street, Third Floor, Boston, Massachusetts 02110, Attention: Global Corporate Trust – PennantPark CLO I, Ltd., email: PennantPark.Team@usbank.com; and (c) the Loan Agent at which the Loan Agent administers

the Credit Agreement and the other Transaction Documents to which it is a party, currently located at 214 N. Tryon Street, 26th Floor, Charlotte, North Carolina 28202, Attention: Jim Hanley, Reference: PennantPark CLO I, Ltd., email: agency.services@usbank.com; or in each case, such other address as the Trustee or the Collateral Agent may designate from time to time by notice to the Holders, the Collateral Manager and the Issuer or the principal corporate trust office of any successor trustee or collateral agent.

"Cov-Lite Loan": A Collateral Obligation the Underlying Documents for which do not (i) contain any financial covenants or (ii) require the borrower thereunder to comply with any Maintenance Covenant (regardless of whether compliance with one or more Incurrence Covenants is otherwise required by such Underlying Documents).

"Coverage Tests": The Overcollateralization Ratio Test and the Interest Coverage Test, each as applied to each specified Class or Classes of Secured Debt.

"Credit Agreement": The meaning set forth in the Preliminary Statement.

"Credit Amendment": A Maturity Amendment that, in the Collateral Manager's reasonable judgment, is necessary (i) to prevent the related Collateral Obligation from becoming a Defaulted Obligation or (ii) due to the materially adverse financial condition of the related Obligor, to minimize material losses on the related Collateral Obligation.

"Credit Improved Criteria": The criteria that will be met if, with respect to any Collateral Obligation, any of the following occur:

(a) such Collateral Obligation has experienced a reduction in its credit spread of 10% or more compared to the credit spread in effect as of the Cut-Off Date for such Collateral Obligation, such reduction in spread being determined by reference to an Eligible Loan Index; or

(b) such Collateral Obligation has a Market Value above the higher of (i) 95% of its Principal Balance and (ii) the initial purchase price paid by the Issuer for such Collateral Obligation.

"Credit Improved Obligation": Any Collateral Obligation which, in the Collateral Manager's reasonable commercial judgment, has significantly improved in credit quality after it was acquired by the Issuer; provided that, during a Restricted Trading Period, a Collateral Obligation will qualify as a Credit Improved Obligation only if (i) it has been upgraded by any Rating Agency at least one rating sub-category or has been placed and remains on a credit watch with positive implication by S&P since it was acquired by the Issuer, (ii) the Credit Improved Criteria are satisfied with respect to such Collateral Obligation or (iii) a Majority of the Controlling Class consents to treat such Collateral Obligation as a Credit Improved Obligation.

" Credit Risk Criteria": The criteria that will be met if, with respect to any Collateral Obligation, any of the following occur:

(a) the spread over LIBOR or other Eligible Loan Index for such Collateral Obligation has been increased since the date of purchase by the Issuer by (A) 0.25% or more (in the case of a Collateral Obligation with a spread over the applicable reference rate selected by the Collateral Manager in the exercise of its reasonable business judgment (prior to such increase) less than or equal to 2%), (B) 0.375% or more (in the case of a Collateral Obligation with a spread over the applicable reference rate selected by the Collateral Manager in the exercise of its reasonable business judgment (prior to such increase) greater than 2% but less than or equal to 4%) or (C) 0.5% or more (in the case of a Collateral Obligation with a spread over the applicable reference rate selected by the Collateral Manager in the exercise of its reasonable business judgment (prior to such increase) greater than 4%) due, in each case, to a deterioration in the related Obligor's financial ratios or financial results in accordance with the Underlying Documents relating to such Collateral Obligation; or

(b) the Market Value of such Collateral Obligation has decreased by at least 2.5% of the price paid by the Issuer for such Collateral Obligation due to a deterioration in the related Obligor's financial ratios or financial results in accordance with the Underlying Documents relating to such Collateral Obligation.

"Credit Risk Obligation": Any Collateral Obligation that, in the Collateral Manager's reasonable commercial judgment, has a significant risk of declining in credit quality or price; provided that, during a Restricted Trading Period, a Collateral Obligation will qualify as a Credit Risk Obligation for purposes of sales of Collateral Obligations only if (i) such Collateral Obligation has been downgraded by any Rating Agency at least one rating sub-category or has been placed and remains on a credit watch with negative implication by S&P since it was acquired by the Issuer, (ii) the Credit Risk Criteria are satisfied with respect to such Collateral Obligation or (iii) a Majority of the Controlling Class consents to treat such Collateral Obligation as a Credit Risk Obligation.

"Cumulative Deferred Management Fee": All or a portion of the previously deferred Collateral Management Fees or Collateral Management Fee Shortfall Amounts (including accrued interest prior to the Payment Date on which the payment of such Collateral Management Fee Shortfall Amount was deferred by the Collateral Manager), which may be declared due and payable by the Collateral Manager on any Payment Date.

"Current Deferred Management Fee": With respect to a Payment Date, all or a portion of the Collateral Management Fees or Collateral Management Fee Shortfall Amounts (including accrued interest), due and owing to the Collateral Manager the payment of which is voluntarily deferred (for payment on a subsequent Payment Date), without interest, by the Collateral Manager.

" Current Pay Obligation": Any Collateral Obligation (other than a DIP Collateral Obligation) that would otherwise be treated as a Defaulted Obligation but as to which no payments are due and payable that are unpaid and with respect to which the Collateral Manager has certified to the Trustee in writing that it believes, in its reasonable business judgment, that (a) the Obligor of such Collateral Obligation is current on all interest payments, principal payments and other amounts due and payable thereunder and will continue to make scheduled payments of interest thereon and will pay the principal thereof and all other amounts due and payable thereunder by maturity or as otherwise contractually due, (b) if the Obligor is subject to a bankruptcy proceeding,

it has been the subject of an order of a bankruptcy court that permits it to make the scheduled payments on such Collateral Obligation and all interest payments, principal payments and other amounts due and payable thereunder have been paid in Cash when due, (c) the Collateral Obligation has a Market Value of at least 80% of its par value and (d) (A) has an S&P Rating of at least "CCC+" and a Market Value of at least 80% of its par value or (B) has an S&P Rating of at least "CCC" and its Market Value is at least 85% of its par value (Market Value being determined, solely for the purposes of clauses (c) and (d), without taking into consideration clause (iii) of the definition of the term "Market Value").

"Current Portfolio": At any time, the portfolio of Collateral Obligations, Cash and Eligible Investments representing Principal Proceeds (determined in accordance with Section 1.3 to the extent applicable), then held by the Issuer.

"Custodial Account": The account established pursuant to Section 10.3(b).

"Custodian": The custodian appointed by the Issuer, initially U.S. Bank National Association, in its capacity as custodian under the Securities Account Control Agreement, together with its successors and assigns, as applicable, which custodian shall be a Securities Intermediary.

"Cut-Off Date": Each date on or after the Closing Date on which a Collateral Obligation is transferred to the Issuer.

"Debt Interest Amount": With respect to any Class of Secured Debt and any Payment Date, the amount of interest for the related Interest Accrual Period payable in respect of each U.S.$100,000 of outstanding principal amount of such Class of Secured Debt.

"Debt Payment Sequence": The application, in accordance with the Priority of Payments, of Interest Proceeds or Principal Proceeds, as applicable, in the following order:

(i) to the payment, *pari passu* and *pro rata* based on their respective Aggregate Outstanding Amounts, of principal of the Class A-1 Notes and the Class A-1 Loans, until the Class A-1 Notes and the Class A-1 Loans have been paid in full;

(ii) to the payment of principal of the Class A-2 Notes until the Class A-2 Notes have been paid in full;

(iii) to the payment, *pari passu* and *pro rata* based on their respective Aggregate Outstanding Amounts, of principal of the Class B-1 Notes and the Class B-2 Notes, until the Class B-1 Notes and the Class B-2 Notes have been paid in full;

(iv) to the payment, *pari passu* and *pro rata* based on amounts due, of any accrued and unpaid interest and any Deferred Interest (and interest thereon) on the Class C-1 Notes and the Class C-2 Notes, until such amounts have been paid in full;

(v) to the payment, *pari passu* and *pro rata* based on their respective Aggregate Outstanding Amounts, of principal of the Class C-1 Notes and the Class C-2 Notes, until the Class C-1 Notes and the Class C-2 Notes have been paid in full;

(vi) to the payment of any accrued and unpaid interest and any Deferred Interest (and interest thereon) on the Class D Notes until such amounts have been paid in full; and

(vii) to the payment of principal of the Class D Notes until the Class D Notes have been paid in full;

provided that, in connection with any Tax Redemption, Clean-Up Call Redemption or Optional Redemption of the Secured Debt in whole, holders of 100% of the Aggregate Outstanding Amount of any Class of Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class.

" Default": Any Event of Default or any occurrence that is, or with notice or the lapse of time or both would become, an Event of Default.

"Default Rate Dispersion": The meaning specified in Schedule 7.

"Defaulted Obligation": Any Collateral Obligation included in the Assets as to which:

(a) a default as to the payment of principal and/or interest has occurred and is continuing with respect to such Collateral Obligation (without regard to any grace period applicable thereto (except as otherwise provided in this clause (a)), or waiver or forbearance thereof, after the passage (in the case of a default that in the Collateral Manager's judgment, as certified to the Collateral Agent and the Collateral Administrator in writing, is not due to credit-related causes) of five Business Days or seven calendar days, whichever is greater, but in no case beyond the passage of any grace period applicable thereto);

(b) a default as to the payment of principal and/or interest has occurred and is continuing on another debt obligation of the same Obligor which is senior or *pari passu* in right of payment to such Collateral Obligation (without regard to any grace period applicable thereto (except as otherwise provided in this clause (b)), or waiver or forbearance thereof, after the passage (in the case of a default that in the Collateral Manager's judgment, as certified to the Collateral Agent and the Collateral Administrator in writing, is not due to credit-related causes) of three Business Days or five calendar days, whichever is greater, but in no case beyond the passage of any grace period applicable thereto; provided that both the Collateral Obligation and such other debt obligation are full recourse obligations of the applicable Obligor or secured by the same collateral);

(c) the Obligor or others have instituted proceedings to have the Obligor adjudicated as bankrupt or insolvent or placed into receivership and such proceedings have not been stayed or dismissed or such Obligor has filed for protection under Chapter 11 of the Bankruptcy Code;

(d) such Collateral Obligation has an S&P Rating of "SD" or "CC" or lower or had such rating before such rating was withdrawn or such debt obligation has a Fitch Rating of "D" or "RD" or had such rating immediately before such rating was withdrawn or the Obligor;

(e) such Collateral Obligation is junior or *pari passu* in right of payment as to the payment of principal and/or interest to another debt obligation of the same Obligor which has an S&P Rating of "SD" or "CC" or lower or had such rating before such rating was withdrawn or another debt obligation of an Obligor which has a Fitch Rating of "D" or "RD" or had such rating immediately before such rating was withdrawn; provided that both the Collateral Obligation and such other debt obligation are full recourse obligations of the applicable Obligor or secured by the same collateral;

(f) the Collateral Manager has received notice or a Responsible Officer thereof has actual knowledge that a default has occurred under the Underlying Documents and any applicable grace period has expired and the holders of such Collateral Obligation have accelerated the repayment of the Collateral Obligation (but only until such acceleration has been rescinded) in the manner provided in the Underlying Documents;

(g) the Collateral Manager has in its reasonable commercial judgment otherwise declared such debt obligation to be a "Defaulted Obligation";

(h) such Collateral Obligation is a Participation Interest with respect to which the Selling Institution has defaulted in any respect in the performance of any of its payment obligations under the Participation Interest;

(i) such Collateral Obligation is a Participation Interest in a Loan that would, if such Loan were a Collateral Obligation, constitute a "Defaulted Obligation" or with respect to which the Selling Institution has an S&P Rating of "SD" or "CC" or lower or had such rating before such rating was withdrawn;

(j) such Collateral Obligation is a Deferring Obligation (other than a Permitted Deferrable Obligation); or

(k) such Collateral Obligation has, since the date it was acquired by the Issuer, become subject to an amendment, waiver or modification that had the effect of reducing the principal amount of such Collateral Obligation;

provided that (1) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to clauses (b) through (e) above if such Collateral Obligation (or, in the case of a Participation Interest, the underlying Loan) is a Current Pay Obligation (provided that the Aggregate Principal Balance of Current Pay Obligations exceeding 5.0% of the Collateral Principal Amount will be treated as Defaulted Obligations), (2) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to clauses (b), (c) and (e) above if such Collateral Obligation (or, in the case of a Participation Interest, the underlying Loan) is a DIP Collateral Obligation (other than a DIP

Collateral Obligation that has an S&P Rating of "SD" or "CC" or lower or a Fitch Rating of "D" or "RD"), and (3) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to clause (k) above if, since the effective date of such amendment, waiver or modification, such Collateral Obligation has received a new rating or credit estimate (or a confirmation of a prior rating or credit estimate) assigned by each Rating Agency then rating the Notes, which rating or credit estimate must be at least "CCC".

Notwithstanding anything in this Indenture to the contrary, the Collateral Manager shall give the Collateral Agent and the Collateral Administrator prompt written notice should any Collateral Obligation become a Defaulted Obligation. Until so notified or until a Trust Officer of the Collateral Agent or the Collateral Administrator obtains actual knowledge that a Collateral Obligation has become a Defaulted Obligation, the Collateral Agent and the Collateral Administrator shall not be deemed to have any notice or knowledge that a Collateral Obligation has become a Defaulted Obligation. The Collateral Agent and the Collateral Administrator shall be entitled to conclusively rely upon such notice from the Collateral Manager and shall have no liability for relying thereon. Notwithstanding the foregoing, the Collateral Agent shall remain obligated to perform its duties set forth in and in accordance with Section 6.13 hereof.

"Defaulted Obligation Balance": For any Defaulted Obligation, the lesser of the (i) S&P Collateral Value of such Defaulted Obligation and (ii) Fitch Collateral Value of such Defaulted Obligation; provided that the Defaulted Obligation Balance will be zero if the Issuer has owned such Defaulted Obligation for more than three years after its default date.

"Deferrable Notes": The Class C Notes and/or the Class D Notes.

"Deferrable Obligation": A Collateral Obligation (including any Permitted Deferrable Obligation) that by its terms permits the deferral or capitalization of payment of accrued, unpaid interest.

"Deferred Interest": With respect to each Class of Deferrable Notes, the meaning specified in Section 2.7(a).

"Deferring Obligation": A Deferrable Obligation that is deferring the payment of the cash interest due thereon and has been so deferring the payment of cash interest due thereon (i) with respect to Collateral Obligations that have an S&P Rating of at least "BBB-," for the shorter of two consecutive accrual periods or one year, and (ii) with respect to Collateral Obligations that have an S&P Rating of "BB+" or below, for the shorter of one accrual period or six consecutive months, which deferred capitalized interest has not, as of the date of determination, been paid in Cash.

"Delayed Drawdown Collateral Obligation": A Collateral Obligation that (a) requires the Issuer to make one or more future advances to the borrower under the Underlying Documents relating thereto, (b) specifies a maximum amount that can be borrowed on one or more fixed borrowing dates, and (c) does not permit the re-borrowing of any amount previously repaid by the borrower thereunder; but any such Collateral Obligation will be a Delayed Drawdown Collateral Obligation only until all commitments by the Issuer to make advances to the borrower expire or are terminated or are reduced to zero.

"Deliver" or "Delivered" or "Delivery": The taking of the following steps:

(i) in the case of each Certificated Security (other than a Clearing Corporation Security), Instrument and Participation Interest in which the underlying loan is represented by an Instrument,

(a) causing the delivery of such Certificated Security or Instrument to the Custodian by registering the same in the name of the Custodian or its affiliated nominee or by endorsing the same to the Custodian or in blank;

(b) causing the Custodian to indicate continuously on its books and records that such Certificated Security or Instrument is credited to the applicable Account; and

(c) causing the Custodian to maintain continuous possession of such Certificated Security or Instrument;

(ii) in the case of each Uncertificated Security (other than a Clearing Corporation Security),

(a) causing such Uncertificated Security to be continuously registered on the books of the issuer thereof to the Custodian; and

(b) causing the Custodian to indicate continuously on its books and records that such Uncertificated Security is credited to the applicable Account;

(iii) in the case of each Clearing Corporation Security,

(a) causing the relevant Clearing Corporation to credit such Clearing Corporation Security to the securities account of the Custodian; and

(b) causing the Custodian to indicate continuously on its books and records that such Clearing Corporation Security is credited to the applicable Account;

(iv) in the case of each security issued or guaranteed by the United States of America or agency or instrumentality thereof and that is maintained in book-entry records of a Federal Reserve Bank ("FRB") (each such security, a "Government Security"),

(a) causing the creation of a Security Entitlement to such Government Security by the credit of such Government Security to the securities account of the Custodian at such FRB; and

(b) causing the Custodian to indicate continuously on its books and records that such Government Security is credited to the applicable Account;

(v) in the case of each Security Entitlement not governed by clauses (i) through (iv) above,

(a) causing a Securities Intermediary (x) to indicate on its books and records that the underlying Financial Asset has been credited to the Custodian's securities account, (y) to receive a Financial Asset from a Securities Intermediary or acquire the underlying Financial Asset for a Securities Intermediary, and in either case, accepting it for credit to the Custodian's securities account or (z) to become obligated under other law, regulation or rule to credit the underlying Financial Asset to a Securities Intermediary's securities account;

(b) causing such Securities Intermediary to make entries on its books and records continuously identifying such Security Entitlement as belonging to the Custodian and continuously indicating on its books and records that such Security Entitlement is credited to the Custodian's securities account; and

(c) causing the Custodian to indicate continuously on its books and records that such Security Entitlement (or all rights and property of the Custodian representing such Security Entitlement) is credited to the applicable Account;

(vi) in the case of Cash or Money,

(a) causing the delivery of such Cash or Money to the Collateral Agent for credit to the applicable Account or to the Custodian;

(b) if delivered to the Custodian, causing the Custodian to treat such Cash or Money as a Financial Asset maintained by such Custodian for credit to the applicable Account in accordance with the provisions of Article 8 of the UCC or causing the Custodian to deposit such Cash or Money to a deposit account over which the Custodian has control (within the meaning of Section 9-104 of the UCC) for the benefit of the Collateral Agent; and

(c) causing the Custodian to indicate continuously on its books and records that such Cash or Money is credited to the applicable Account; and

(vii) in the case of each general intangible (including any Participation Interest in which neither the Participation Interest nor the underlying loan is represented by an Instrument),

(a) causing the filing of a Financing Statement in the office of the Recorder of Deeds of the District of Columbia, and

(b) causing the registration of the security interests granted under this Indenture in the Issuer's register of mortgages and charges maintained at the Issuer's registered office in the Cayman Islands.

In addition, the Collateral Manager on behalf of the Issuer will obtain any and all consents required by the Underlying Documents relating to any general intangibles for the transfer of ownership and/or pledge hereunder (except to the extent that the requirement for such consent is rendered ineffective under Section 9-406 of the UCC).

"Depositor": On the Closing Date, PennantPark CLO I Depositor, LLC, a Delaware limited liability company and a wholly-owned subsidiary of PennantPark Floating Rate Capital Ltd., and thereafter any successor, assignee or transferee thereof permitted under the U.S. Risk Retention Rules.

"Determination Date": The last day of each Collection Period.

"DIP Collateral Obligation": A loan made to a debtor-in-possession pursuant to Section 364 of the Bankruptcy Code having the priority allowed by either Section 364(c) or 364(d) of the Bankruptcy Code and fully secured by senior liens.

"Discount Obligation": Any Collateral Obligation forming part of the Assets which was purchased (as determined without averaging prices of purchases on different dates) for less than (a) 85% of its Principal Balance, if such Collateral Obligation has an S&P Rating lower than "B-," or (b) 80% of its Principal Balance, if such Collateral Obligation has an S&P Rating of "B-" or higher; provided that:

(x) such Collateral Obligation shall cease to be a Discount Obligation at such time as the Market Value (expressed as a percentage of the par amount of such Collateral Obligation) determined for such Collateral Obligation on each day during any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Obligation, equals or exceeds 90% on each such day;

(y) any Collateral Obligation that would otherwise be considered a Discount Obligation, but that is purchased in accordance with the Investment Criteria with the proceeds of a sale of a Collateral Obligation that was not a Discount Obligation at the time of its purchase, so long as such purchased Collateral Obligation (A) is purchased or committed to be purchased within five Business Days of such sale, (B) is purchased at a purchase price (expressed as a percentage of the par amount of such Collateral Obligation) equal to or greater than the sale price of the sold Collateral Obligation, (C) is purchased at a purchase price (expressed as a percentage of the par amount of such Collateral Obligation) not less than 65% of its Principal Balance and (D) has a Moody's Default Probability Rating equal to or greater than the Moody's Default Probability Rating of the sold Collateral Obligation, will not be considered to be a Discount Obligation; and

(z) clause (y) above in this proviso shall not apply to any such Collateral Obligation at any time on or after the acquisition by the Issuer of such Collateral Obligation if, as determined at the time of such acquisition, such application would result in (A) more than 5% of the Collateral Principal Amount consisting of Collateral Obligations to which such clause (y) has been applied, disregarding any Collateral Obligation that has ceased to be a Discount Obligation pursuant to clause (x) above in this proviso, or (B) the Aggregate Principal Balance of all Collateral Obligations to which such clause (y) has been applied since the Closing Date being more than 10% of the Target Initial Par Amount.

"Dissolution Expenses": The amount of expenses reasonably likely to be incurred in connection with the discharge of this Indenture, the liquidation of the Assets and the dissolution of the Co-Issuers, the Depositor and any Equity Holder Subsidiary as reasonably calculated by the Collateral Manager or the Issuer, based in part on expenses incurred by the Trustee, the Collateral Agent and the Loan Agent and reported to the Collateral Manager or Issuer.

"Distribution Report": The meaning specified in Section 10.7(b).

"Document Custodian": The document custodian appointed by the Issuer, initially U.S. Bank National Association, in its capacity as document custodian under the Securities Account Control Agreement, together with its successors and assigns, as applicable.

"Dodd-Frank": The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended.

"Dollar" or "U.S.$": A dollar or other equivalent unit in such coin or currency of the United States of America as at the time shall be legal tender for all debts, public and private.

"Domicile" or "Domiciled": With respect to any Obligor with respect to a Collateral Obligation, (a) except as provided in clause (b) below, its country of organization; or (b) if it is organized in a Tax Jurisdiction, each of such jurisdiction and the country in which, in the Collateral Manager's good faith estimate, a substantial portion of its operations are located or from which a substantial portion of its revenue is derived, in each case directly or through subsidiaries (which shall be any jurisdiction and country known at the time of designation by the Collateral Manager to be the source of the majority of revenues, if any, of such Obligor).

"DTC": The Depository Trust Company, its nominees, and their respective successors.

"Due Date": Each date on which any payment is due on an Asset in accordance with its terms.

"Effective Date": The earlier to occur of (i) December 15, 2019 and (ii) the first date on which the Collateral Manager certifies to the Collateral Agent and the Collateral Administrator that the Target Initial Par Condition has been satisfied.

"Effective Date Condition": A condition satisfied if (A) the Collateral Agent and the Collateral Administrator are provided with an Accountants' Certificate indicating the level of compliance with, or satisfaction or non-satisfaction of Effective Date Specified Tested Items and (B) each of the Rating Agencies is provided with (i) a report identifying the Collateral Obligations and (ii) an Effective Date Report. For the avoidance of doubt, the Effective Date Report shall not include or refer to the Accountants' Certificate.

"Effective Date Report": A report prepared by the Collateral Administrator and determined as of the Effective Date, containing (A) the information required in a Monthly Report,B) a calculation with respect to whether the Target Initial Par Condition is satisfied, and (C) the results of calculations indicating satisfaction of the Effective Date Specified Tested Items.

"Effective Date Specified Tested Items": The Collateral Quality Test (other than the S&P CDO Monitor Test), the Overcollateralization Ratio Tests, the Concentration Limitations and the Target Initial Par Condition.

"Eligible Investment Required Ratings": (a) Such obligation or security has a short-term credit rating of at least "A-1" from S&P and, in the case of any obligation or security with a maturity of greater than 60 days, a long-term credit rating of at least "AA-" by S&P, and (b) to the extent that Fitch is rating any Secured Debt then Outstanding, for obligations or securities (i) with remaining maturities up to 30 days, such obligation or security has a short-term credit rating of at least "F1" or a long-term credit rating of at least "A" from Fitch or (ii) with remaining maturities of more than 30 days but not in excess of 60 days, such obligation or security a short-term credit rating of "F1+" or a long-term credit rating of at least "AA-" from Fitch.

" Eligible Investments": Either Cash or any Dollar investment that, at the time it is delivered to the Collateral Agent (directly or through an intermediary or custodian), (x) matures not later than the earlier of (A) the date that is 60 days after the date of delivery thereof and (B) the Business Day immediately preceding the Payment Date immediately following the date of delivery thereof, and (y) is one or more of the following obligations or securities:

(i) direct Registered obligations of, and Registered obligations the timely payment of principal and interest on which is fully and expressly guaranteed by, the United States of America or any agency or instrumentality of the United States of America the obligations of which are expressly backed by the full faith and credit of the United States of America and which satisfy the Eligible Investment Required Ratings;

(ii) demand and time deposits in, certificates of deposit of, trust accounts with, bankers' acceptances issued by, or federal funds sold by any depository institution or trust company incorporated under the laws of the United States of America or any state thereof and subject to supervision and examination by federal and/or state banking authorities, in each case payable within 183 days after issuance, so long as the commercial paper and/or the debt obligations of such depository institution or trust company at the time of such investment or contractual commitment providing for such investment have the Eligible Investment Required Ratings;

(iii) commercial paper (other than extendible commercial paper or Asset-backed Commercial Paper) with the Eligible Investment Required Ratings and that either bears interest or is sold at a discount from the face amount thereof and has a maturity of not more than 183 days from its date of issuance; and

(iv) registered money market funds that have, at all times, credit ratings of "AAAm" by S&P and, to the extent that Fitch is rating any Secured Debt then Outstanding, either the highest credit rating assigned by Fitch ("AAAmmf") to the extent rated by Fitch or otherwise the highest credit rating assigned by another NRSRO (excluding S&P); provided that (1) Eligible Investments purchased with funds in the Collection Account shall be held until maturity except as otherwise specifically provided herein and shall include only such obligations or securities as mature (or are putable at par to the issuer thereof) no later than the earlier of 60 days and the Business Day prior to the next Payment Date unless such Eligible Investments are issued by the Bank in its capacity as a banking institution, in which event such Eligible Investments may mature on such Payment Date; and (2) none of the foregoing obligations or securities shall constitute Eligible Investments if (a) all, or substantially all, of the remaining amounts payable thereunder consist of interest and not principal payments, (b) payments with respect to such obligations or securities or proceeds of disposition are subject to withholding taxes by any jurisdiction unless the payor is required to make "gross-up" payments that cover the full amount of any such withholding tax on an after-tax basis, (c) such obligation or security is secured by real property, (d) such obligation or security is purchased at a price greater than 100% of the principal or face amount thereof, (e) such obligation or security is subject of a tender offer, voluntary redemption, exchange offer, conversion or other similar action, (f) in the Collateral Manager's judgment, such obligation or security is subject to material non-credit related risks, (g) such obligation is a Structured Finance Obligation, (h) such obligation or security is represented by a certificate of interest in a grantor trust, (i) such obligation or security would not be treated as "cash equivalents" for the purposes of Section 75.10(c)(8)(iii)(A) of the regulations implementing the Volcker Rule and in accordance with any applicable interpretive guidance thereunder or (j) such obligation has an "f," "r," "p," "pi," "q," "t," or "sf" subscript assigned by S&P. Eligible Investments may include, without limitation, those investments issued by or made with U.S. Bank National Association or for which U.S. Bank National Association or an Affiliate of U.S. Bank National Association provides services and receives compensation.

"Eligible Loan Index": With respect to each Collateral Obligation, one of the following indices as selected by the Collateral Manager upon the acquisition of such Collateral Obligation: the Credit Suisse Leveraged Loan Indices (formerly the DLJ Leveraged Loan Index Plus), the Deutsche Bank Leveraged Loan Index, the Goldman Sachs/Loan Pricing Corporation Liquid Leveraged Loan Index, the Merrill Lynch Leveraged Loan Index, the S&P/LSTA Leveraged Loan Indices or any successor or other comparable nationally recognized loan index; provided that the Collateral Manager may change the index applicable to a Collateral Obligation to another Eligible Loan Index at any time following the acquisition thereof after giving notice to the Rating Agencies, the Trustee, the Collateral Agent, the Loan Agent and the Collateral Administrator so long as the same index applies to all Collateral Obligations for which this definition applies.

"Enforcement Event": The meaning specified in Section 11.1(a)(iii).

"Entitlement Order": The meaning specified in Section 8-102(a)(8) of the UCC.

"Equity Holder Subsidiary": A subsidiary of the Issuer that is formed for the sole purpose of holding, subject to the limitations in this Indenture, stock or other equity interests of one or more Obligors acquired in connection with a workout of a Collateral Obligation. For reporting purposes and for purposes of calculating the Coverage Tests, the Investment Criteria and any other requirements related to the acquisition of additional Collateral Obligations, assets held by any Equity Holder Subsidiary that constitute Equity Securities will be treated as Equity Securities owned by the Issuer (and the equity interest in such Equity Holder Subsidiary shall not be included in such calculation).

"Equity Security": Any security or debt obligation that by its terms does not provide for periodic payments of interest at a stated coupon rate and repayment of principal at a stated maturity and any other security that is not eligible for purchase by the Issuer as a Collateral Obligation and is not an Eligible Investment (other than a loan received in exchange for a Defaulted Obligation or portion thereof, in connection with an insolvency, bankruptcy, reorganization, debt restructuring or workout of the Obligor or issuer thereof which shall be deemed to be a Defaulted Obligation); it being understood that Equity Securities may not be purchased by the Issuer (or an Equity Holder Subsidiary) but it is possible that the Issuer or an Equity Holder Subsidiary may receive an Equity Security in connection with an insolvency, bankruptcy, reorganization, debt restructuring or workout that would be considered "received in lieu of debts previously contracted with respect to the Collateral Obligation" under the Volcker Rule.

"ERISA": The United States Employee Retirement Income Security Act of 1974, as amended.

" EU Acquisition Test": A test that is satisfied, in connection with and at the time of the purchase by the Issuer of any Collateral Obligation that is not an Affiliate Originated Collateral Obligation, if, after taking into account any such proposed acquisition, the aggregate outstanding principal amount of Affiliate Originated Collateral Obligations then owned by the Issuer is more than fifty percent (50%) of the aggregate outstanding principal amount of all Collateral Obligations then owned by the Issuer.

"EU Retention Holder": On the Closing Date, PennantPark Floating Rate Capital Ltd., as an originator, and thereafter any successor, assignee or transferee thereof permitted under the EU Securitization Laws.

"EU Retention Interest": An interest in the first loss tranche within the meaning of paragraph (d) of Article 6(3) of the Securitization Regulation as in effect as of the Closing Date, by way of holding, subject to the provisions of the Retention of Net Economic Interest Letter, the minimum amount of Preferred Shares currently required by the applicable EU Securitization Laws.

"EU Securitization Laws": The Securitization Regulation, together with any final regulatory guidance and technical standards published in relation thereto and the guidelines published in relation to the preceding risk retention legislation by the European Supervisory Authorities which continue to apply to the provisions of the Securitization Regulation as of the Closing Date.

"European Supervisory Authorities": Collectively, the European Banking Authority, the European Securities and Markets Authority and the European Insurance and Occupational Pensions Authority, in each case including any successor or replacement organization thereto.

"Euroclear": Euroclear Bank S.A./N.V.

"Event of Default": The meaning specified in Section 5.1.

"Excel Default Model Input File": The meaning specified in Section 7.18(c).

"Excepted Property": The meaning specified in the Granting Clauses.

"Excess CCC Adjustment Amount": As of any date of determination, an amount equal to the excess, if any, of (i) the Aggregate Principal Balance of all Collateral Obligations included in the CCC Excess, over (ii) the sum of the Market Values of all Collateral Obligations included in the CCC Excess.

"Excess Weighted Average Coupon": A percentage equal as of any date of determination to a number obtained by *multiplying* (a) the excess, if any, of the Weighted Average Coupon over the Minimum Weighted Average Coupon *by* (b) the number obtained by *dividing* the Aggregate Principal Balance of all Fixed Rate Obligations *by* the Aggregate Principal Balance of all Floating Rate Obligations.

"Excess Weighted Average Floating Spread": A percentage equal as of any date of determination to a number obtained by *multiplying* (a) the excess, if any, of the Weighted Average Floating Spread over the Minimum Floating Spread *by* (b) the number obtained by *dividing* the Aggregate Principal Balance of all Floating Rate Obligations *by* the Aggregate Principal Balance of all Fixed Rate Obligations.

"Exchange Act": The United States Securities Exchange Act of 1934, as amended.

"Exchange Transaction": The meaning specified in Section 12.5.

"Exchanged Defaulted Obligation": The meaning specified in Section 12.5.

"Exercise Notice": The meaning specified in Section 9.7(c).

"Expense Reserve Account": The account established pursuant to Section 10.3(d).

"Failed Optional Redemption": Any announced Optional Redemption (i) with respect to which notice of redemption has been given pursuant to Section 9.4, (ii) such notice is no longer capable of being withdrawn pursuant to Section 9.4(c), and (iii) the Issuer has sold or entered into commitments to sell Assets in connection with such Optional Redemption and has insufficient funds to pay the Redemption Prices due and payable on the Secured Debt in respect of such announced Optional Redemption on the related Redemption Date in accordance with the Priority of Payments; provided that any Optional Redemption with respect to which an expected Refinancing fails to occur shall not be a Failed Optional Redemption.

"FATCA": Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any U.S. or non-U.S. fiscal or regulatory legislation, rules, guidelines or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code or analogous provisions of non-U.S. law.

"Federal Reserve Board": The Board of Governors of the Federal Reserve System.

"Fee Basis Amount": As of any date of determination, the sum of (a) the Collateral Principal Amount, (b) the Aggregate Principal Balance of all Defaulted Obligations and (c) without duplication, the aggregate amount of all Principal Financed Accrued Interest and Principal Financed Capitalized Interest.

"Fiduciary": The meaning specified in Section 2.5(h)(iii).

"Financial Asset": The meaning specified in Section 8-102(a)(9) of the UCC.

"Financing Statements": The meaning specified in Section 9-102(a)(39) of the UCC.

"First-Lien Last-Out Loan": A Collateral Obligation that is a Senior Secured Loan that may be fully subordinated in right of payment or application of proceeds (other than permitted interest and principal payments) to the related senior secured loans (including, without limitation, Non-Super-Priority Senior Secured Loans) of the same Obligor until such related senior secured loans are paid in full; provided that a Collateral Obligation will not be treated as a First-Lien Last-Out Loan solely as a result of customary exceptions for Loans secured by a first-priority perfected security interest, including a Super-Priority Revolving Facility.

"First LIBOR Period End Date": October 15, 2019.

"First Lien Term Loan Behind a Revolver": A Collateral Obligation in the form of a term loan that has a first lien on the related Obligor's non-current and related assets and, as additional collateral, may have a second lien on the related Obligor's current and related assets.

" Fiscal Agency Agreement": The fiscal agency agreement dated as of the Closing Date among the Fiscal Agent, the Share Registrar and the Issuer, as amended from time to time in accordance with the terms thereof.

"Fiscal Agent": U.S. Bank National Association, in its capacity as the fiscal agent appointed by the Issuer pursuant to the Fiscal Agency Agreement, together with any successor thereunder.

"Fitch": Fitch Ratings, Inc. and any successor thereto.

"Fitch Collateral Value": With respect to any Defaulted Obligation, the lesser of (i) the product of the Fitch Recovery Rate of such Defaulted Obligation *multiplied by* its Principal Balance, in each case, as of the relevant Measurement Date and (ii) the Market Value of such Defaulted Obligation as of the relevant Measurement Date; provided that if the Market Value cannot be determined for any reason, the Fitch Collateral Value shall be determined in accordance with clause (i) above.

"Fitch Rating": The meaning specified in Schedule 6 hereto.

"Fitch Rating Factor": In respect of any Collateral Obligation, the number set forth in the table below opposite the Fitch Rating in respect of such Collateral Obligation:

Fitch Rating	Fitch Rating Factor
AAA	0.19
AA+	0.35
AA	0.64
AA-	0.86
A+	1.17
A	1.58
A-	2.25
BBB+	3.19
BBB	4.54
BBB-	7.13
BB+	12.19
BB	17.43
BB-	22.80
B+	27.80
B	32.18
B-	40.60
CCC+	62.80
CCC	62.80
CCC-	62.80
CC	100.00
C	100.00
D	100.00

"Fitch Recovery Rate": The meaning specified in Schedule 6 hereto.

"Fitch Test Matrix": The meaning specified in Schedule 6 hereto.

"Fitch Weighted Average Rating Factor": The number determined by (a) summing the products of (i) the Principal Balance of each Collateral Obligation *multiplied by* (ii) its Fitch Rating Factor, (b) *dividing* such sum *by* the aggregate Principal Balance of all such Collateral Obligations and (c) *rounding* the result down to the nearest two decimal places. For the purposes of determining the Principal Balance and aggregate Principal Balance of Collateral Obligations in this definition, the Principal Balance of each Defaulted Obligation shall be excluded.

"Fixed Rate Notes": Notes that bear a fixed rate of interest.

"Fixed Rate Obligation": Any Collateral Obligation that bears a fixed rate of interest.

"Floating Rate Notes": Notes that bear a floating rate of interest.

"Floating Rate Obligation": Any Collateral Obligation that bears a floating rate of interest.

"GAAP": The meaning specified in Section 6.3(j).

"Global Note": Any Regulation S Global Note or Rule 144A Global Note.

" Global Rating Agency Condition": With respect to any action taken or to be taken by or on behalf of the Issuer, satisfaction of the S&P Rating Condition (to the extent applicable) together with prior notice to Fitch delivered at least five Business Days prior to such action (to the extent that Fitch is rating any Secured Debt then Outstanding).

"Governmental Authority": Whether U.S. or non-U.S., (i) any national, state, county, municipal or regional government or quasi-governmental authority or political subdivision thereof; (ii) any agency, regulator, arbitrator, board, body, branch, bureau, commission, corporation, department, master, mediator, panel, referee, system or instrumentality of any such government or quasi-government entity, or political subdivision thereof; and (iii) any court.

"Grant" or "Granted": To grant, bargain, sell, convey, assign, transfer, mortgage, pledge, create and grant a security interest in and right of setoff against, deposit, set over and confirm. A Grant of the Assets, or of any other instrument, shall include all rights, powers and options (but none of the obligations) of the granting party thereunder, including, the immediate continuing right to claim for, collect, receive and receipt for principal and interest payments in respect of the Assets, and all other Monies payable thereunder, to give and receive notices and other communications, to make waivers or other agreements, to exercise all rights and options, to bring Proceedings in the name of the granting party or otherwise, and generally to do and receive anything that the granting party is or may be entitled to do or receive thereunder or with respect thereto.

"Group I Country": The Netherlands, Australia, New Zealand and the United Kingdom.

"Group II Country": Germany, Sweden and Switzerland.

"Group III Country": Austria, Belgium, Denmark, Finland, France, Iceland, Ireland, Liechtenstein, Luxembourg and Norway.

"Holder" or "holder": With respect to (a) any Note, the Person whose name appears on the Note Register as the registered holder of such Note or the holder of a beneficial interest in (*i.e.*, a beneficial owner of) such Note, (b) the Class A-1 Loans, each Class A-1 Lender recorded in the Loan Register and (c) any Preferred Share, the Person whose name appears on the Share Register maintained by the Share Registrar as the registered holder of such Preferred Share or the holder of a beneficial interest (*i.e.*, a beneficial owner) of such Preferred Share, in each case, except as otherwise provided herein.

"IAI/QP": Any Person that, at the time of its acquisition, purported acquisition or proposed acquisition of Notes is both an Institutional Accredited Investor and a Qualified Purchaser (or a corporation, partnership, limited liability company or other entity (other than a trust) and each shareholder, partner, member or other equity owner of which is a Qualified Purchaser).

"Incurrence Covenant": A covenant by any borrower to comply with one or more financial covenants only upon the occurrence of certain actions of the borrower, including a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.

"Indenture": This instrument as originally executed and, if from time to time supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, as so supplemented or amended.

"Independent": As to any Person, any other Person (including, in the case of an accountant or lawyer, a firm of accountants or lawyers, and any member thereof, or an investment bank and any member thereof) who (i) does not have and is not committed to acquire any material direct or any material indirect financial interest in such Person or in any Affiliate of such Person, and (ii) is not connected with such Person as an Officer, employee, promoter, underwriter, voting trustee, partner, manager, director or Person performing similar functions. "Independent" when used with respect to any accountant may include an accountant who audits the books of such Person if in addition to satisfying the criteria set forth above, the accountant is independent with respect to such Person within the meaning of Rule 101 of the Code of Professional Conduct of the American Institute of Certified Public Accountants. For purposes of this definition, no special member, manager, director or independent review party of any Person will fail to be Independent solely because such Person acts as an independent special member, independent manager, independent director or independent review party thereof or of any such Person's affiliates.

Any pricing service, certified public accountant or legal counsel that is required to be Independent of another Person under this Indenture must satisfy the criteria above with respect to the Issuer, the Collateral Manager and their Affiliates.

"Independent Review Party": The meaning set forth in the Collateral Management Agreement.

"Index Maturity": With respect to any Class of Secured Debt (other than the Fixed Rate Notes), the period indicated with respect to such Class in Section 2.3; provided that with respect to the portion of the first Interest Accrual Period comprising the period from the Closing Date to but excluding the First LIBOR Period End Date, LIBOR shall be determined by interpolating between the rate for 1 week and 1 month.

"Industry Diversity Measure": The meaning specified in Schedule 7.

"Ineligible Collateral Obligation": The meaning set forth in the Master Loan Sale Agreement.

"Initial Rating": With respect to the Secured Debt, the rating or ratings, if any, indicated in Section 2.3.

"Initial Sale and Contribution": The initial sale and contribution of Collateral Obligations, in each case on the Closing Date, from the Transferor to the Depositor and from the Depositor to the Issuer.

"Institutional Accredited Investor": An "accredited investor" within the meaning set forth in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act.

"Instrument": The meaning specified in Section 9-102(a)(47) of the UCC.

"Interest Accrual Period": (i) With respect to the initial Payment Date (or, in the case of a Re-Priced Class or a Class that is subject to a Refinancing, the first Payment Date following the Re-Pricing Date or the Refinancing, respectively), the period from and including the Closing Date (or, in the case of (x) a Re-Pricing, the Re-Pricing Date and (y) a Refinancing, the date of issuance of the replacement notes or debt obligations) to but excluding such Payment Date; and (ii) with respect to each succeeding Payment Date, the period from and including the immediately preceding Payment Date to but excluding the following Payment Date until the principal of the Secured Debt is paid in full or made available for payment; provided, that, for purposes of determining any Interest Accrual Period in the case of the Fixed Rate Notes, the Payment Date shall be assumed to be the 15th day of the relevant month (irrespective of whether such day is a Business Day).

" Interest Collection Subaccount": The account established pursuant to Section 10.2(a).

"Interest Coverage Ratio": For any designated Class or Classes of Secured Debt, as of any date of determination, the percentage derived from the following equation: (A – B) / C, where:

A = The Collateral Interest Amount as of such date of determination;

B = Amounts payable (or expected as of the date of determination to be payable) on the following Payment Date as set forth in clauses (A) and (B) in Section 11.1(a)(i) (excluding any Collateral Management Fee that would otherwise be payable on the following Payment Date, but that has been designated by the Collateral Manager as a Waived Collateral Management Fee as of such date of determination); and

C = Interest due and payable on the Secured Debt of such Class or Classes and each Class of Secured Debt that rank senior to or *pari passu* with such Class or Classes (excluding Deferred Interest but including any interest on Deferred Interest with respect to the Deferrable Notes) on such Payment Date.

For purposes of calculating the Interest Coverage Ratio, the Class A-1 Debt, the Class A-2 Notes and the Class B Notes shall be treated as a single Class.

"Interest Coverage Test": A test that is satisfied with respect to any Class or Classes of Secured Debt as of the Determination Date immediately preceding the second Payment Date and any other date thereafter on which such test is required to be determined hereunder if (i) the Interest Coverage Ratio for such Class or Classes on such date is at least equal to the Required Interest Coverage Ratio for such Class or Classes or (ii) such Class or Classes are no longer Outstanding.

"Interest Determination Date": The second London Banking Day preceding the first day of each Interest Accrual Period; provided that solely with respect to the first Interest Accrual Period, the Interest Determination Date will be (i) with respect to the portion of the first Interest Accrual Period comprising the period from the Closing Date to but excluding the First LIBOR Period End Date, the second London Banking Day preceding the Closing Date and (ii) with respect to the remainder of the first Interest Accrual Period, the second London Banking Day preceding the First LIBOR Period End Date.

"Interest Proceeds": With respect to any Collection Period or Determination Date, without duplication, the sum of:

(i) all payments of interest and delayed compensation (representing compensation for delayed settlement) received in Cash by the Issuer during the related Collection Period on the Collateral Obligations and Eligible Investments, including the accrued interest received in connection with a sale thereof during the related Collection Period, less any such amount that represents Principal Financed Accrued Interest or Principal Financed Capitalized Interest;

(ii) all principal and interest payments received by the Issuer during the related Collection Period on Eligible Investments purchased with Interest Proceeds;

(iii) all amendment and waiver fees, late payment fees and other fees received by the Issuer during the related Collection Period, except for those in connection with (a) the lengthening of the maturity of the related Collateral Obligation or (b) the reduction of the par amount of the related Collateral Obligation, as determined by the Collateral Manager with notice to the Collateral Agent and the Collateral Administrator;

(iv) commitment fees and other similar fees received by the Issuer during such Collection Period in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations;

(v) any amounts deposited in the Collection Account from the Expense Reserve Account that are designated as Interest Proceeds in the sole discretion of the Collateral Manager as provided in Section 10.3(d);

(vi) any amounts deposited in the Collection Account from the Interest Reserve Account that are designated as Interest Proceeds in the sole discretion of the Collateral Manager pursuant to Section 10.3(e);

(vii) any amounts deposited in the Collection Account from the Contribution Account as Interest Proceeds at the direction of the related Contributor (or, if no direction is given by the Contributor, at the direction of the Collateral Manager in its sole discretion); and

(viii) upon the receipt by the Issuer of aggregate distributions in respect of an asset held by an Equity Holder Subsidiary that was acquired by or transferred to such Equity Holder Subsidiary in exchange for a Collateral Obligation in an amount equal to the Principal Balance of such Collateral Obligation at the time of such exchange, any additional amounts received by the Issuer from such Equity Holder Subsidiary in respect of such asset designated by the Collateral Manager as Interest Proceeds (with notice to the Collateral Administrator);

provided that (a) any amounts received in respect of any Defaulted Obligation will constitute Principal Proceeds (and not Interest Proceeds) until the aggregate of all collections in respect of such Defaulted Obligation and, if such Defaulted Obligation is a Delayed Drawdown Collateral Obligation or a Revolving Collateral Obligation, any amounts transferred from the Revolver Funding Account to the Principal Collection Subaccount with regard thereto, since it became a Defaulted Obligation equals the Principal Balance of such Collateral Obligation at the time it became a Defaulted Obligation; (b) that capitalized interest shall not constitute Interest Proceeds; and (c) any amounts relating to Maturity Amendments that are required to be treated as Principal Proceeds under this Indenture shall not constitute Interest Proceeds. For the avoidance of doubt, under no circumstances will Interest Proceeds include the Excepted Property or any interest earned thereon.

"Interest Rate": With respect to each Class of Secured Debt, the *per annum* stated interest rate payable on such Class with respect to each Interest Accrual Period, which rate shall be equal to the rate specified for such Class in Section 2.3 (or any Alternative Rate, if applicable); provided that with respect to any Interest Accrual Period during which a Re-Pricing has occurred, the applicable Interest Rate of any Re-Priced Class shall reflect the applicable Re-Pricing Rate from, and including, the applicable Re-Pricing Date.

"Interest Reserve Account": The account established pursuant to Section 10.3(e).

"Interest Reserve Amount": U.S.$0.

"Investment Criteria": The criteria specified in Section 12.2.

"IRS": The United States Internal Revenue Service.

"Issuer": The Person named as such on the first page of this Indenture until a successor Person shall have become the Issuer pursuant to the applicable provisions of this Indenture, and thereafter "Issuer" shall mean such successor Person.

"Issuer Order" and "Issuer Request": A written order or request (which may be a standing order or request) dated and signed in the name of the Issuer or the Co- Issuer or by a Responsible Officer of the Issuer or the Co-Issuer or by the Collateral Manager by a Responsible Officer thereof, on behalf of the Issuer. For the avoidance of doubt, an order or request provided in an email or other electronic communication by a Responsible Officer of the Issuer or the Co-Issuer or by a Responsible Officer of the Collateral Manager on behalf of the Issuer shall constitute an Issuer Order, unless the Collateral Agent otherwise requests that such Issuer Order be in writing.

"Junior Class": With respect to a particular Class of Secured Debt, each Class of Secured Debt that is subordinated to such Class, as indicated in Section 2.3.

"Libor": The London interbank offered rate.

"LIBOR": With respect to the Secured Debt (other than the Fixed Rate Notes), for any Interest Accrual Period LIBOR will equal the greater of (i) 0.0% and (ii)(a) the rate appearing on the Reuters Screen for deposits with a term of the Index Maturity or (b) if such rate is unavailable at the time LIBOR is to be determined, unless and until the Collateral Manager has selected an Alternative Rate in accordance with the proviso below, LIBOR shall be determined on the basis of the rates at which deposits in U.S. Dollars are offered by four major banks in the London market selected by the Collateral Manager (the "Reference Banks") at approximately 11:00 a.m., London time, on the Interest Determination Date to prime banks in the London interbank market for a period approximately equal to such Interest Accrual Period and an amount approximately equal to the Aggregate Outstanding Amount of such Secured Debt. The Collateral Manager will request the London office of each Reference Bank to provide a quotation of its rate. If at least two such quotations are provided, LIBOR shall be the arithmetic mean of such quotations (rounded upward to the next higher 1/100). If fewer than two quotations are provided as requested, LIBOR with respect to such Interest Accrual Period will be the arithmetic mean of the rates quoted by three major banks in New York, New York selected by the Collateral Manager at approximately 11:00 a.m., New York time, on such Interest Determination Date for loans in U.S. Dollars to leading European banks for a term approximately equal to such Interest Accrual Period and an amount approximately equal to the Aggregate Outstanding Amount of such Secured Debt. If the Calculation Agent is required but is unable to determine a rate in accordance with at least one of the procedures described above and if no Alternative Rate applies, LIBOR will be LIBOR as determined on the previous Interest Determination Date. "LIBOR", when used with respect to a Collateral Obligation, means the "Libor" rate determined in accordance with the terms of such Collateral Obligation. Neither the Calculation Agent nor the Collateral Manager shall have any liability for (x) the selection of Reference Banks or major banks in New York, New York whose quotations may be used for purposes of calculating LIBOR or for the failure of any Reference Bank or major bank to provide a quotation or (y) quotations received from such Reference Banks or major banks, as applicable.

Notwithstanding anything in the foregoing, if at any time while any Secured Debt (other than Fixed Rate Notes) remains Outstanding, the Collateral Manager determines that (i) a material disruption to LIBOR occurs, (ii) a change in the methodology of calculating LIBOR occurs, (iii) LIBOR ceases to exist or be reported on the Reuters Screen or (iv) greater than 50% of the par amount of (A) the quarterly pay Floating Rate Obligations or (B) the floating rate notes issued in the preceding three months in new issue CLO transactions rely on reference rates other than LIBOR, (x) the Collateral Manager (on behalf of the Issuer) may select (with notice to the Trustee, the Loan Agent, the Collateral Administrator and the Calculation Agent) an alternative rate, including any applicable spread adjustments thereto (the "Alternative Rate") that, in its commercially reasonable judgment, is (a) an industry benchmark rate that is generally accepted in the financial markets as a replacement benchmark for LIBOR, (b) a benchmark rate that is used to determine interest payable on at least 50% of all Floating Rate Obligations, (c) the reference rate recognized or acknowledged (whether by letter, protocol, publication of standard terms or otherwise) as a replacement reference rate for LIBOR by the Loan Syndications and Trading Association or the Alternative Reference Rates Committee convened by the Federal Reserve or similar association or committee or successor thereto, (d) the single reference rate that is used in calculating the interest rate of at least 50% of the par amount of floating rate notes priced or issued in the preceding three months in new issue collateralized loan obligation transactions or amendments of existing collateralized loan obligation transactions subject to LIBOR-related

supplemental indentures, (e) the single reference rate that is used in calculating the interest rate of floating rate notes priced or issued in the preceding six months in at least ten new issue collateralized loan obligation transactions or amendments of existing collateralized loan obligation transactions subject to LIBOR-related supplemental indentures and/or (f) any other alternative rate chosen by the Collateral Manager with the consent of a Majority of the Controlling Class (as to this clause (f)) and (y) all references herein to "LIBOR" will mean such Alternative Rate selected by the Collateral Manager; provided that such Alternative Rate shall be equal to or greater than 0.0%; provided, further, that the Issuer shall have obtained written advice of Dechert LLP or an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters to the effect that such selection will not cause the Issuer to be treated as a publicly traded partnership for U.S. federal income tax purposes or to be subject to U.S. federal income tax with respect to its net income or tax liability under Section 1446 of the Code.

"Libor Floor Obligation": As of any date of determination, a Floating Rate Obligation (a) the interest in respect of which is paid based on Libor and (b) that provides that such Libor is (in effect) calculated as the greater of (i) a specified "floor" rate *per annum* and (ii) Libor for the applicable interest period for such Collateral Obligation.

"Loan": Any obligation for the payment or repayment of borrowed money that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement.

"Loan Agent": U.S. Bank National Association, in its capacity as loan agent pursuant to the Credit Agreement, unless and until a successor Person shall have become the loan agent pursuant to the provisions thereof, and thereafter, the "Loan Agent" shall mean such successor person.

"Loan Register": The "Register" as defined in the Credit Agreement.

"London Banking Day": A day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London, England.

"Long-Dated Obligation": Any Collateral Obligation, the stated maturity date of which is extended to occur after the earliest Stated Maturity of the Notes Outstanding pursuant to an amendment or modification of its terms following its acquisition by the Issuer.

"Maintenance Covenant": A covenant by any borrower to comply with one or more financial covenants during each reporting period, whether or not such borrower has taken any specified action.

"Majority": With respect to (a) any Class or Classes of Secured Debt, the Holders of more than 50% of the Aggregate Outstanding Amount of such Class or Classes, as applicable; provided that, with respect to the Class A-1 Loans, a "Majority of the Class A-1 Lenders" at any time means Class A-1 Lenders holding more than 50% of the Aggregate Outstanding Amount of the Class A-1 Loans Outstanding at such time; and (b) the Preferred Shares, the Holders of more than 50% of the Aggregate Outstanding Amount of the Preferred Shares.

"Margin Stock": "Margin Stock" as defined under Regulation U issued by the Federal Reserve Board, including any debt security which is by its terms convertible into "Margin Stock."

"Market Value": With respect to any loans or other assets, the amount (determined by the Collateral Manager) equal to the product of the Principal Balance thereof and the price (expressed as a percentage of par) determined in the following manner:

(i) either (A) the "bid side" price determined by the Loan Pricing Corporation, Markit Group Limited, LoanX Mark-It Partners, FT Interactive, Bridge Information Systems, KDP, IDC, Bank of America High Yield Index, Interactive Data Pricing and Reference Data, Inc., Pricing Direct Inc., S&P Security Evaluations Service, Thompson Reuters Pricing Service, TradeWeb Markets LLC or any other third party nationally recognized pricing service selected by the Collateral Manager or (B) if data for such Collateral Obligation is not available from such a pricing service, an analysis performed by a third party nationally recognized valuation firm to establish a fair market value of such Collateral Obligation that reflects the "bid side" price that would be paid by a willing buyer to a willing seller of such Collateral Obligation in an expedited sale on an arm's-length basis; or

(ii) if the price described in clause (i) is not available or the Collateral Manager determines in accordance with the Collateral Manager Standard that such price does not reflect the value of such asset;

(A) the average of the bid side prices determined by three broker-dealers active in the trading of such asset that are Independent (without giving effect to the last sentence in the definition thereof) from each other and the Issuer and the Collateral Manager;

(B) if only two such bids can be obtained, the lower of the bid side prices of such two bids; or

(C) if only one such bid can be obtained, and such bid was obtained from a Qualified Broker/Dealer that is Independent (without giving effect to the last sentence in the definition thereof) from each other and the Issuer and the Collateral Manager, such bid; or

(iii) if a value cannot be obtained by the Collateral Manager exercising reasonable efforts pursuant to the means contemplated by clauses (i) or (ii), the value determined as the bid side market value of such Collateral Obligation as reasonably determined by the Collateral Manager (so long as the Collateral Manager is a Registered Investment Adviser) consistent with the Collateral Manager Standard and certified by the Collateral Manager to the Collateral Agent and the Collateral Administrator; or

(iv) if the Market Value of an asset is not determined in accordance with clause (i), (ii) or (iii) above, then such Market Value shall be deemed to be zero until such determination is made in accordance with clause (i), (ii) or (iii) above;

provided that, solely for purpose of calculating the CCC Excess and the Excess CCC Adjustment Amount, the Market Value of any CCC Collateral Obligation determined pursuant to paragraph (iii) will equal the lesser of (x) such bid side market value determined by the Collateral Manager and (y) 70%.

"Master Loan Sale Agreement": That certain Master Loan Sale Agreement, dated as of the Closing Date, as amended from time to time in accordance with the terms thereof, by and among the Transferor, the Depositor and the Issuer whereby the Transferor will sell and/or contribute to the Depositor, and the Depositor will sell and/or contribute to the Issuer, without recourse (except as set forth therein), all of the right, title and interest of the Transferor and the Depositor, as applicable, in and to the Collateral Obligations and the proceeds thereof contemplated thereby.

"Master Participation Agreement": That certain Master Participation Agreement, dated as of the Closing Date, as amended from time to time in accordance with the terms thereof, by and between the Issuer and PennantPark Floating Rate Funding I, LLC.

" Material Covenant Default": A default by an Obligor with respect to any Collateral Obligation, and subject to any grace periods contained in the related Underlying Document, that gives rise to the right of the lender(s) thereunder to accelerate the principal of such Collateral Obligation.

"Maturity": With respect to any Class of Secured Debt, the date on which the unpaid principal of such Class becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise.

"Maturity Amendment": The meaning specified in Section 7.20.

" Maximum Fitch Rating Factor Test": A test that will be satisfied on any date of determination if the Fitch Weighted Average Rating Factor as at such date is less than or equal to the applicable level in the Fitch Test Matrix.

"Measurement Date": (i) Any day on which a purchase of a Collateral Obligation occurs, (ii) any Determination Date, (iii) the Monthly Report Determination Date, (iv) with five Business Days' prior written notice, any Business Day requested by either Rating Agency and (v) the Effective Date.

"Memorandum and Articles": The Issuer's Memorandum and Articles of Association, as they may be amended, revised or restated from time to time.

"Merging Entity": The meaning specified in Section 7.10.

"Minimum Denomination": With respect to each Class of Notes, U.S.$250,000 and integral multiples of U.S.$1 in excess thereof.

"Minimum Fitch Floating Spread": As of any date of determination, the weighted average spread (expressed as a percentage) applicable to the current Fitch Test Matrix selected by the Collateral Manager.

"Minimum Fitch Floating Spread Test": A test that will be satisfied on any date of determination if the Weighted Average Floating Spread *plus* the Excess Weighted Average Coupon equals or exceeds the Minimum Fitch Floating Spread.

"Minimum Floating Spread": The applicable percentage set forth in the definition of "S&P CDO Monitor" upon the option chosen by the Collateral Manager in accordance with Section 2 of Schedule 5.

"Minimum Floating Spread Test": The test that is satisfied on any date of determination if the Weighted Average Floating Spread *plus* the Excess Weighted Average Coupon equals or exceeds the Minimum Floating Spread.

"Minimum Weighted Average Coupon": If any of the Collateral Obligations are Fixed Rate Obligations, 7.50%.

"Minimum Weighted Average Coupon Test": The test that is satisfied on any date of determination as of which the Collateral Obligations include any Fixed Rate Obligations if the Weighted Average Coupon *plus* the Excess Weighted Average Floating Spread equals or exceeds the Minimum Weighted Average Coupon.

" Minimum Weighted Average Fitch Recovery Rate Test": The test that will be satisfied on any date of determination if the Weighted Average Fitch Recovery Rate is greater than or equal to the applicable level in the Fitch Test Matrix.

"Minimum Weighted Average S&P Recovery Rate Test": The test that will be satisfied on any date of determination prior to the S&P CDO Monitor Switchover Date if the Weighted Average S&P Recovery Rate for the most senior Class of Secured Debt then Outstanding equals or exceeds the Weighted Average S&P Recovery Rate for such Class of Secured Debt selected by the Collateral Manager in connection with the S&P CDO Monitor Test.

"Money": The meaning specified in Section 1-201(24) of the UCC.

"Monthly Report": The meaning specified in Section 10.7(a).

"Monthly Report Determination Date": The meaning specified in Section 10.7(a).

"Moody's": Moody's Investors Service, Inc. and any successor thereto.

"Moody's Default Probability Rating": With respect to any Collateral Obligation, the rating determined pursuant to Schedule 4 hereto.

"Moody's Derived Rating": With respect to any Collateral Obligation, the rating determined pursuant to Schedule 4 hereto.

"Moody's Rating": With respect to any Collateral Obligation, the rating determined pursuant to Schedule 4 hereto.

"Net Exposure Amount": As of the applicable Cut-Off Date, with respect to any Substitute Collateral Obligation which is a Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, the lesser of (i) the aggregate amount of the then-unfunded funding obligations thereunder, and (ii) the amount necessary to cause, upon completion of such substitution on the applicable Cut-Off Date, the amount of funds on deposit in the Revolver Funding Account to be at least equal to the sum of the unfunded funding obligations under all Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations then included in the Assets.

"Net Purchased Loan Balance": As of any date of determination, an amount equal to (a) the sum of (i) the Aggregate Principal Balance of all Collateral Obligations conveyed, directly or indirectly, by the Transferor to the Issuer under the Master Loan Sale Agreement prior to such date, calculated as of the respective Cut-Off Dates of such Collateral Obligations, and (ii) the Aggregate Principal Balance of all Collateral Obligations acquired by the Issuer other than directly or indirectly from the Transferor prior to such date *minus* (b) the Aggregate Principal Balance of all Collateral Obligations (other than Ineligible Collateral Obligations) repurchased or substituted by the Transferor prior to such date.

"No Dividend Payment Condition": With respect to any Payment Date, the condition in effect if the conditions in the Fiscal Agency Agreement that must be satisfied in order for the Fiscal Agent to make dividend or redemption payments to the holders of the Preferred Shares under the Fiscal Agency Agreement are not satisfied (as notified by the Issuer to the Trustee).

"Non-Call Period": The period from the Closing Date to but excluding the Payment Date in October 2021.

"Non-Emerging Market Obligor": An Obligor that is Domiciled in (a) the United States of America, (b) any other country that has a foreign currency government bond rating of at least "Aa2" by Moody's and a foreign currency issuer credit rating of at least "AA" by S&P, or (c) a Tax Jurisdiction.

"Non-Permitted ERISA Holder": The meaning specified in Section 2.11(c).

"Non-Permitted Holder": The meaning specified in Section 2.11(b).

" Non-Super-Priority Senior Secured Loan": A Senior Secured Loan other than a revolving credit facility that is customarily referred to as a super-priority revolver.

"Note Register": The meaning specified in Section 2.5(a).

"Note Registrar": The meaning specified in Section 2.5(a).

"Noteholder": With respect to any Note, the Holder of such Note.

"Notes": Collectively, the Class A-1 Notes, the Class A-2 Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes and the Class D Notes authorized by, and authenticated and delivered under, this Indenture (as specified in Section 2.3), together with any additional Notes issued pursuant to and accordance with this Indenture.

"Notice of Substitution": The meaning specified in Section 12.3(a)(ii).

"NRSRO": Any nationally recognized statistical rating organization, other than any Rating Agency.

"NRSRO Certification": A certification executed by an NRSRO in favor of the Issuer and the Information Agent that states that such NRSRO has provided the Issuer with the appropriate certifications under Exchange Act Rule 17g-5(a)(3)(iii)(B) and that such NRSRO has access to the 17g-5 Website.

"Obligor": With respect to any Collateral Obligation, any Person or Persons obligated to make payments pursuant to or with respect to such Collateral Obligation, including any guarantor thereof, but excluding, in each case, any such Person that is an obligor or guarantor that is in addition to the primary obligors or guarantors with respect to the assets, cash flows or credit on which the related Collateral Obligation is principally underwritten.

"Obligor Diversity Measure": The meaning specified in Schedule 7.

"Offer": The meaning specified in Section 10.8(c).

"Offering": The offering of the Notes pursuant to the Offering Circular.

"Offering Circular": The offering circular dated September 17, 2019 relating to the offer and sale of the Notes, including any supplements thereto.

"Officer": (a) With respect to the Issuer and any corporation, the Chairman of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer of such entity, (b) with respect to the Co-Issuer and any limited liability company, any managing member or manager thereof or any person to whom the rights and powers of management thereof are delegated in accordance with the limited liability company agreement of such limited liability company, (c) with respect to the Collateral Manager, any manager or member of the Collateral Manager or any duly authorized officer of the Collateral Manager with direct responsibility for the administration of the Collateral Management Agreement and this Indenture and also, with respect to a particular matter, any other duly authorized officer of the Collateral Manager to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject and (d) with respect to the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent or the Collateral Administrator or the Bank in any other capacity under the Transaction Documents, a Trust Officer.

"Opinion of Counsel": A written opinion addressed to the Trustee, the Collateral Agent, the Loan Agent and, if required by the terms hereof, each Rating Agency, as applicable, in form and substance reasonably satisfactory to the Trustee, the Collateral Agent and the Loan Agent (and, if so addressed, each Rating Agency, as applicable), of an attorney admitted to practice, or a

nationally or internationally recognized and reputable law firm one or more of the partners of which are admitted to practice, before the highest court of any state of the United States or the District of Columbia (or the Cayman Islands, in the case of an opinion relating to the laws of the Cayman Islands), which attorney or law firm, as the case may be, may, except as otherwise expressly provided herein, be counsel for the Issuer or the Co-Issuer, as the case may be, and which attorney or law firm, as the case may be, shall be reasonably satisfactory to the Trustee, the Collateral Agent and the Loan Agent. Whenever an Opinion of Counsel is required hereunder, such Opinion of Counsel may rely on opinions of other counsel who are so admitted and so satisfactory, which opinions of other counsel shall accompany such Opinion of Counsel and shall be addressed to the Trustee, the Collateral Agent and the Loan Agent (and, if required by the terms hereof, each Rating Agency, as applicable) or shall state that the Trustee, the Collateral Agent and the Loan Agent (and, if required by the terms hereof, each Rating Agency, as applicable) shall be entitled to rely thereon.

"Optional Redemption": A redemption of the Secured Debt in accordance with Section 9.2.

"Other Plan Law": Any state, local, other federal or non-U.S. laws or regulations that are substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code.

"Outstanding": With respect to (a) the Class A-1 Loans, any of the Class A-1 Loans incurred pursuant to the Credit Agreement, to the extent such Class A-1 Loan has not been repaid in accordance with the Credit Agreement or converted to Class A-1 Notes pursuant to Section 2.5(n), (b) the Notes or the Notes of any specified Class, as of any date of determination, all of the Notes or all of the Notes of such Class, as the case may be, theretofore authenticated and delivered under this Indenture, except:

(i) Notes theretofore canceled by the Note Registrar or delivered to the Note Registrar for cancellation in accordance with the terms of Section 2.9;

(ii) Notes or portions thereof for whose payment or redemption funds in the necessary amount have been theretofore irrevocably deposited with the Trustee or any Paying Agent in trust for the Holders of such Notes pursuant to Section 4.1(a)(ii); provided that if such Notes or portions thereof are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;

(iii) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to this Indenture, unless proof satisfactory to the Trustee is presented that any such Notes are held by a "protected purchaser" (within the meaning of Section 8-303 of the UCC); and

(iv) Notes alleged to have been mutilated, destroyed, lost or stolen for which replacement Notes have been issued as provided in Section 2.6;

and (c) the Preferred Shares, as of any date of determination, all of such Preferred Shares shown as issued and outstanding on the Share Register; provided that in determining whether the Holders of the requisite Aggregate Outstanding Amount have given any request, demand, authorization, direction, notice, consent or waiver hereunder, (1) Secured Debt and Preferred Shares owned by the Issuer or the Co-Issuer and (only in the case of a vote on (A) the removal of the Collateral Manager for "cause," (B) the approval of a successor Collateral Manager if the appointment of the Collateral Manager is being terminated pursuant to the Collateral Management Agreement for "cause" and (C) the waiver of any event constituting "cause") Collateral Manager Notes shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee or the Collateral Agent shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Secured Debt and Preferred Shares that a Trust Officer of the Trustee or the Collateral Agent actually knows to be so owned shall be so disregarded and (2) Secured Debt or Preferred Shares so owned that has been pledged in good faith shall be regarded as Outstanding if the pledgee establishes to the reasonable satisfaction of the Trustee or the Collateral Agent the pledgee's right so to act with respect to such Secured Debt or Preferred Shares and that the pledgee is not one of the Persons specified above.

"Overcollateralization Ratio": With respect to any specified Class or Classes of Secured Debt as of any date of determination, the percentage derived from: (i) the Adjusted Collateral Principal Amount on such date *divided by* (ii) the Aggregate Outstanding Amount on such date of such Class or Classes (including, in the case of the Deferrable Notes, any accrued Deferred Interest that remains unpaid) and each Priority Class with respect to such Class or Classes of Secured Debt. For purposes of calculating the Overcollateralization Ratio, the Class A-1 Debt, the Class A-2 Notes and the Class B Notes shall be treated as a single Class.

"Overcollateralization Ratio Test": A test that is satisfied with respect to any Class or Classes of Secured Debt as of the Effective Date and any other date thereafter on which such test is required to be determined hereunder, if (i) the Overcollateralization Ratio for such Class or Classes on such date is at least equal to the Required Overcollateralization Ratio for such Class or Classes or (ii) such Class or Classes of Secured Debt is no longer outstanding.

"Partial Refinancing Interest Proceeds": In connection with a redemption by Refinancing of one or more Classes of Secured Debt, with respect to each such Class, Interest Proceeds up to the amount of accrued and unpaid interest on such Class, but only to the extent that such Interest Proceeds would be available under the Priority of Payments to pay accrued and unpaid interest on such Class on the Redemption Date or, in the case of a Refinancing occurring on a date other than a Payment Date, only to the extent that such Interest Proceeds would be available under the Priority of Payments to pay accrued and unpaid interest on such Class on the next Payment Date, taking into account scheduled distributions on the Assets that are expected to be received prior to the next Determination Date.

"Participation Interest": A participation interest in a loan that, at the time of acquisition, or the Issuer's commitment to acquire the same, satisfies each of the following criteria: (i) such loan would constitute a Collateral Obligation were it acquired directly, (ii) the seller of the participation is the lender on the loan, (iii) the aggregate participation in the loan does not exceed the principal amount or commitment of such loan, (iv) such participation does not grant, in the aggregate, to the participant in such participation a greater interest than the seller holds in the loan or commitment that is the subject of the participation, (v) the entire purchase price for such participation is paid in full at the time of its acquisition (or, in the case of a participation in a

Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, at the time of the funding of such loan), (vi) the participation provides the participant all of the economic benefit and risk of the whole or part of the loan or commitment that is the subject of the loan participation, and (vii) the participation is documented under a Loan Syndications and Trading Association, Loan Market Association or similar agreement standard for loan participation transactions among institutional market participants. For the avoidance of doubt, a Participation Interest shall not include a sub-participation interest in any loan.

"Paying Agent": The Collateral Agent in its capacity as Paying Agent, and any successor or other Person authorized by the Issuer to pay the principal of or interest on any Secured Debt on behalf of the Issuer as specified in Section 7.2.

"Payment Account": The account established pursuant to Section 10.3(a).

"Payment Date": The 15th day of January, April, July and October of each year (or, if such day is not a Business Day, the next succeeding Business Day), commencing on the Payment Date in January 2020, except that the final scheduled Payment Date (subject to any earlier redemption or payment of the Secured Debt) shall be the Payment Date in October 2031, as well as any other date not specified above that is a Redemption Date in connection with a redemption in whole but not in part.

"PBGC": The United States Pension Benefit Guaranty Corporation.

"Permitted Deferrable Obligation": Any Deferrable Obligation that by the terms of the related Underlying Document carries a current cash pay interest rate of not less than (a) in the case of a Floating Rate Obligation, LIBOR *plus* 1.00% *per annum* or (b) in the case of a Fixed Rate Obligation, the zero-coupon swap rate in a fixed/floating interest rate swap with a term equal to five years.

"Permitted Liens": With respect to the Assets: (i) security interests, liens and other encumbrances created pursuant to the Transaction Documents, (ii) with respect to agented Collateral Obligations, security interests, liens and other encumbrances in favor of the lead agent, the collateral agent or the paying agent on behalf of all holders of indebtedness of such Obligor under the related facility, (iii) with respect to any Equity Security, any security interests, liens and other encumbrances granted on such Equity Security to secure indebtedness of the related Obligor and/or any security interests, liens and other rights or encumbrances granted under any governing documents or other agreement between or among or binding upon the Issuer as the holder of equity in such Obligor and (iv) security interests, liens and other encumbrances, if any, which have priority over first priority perfected security interests in the Collateral Obligations or any portion thereof under the UCC or any other applicable law.

"Permitted Offer": An Offer (i) pursuant to the terms of which the offeror offers to acquire a debt obligation (including a Collateral Obligation) in exchange for consideration consisting solely of Cash in an amount equal to or greater than the full face amount of such debt obligation *plus* any accrued and unpaid interest and (ii) as to which the Collateral Manager has determined in its reasonable commercial judgment that the offeror has sufficient access to financing to consummate the Offer.

"Permitted RIC Distribution Date": Any date designated under this Indenture for the payment of a Permitted RIC Distribution.

"Permitted RIC Distributions": Distributions to a Holder of Preferred Shares to the extent required (as determined by the Issuer, or the Collateral Manager on its behalf) to allow such Holder to make sufficient distributions to qualify as a regulated investment company within the meaning of Section 851 of the Code and to otherwise eliminate U.S. federal or state income or excise taxes payable by such Holder in or with respect to any taxable year of such Holder (or any calendar year, as relevant); provided that (A) the amount of any such payments made in or with respect to any such taxable year (or calendar year, as relevant) of such Holder shall not exceed 102% of the amounts that the Issuer would have been required to distribute to such Holder to: (i) allow the Issuer to satisfy the minimum distribution requirements that would be imposed by Section 852(a) of the Code (or any successor thereto) to maintain its eligibility to be subject to tax as a regulated investment company for any such taxable year, (ii) reduce to zero for any such taxable year the Issuer's liability for U.S. federal income taxes imposed on (x) its investment company taxable income pursuant to Section 852(b)(1) of the Code (or any successor thereto) or (y) its net capital gain pursuant to Section 852(b)(3) of the Code (or any successor thereto), and (iii) reduce to zero the Issuer's liability for U.S. federal excise taxes for any such calendar year imposed pursuant to Section 4982 of the Code (or any successor thereto), in the case of each of (i), (ii) or (iii), calculated assuming that the Issuer had qualified to be subject to tax as a regulated investment company under the Code, (B) after the occurrence and during the continuance of an Event of Default, the amount of Permitted RIC Distributions made in any calendar quarter shall not exceed U.S.$1,500,000 (or such greater amount consented to by the Majority of the Controlling Class) and (C) amounts may be distributed pursuant to this definition only from Interest Proceeds to the extent available in the Interest Collection Subaccount and only so long as (w) all Coverage Tests are satisfied immediately prior to and immediately after giving effect to such Permitted RIC Distribution, (x) after giving effect on a *pro forma* basis to the application of Interest Proceeds to the payment of Permitted RIC Distributions and taking into account Scheduled Distributions that are expected to be received prior to the next Payment Date, sufficient Interest Proceeds will be available on the next Payment Date to pay in full all amounts due on all Classes of Secured Debt under the Priority of Payments, (y) the Issuer gives at least one (1) Business Day's prior written notice thereof to the Collateral Manager, the Trustee, the Collateral Agent and the Collateral Administrator and (z) the Issuer and the Collateral Manager confirm in writing (which may be by email) to the Trustee, the Collateral Agent and the Collateral Administrator that the conditions to a Permitted RIC Distribution set forth herein are satisfied.

"Permitted Use": With respect to any Cash Contribution, any of the following uses as determined by the Collateral Manager: (i) the transfer of the applicable portion of such amount to the Interest Collection Subaccount for application as Interest Proceeds; (ii) the transfer of the applicable portion of such amount to the Principal Collection Subaccount for application as Principal Proceeds (so long as the Issuer has consented thereto); (iii) the payment of any transaction costs (including fees) in connection with any Refinancing, Re-Pricing or an additional issuance of Secured Debt (in each case, so long as the Issuer has consented thereto); and (iv) to make payments in connection with the exercise of an option, warrant, right of conversion, preemptive right, rights offering, credit bid or similar right in connection with the workout or restructuring of a Collateral Obligation (so long as such right and the asset received in connection with such payment would be considered "received in lieu of debts previously contracted for" with respect to such Collateral Obligation under the Volcker Rule), in each case, subject to the limitations set forth in Article XII.

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

"Placement Agent": GreensLedge Capital Markets LLC, in its capacity as placement agent of the Notes under the Placement Agreement.

"Placement Agreement": The placement agency agreement dated as of September 19, 2019, by and among the Co-Issuers, the Placement Agent, the Transferor and the Depositor, as amended from time to time in accordance with the terms thereof.

"Plan Asset Regulation": The U.S. Department of Labor regulations under 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA.

"Portfolio Company": Any company that is controlled by the Collateral Manager, an Affiliate thereof, or an account, fund, client or portfolio established and controlled by the Collateral Manager or an Affiliate thereof.

" Post-Reinvestment Period Settlement Obligation": The meaning specified in Section 12.2(a).

"Preferred Shares": The Preferred Shares issued by the Issuer on the Closing Date and any additional Preferred Shares issued pursuant to the Memorandum and Articles and certain resolutions of the Issuer and subject to the terms of the Fiscal Agency Agreement and having the characteristics specified therein.

"Preferred Shares Payment Account": A segregated account designated as being for the benefit of the Issuer to which the Fiscal Agent shall promptly credit, with respect to each Payment Date, the amount (if any) of distributions received by the Fiscal Agent from the Issuer or the Collateral Agent under the Priority of Payments for payments on the Preferred Shares.

"Principal Balance": Subject to Section 1.3, with respect to (a) any Asset other than a Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, as of any date of determination, the outstanding principal amount of such Asset (excluding any capitalized interest) and (b) any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, as of any date of determination, the outstanding principal amount of such Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation (excluding any capitalized interest), *plus* (except as expressly set forth herein) any undrawn commitments that have not been irrevocably reduced or withdrawn with respect to such Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation; provided that for all purposes the Principal Balance of (1) any Equity Security or interest only strip shall be deemed to be zero and (2) any Defaulted Obligation that is not sold or terminated within three years after becoming a Defaulted Obligation shall be deemed to be zero.

" Principal Collection Subaccount": The account established pursuant to Section 10.2(a).

" Principal Financed Accrued Interest": The amount of Principal Proceeds, if any, applied towards the purchase of accrued interest on a Collateral Obligation.

"Principal Financed Capitalized Interest": The amount of Principal Proceeds, if any, applied towards the purchase of capitalized interest on a Permitted Deferrable Obligation.

"Principal Proceeds": With respect to any Collection Period or Determination Date, all amounts received by the Issuer during the related Collection Period that do not constitute Interest Proceeds and any other amounts that have been designated as Principal Proceeds pursuant to the terms of this Indenture. For the avoidance of doubt, under no circumstances will Principal Proceeds include the Excepted Property.

"Priority Category": With respect to any Collateral Obligation, the applicable category listed in the table under the heading "Priority Category" in clause 1(b) of Schedule 5.

"Priority Class": With respect to any specified Class of Secured Debt, each Class of Secured Debt that ranks senior to such Class, as indicated in Section 2.3.

"Priority of Payments": The meaning specified in Section 11.1(a).

"Proceeding": Any suit in equity, action at law or other judicial or administrative proceeding.

"Proposed Portfolio": The portfolio of Collateral Obligations and Eligible Investments resulting from the proposed purchase, sale, maturity or other disposition of a Collateral Obligation or a proposed reinvestment in an additional Collateral Obligation, as the case may be.

"Purchased Defaulted Obligation": The meaning specified in Section 12.5.

"QIB/QP": Any Person that, at the time of its acquisition, purported acquisition or proposed acquisition of Notes is both a Qualified Institutional Buyer and a Qualified Purchaser.

"Qualified Broker/Dealer": Any of Ares Capital Corporation; Bank of America/Merrill Lynch; The Bank of Montreal; The Bank of New York Mellon; Barclays Bank plc; BNP Paribas; Broadpoint Securities; Calyon; Citibank, N.A.; Credit Agricole S.A.; Canadian Imperial Bank of Commerce; Credit Suisse; Deutsche Bank AG; Dresdner Bank AG; GE Capital; Goldman Sachs & Co.; Golub Capital; Guggenheim; HSBC Bank; Imperial Capital LLC; Jefferies & Company, Inc.; JPMorgan Chase Bank, N.A.; KeyBank National Association; Lloyds TSB Bank; Madison Capital; Merrill Lynch, Pierce, Fenner & Smith Incorporated; Morgan Stanley & Co.; Natixis; NewStar Financial, Inc.; Northern Trust Company; Royal Bank of Canada; The Royal Bank of Scotland plc; Société Générale; SunTrust Banks, Inc.; The Toronto-Dominion Bank; UBS AG; U.S. Bank National Association; and Wells Fargo Bank, National Association.

"Qualified Institutional Buyer": A "qualified institutional buyer" within the meaning specified in Rule 144A under the Securities Act.

"Qualified Purchaser": A "qualified purchaser" within the meaning specified in Section 2(a)(51) of the 1940 Act and Rule 2a51-2 or 2a51-3 under the 1940 Act.

"Ramp-Up Account": The account established pursuant to Section 10.3(c).

"Rating Agency": Each of Fitch and S&P or, with respect to the Secured Debt or the Collateral Obligations, as applicable, if at any time Fitch or S&P ceases to provide rating services with respect to debt obligations, any other nationally recognized investment rating agency selected by the Issuer (or the Collateral Manager on behalf of the Issuer).

"Record Date": As to any Payment Date, Redemption Date or Permitted RIC Distribution Date, with respect to (i) the Notes and the Preferred Shares, the date 15 days prior to such applicable date and (ii) the Class A-1 Loans, the last day of the month immediately preceding such applicable date (whether or not such date is a Business Day).

"Redemption Date": Any Business Day specified for a redemption of a Class of Secured Debt in accordance with Section 9.2 or Section 9.8 or any Payment Date specified for a redemption of Secured Debt in accordance with Section 9.3.

"Redemption Price": For (a) the Secured Debt of each Class to be redeemed or sold and transferred (as applicable) in connection with a Tax Redemption, Clean-Up Call Redemption, Optional Redemption or Re-Pricing, (x) 100% of the Aggregate Outstanding Amount of such Class, *plus* (y) accrued and unpaid interest thereon (including, for the avoidance of doubt, Deferred Interest on such Class due and payable pursuant to Section 2.7(a), interest on any accrued and unpaid Deferred Interest and defaulted interest) to the Redemption Date or Re-Pricing Date; and (b) each Preferred Share, its proportional share (determined in accordance with the Fiscal Agency Agreement) of the amount of the proceeds of the Assets remaining after giving effect to the Optional Redemption, Tax Redemption or Clean-Up Call Redemption of the Secured Debt in whole or after all Secured Debt have been repaid in full and payment in full of (and/or creation of a reserve for) all expenses (including all Collateral Management Fees and Administrative Expenses) of the Co-Issuers; provided that, in connection with any Tax Redemption, Clean-Up Call Redemption or Optional Redemption of the Secured Debt in whole or of any Class of Secured Debt in connection with a Refinancing of such Class, Holders of 100% of the Aggregate Outstanding Amount of any Class of Notes being redeemed may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class.

"Reference Banks": The meaning specified in the definition of "LIBOR".

"Refinancing": A loan or an issuance of replacement securities, whose terms in each case will be negotiated by the Issuer or, upon request by the Issuer, by the Collateral Manager on behalf of the Issuer, from one or more financial institutions or purchasers to refinance the Secured Debt in connection with an Optional Redemption.

"Refinancing Proceeds": The net Cash proceeds from a Refinancing.

"Regional Diversity Measure": The meaning specified in Schedule 7.

"Registered": In registered form for U.S. federal income tax purposes (or in registered or bearer form if not a "registration-required obligation" as defined in section 163(f)(2)(A) of the Code).

"Registered Investment Adviser": A Person duly registered as an investment adviser (including, for the avoidance of doubt, any Person that is a relying adviser of a Person that has registered as an investment adviser under the Advisers Act) in accordance with and pursuant to Section 203 of the Advisers Act.

"Regulation S": Regulation S, as amended, under the Securities Act.

"Regulation S Global Note": The meaning specified in Section 2.2(b)(i).

"Reinvestment Period": The period from and including the Closing Date to and including the earliest of (i) the Payment Date occurring in October 2023, (ii) the date of the acceleration of the Maturity of any Class of Secured Debt pursuant to Section 5.2; provided that, if any such acceleration is rescinded in accordance with the terms of this Indenture and notice is provided to the Rating Agencies, the Reinvestment Period may be reinstated by the Issuer (as directed by the Collateral Manager), (iii) the date on which the Collateral Manager reasonably determines that it can no longer reinvest in additional Collateral Obligations in accordance with the terms hereof or the Collateral Management Agreement for a period of not less than 30 days, or (iv) the date of any Tax Redemption, Clean-Up Call Redemption or Optional Redemption of the Secured Debt in whole other than in connection with a Refinancing; provided that in the case of clause (iii), the Collateral Manager shall notify the Trustee, the Collateral Agent, the Loan Agent, the Collateral Administrator and Fitch of such determination.

"Reinvestment Target Par Balance": As of any date of determination, the Target Initial Par Amount *minus* (i) the amount of any reduction in the Aggregate Outstanding Amount of the Secured Debt through the payment of Principal Proceeds *plus* (ii) the Aggregate Outstanding Amount of any additional Secured Debt issued under and in accordance with Sections 2.13 and 3.2 and the Credit Agreement and any additional Preferred Shares issued in accordance with the Fiscal Agency Agreement and this Indenture, or, if greater, the aggregate amount of Principal Proceeds that result from the issuance of such additional Secured Debt and additional Preferred Shares.

"Re-Priced Class": The meaning specified in Section 9.7(a).

"Re-Pricing": The meaning specified in Section 9.7(a).

"Re-Pricing Date": The meaning specified in Section 9.7(b).

"Re-Pricing Intermediary": The meaning specified in Section 9.7(a).

"Re-Pricing Rate": The meaning specified in Section 9.7(b)(i).

"Repurchase and Substitution Limit": The meaning specified in Section 12.3(c).

"Required Interest Coverage Ratio": (a) For the Class A-1 Debt, the Class A-2 Notes and the Class B Notes, 115.0%, (b) for the Class C Notes, 110.0%, and (c) for the Class D Notes, 105.0%.

"Required Overcollateralization Ratio": (a) For the Class A-1 Debt, the Class A-2 Notes and the Class B Notes, 139.3%, (b) for the Class C Notes, 123.6% and (c) for the Class D Notes, 116.0%.

"Required S&P Credit Estimate Information": S&P's "Credit Estimate Information Requirements" dated April 2011 and any other available information S&P reasonably requests in order to produce a credit estimate for a particular asset.

"Reset Amendment": The meaning specified in Section 8.2(a).

"Resolution": With respect to the Issuer, a resolution of its Board of Directors and, with respect to the Co-Issuer, an action in writing by its manager.

"Responsible Officer": With respect to (i) the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent or the Collateral Administrator, a Trust Officer, and (ii) any other any Person, any duly authorized director, officer or manager of such Person with direct responsibility for the administration of the applicable agreement and also, with respect to a particular matter, any other duly authorized director, officer or manager of such Person to whom such matter is referred because of such director's, officer's or manager's knowledge of and familiarity with the particular subject. Each party may receive and accept a certification of the authority of any other party as conclusive evidence of the authority of any Person to act, and such certification may be considered as in full force and effect until receipt by such other party of written notice to the contrary.

"Restricted Trading Period": The period during which (a) S&P's rating of any of the Class A-1 Notes, the Class A-1 Loans or the Class A-2 Notes is one or more sub-categories below its rating on the Closing Date or (b) S&P's rating of any of the Class A-1 Notes, the Class A-1 Loans or the Class A-2 Notes (then Outstanding) has been withdrawn and not reinstated; provided that, such period will not be a Restricted Trading Period (so long as S&P's rating of such Class has not been further downgraded, withdrawn or put on watch for potential downgrade) upon the direction of the Issuer with the consent of a Majority of the Controlling Class.

"Restructuring Equity Security": The meaning specified in Section 12.4(b).

"Retention Deficiency": A failure by the EU Retention Holder to hold the EU Retention Interest as required by the Retention of Net Economic Interest Letter.

"Retention Interest": The EU Retention Interest and/or the U.S. Retention Interest, as the context may require.

"Retention of Net Economic Interest Letter": The letter relating to the retention of net economic interest in accordance with the EU Securitization Laws, dated as of the Closing Date and addressed by the EU Retention Holder and the Depositor to the Issuer, the Collateral Agent and the Placement Agent.

"Reuters Screen": Reuters Page LIBOR01 (or such other page that may replace that page on such service for the purpose of displaying comparable rates) as reported by Bloomberg Financial Markets Commodities News as of 11:00 a.m., London time, on the Interest Determination Date.

"Revolver Funding Account": The meaning specified in Section 10.4.

"Revolving Collateral Obligation": Any Collateral Obligation (other than a Delayed Drawdown Collateral Obligation) that is a loan (including, without limitation, revolving loans, including funded and unfunded portions of revolving credit lines (including any portions thereof that may be drawn by the borrower relating to its letter of credit facilities), unfunded commitments under specific facilities and other similar loans) that by its terms may require one or more future advances to be made to the borrower by the Issuer; provided that any such Collateral Obligation will be a Revolving Collateral Obligation only until all commitments to make advances to the borrower expire or are terminated or irrevocably reduced to zero.

"Risk Retention Issuance": The meaning specified in Section 2.13(a).

"Rule 17g-5": The meaning specified in Section 14.17(a).

"Rule 144A": Rule 144A, as amended, under the Securities Act.

"Rule 144A Global Note": The meaning specified in Section 2.2(b)(ii).

"Rule 144A Information": The meaning specified in Section 7.15.

"S&P": S&P Global Ratings, an S&P Global Inc. business, and any successor or successors thereto.

"S&P CDO Monitor": The dynamic, analytical computer model developed by S&P used to calculate the default frequency in terms of the amount of debt assumed to default as a percentage of the original principal amount of the Collateral Obligations consistent with a specified benchmark rating level based upon certain assumptions (including the applicable Weighted Average S&P Recovery Rate) and S&P's proprietary corporate default studies, as may be amended by S&P from time to time upon notice to the Issuer, the Trustee, the Collateral Agent, the Loan Agent, the Collateral Manager and the Collateral Administrator. Each S&P CDO Monitor will be chosen by the Collateral Manager (with notice to the Collateral Administrator) and associated with either (x) a Weighted Average S&P Recovery Rate and a Weighted Average Floating Spread from Section 2 of Schedule 5 or (y) a Weighted Average S&P Recovery Rate and a Weighted Average Floating Spread confirmed by S&P, provided that as of any date of determination the Weighted Average S&P Recovery Rate for the most senior Class of Secured Debt then Outstanding equals or exceeds the Weighted Average S&P Recovery Rate for such Class chosen by the Collateral Manager and the Weighted Average Floating Spread equals or exceeds the Weighted Average Floating Spread chosen by the Collateral Manager.

"S&P CDO Monitor Benchmarks": The S&P Weighted Average Rating Factor, the Default Rate Dispersion, the Obligor Diversity Measure, the Industry Diversity Measure, the Regional Diversity Measure and the S&P Weighted Average Life.

" S&P CDO Monitor Non-Model Adjustments": The meaning specified in Section 7.18(f).

"S&P CDO Monitor Switchover Date": The date specified by the Collateral Manager, on not less than five Business Days' prior written notice to S&P, the Trustee, the Collateral Agent, the Loan Agent and the Collateral Administrator, upon which the Collateral Manager shall cease utilizing the S&P CDO Monitor in determining compliance with the S&P CDO Monitor Test.

"S&P CDO Monitor Test": A test that will be satisfied on any date of determination on or after the Effective Date (and, prior to the S&P CDO Monitor Switchover Date, following receipt by the Collateral Manager of the Class Break-even Default Rates for each S&P CDO Monitor input file (in accordance with the definition of "Class Break-even Default Rate")) if, after giving effect to the sale of a Collateral Obligation or the purchase of a Collateral Obligation, the Class Default Differential of the Proposed Portfolio with respect to the most senior Class of Secured Debt then Outstanding (other than the Class A-1 Debt) is positive. The S&P CDO Monitor Test will be considered to be improved if the Class Default Differential of the Proposed Portfolio with respect to the most senior Class of Secured Debt then Outstanding (other than the Class A-1 Debt) is greater than the corresponding Class Default Differential of the Current Portfolio.

"S&P Collateral Value": With respect to any Defaulted Obligation or Closing Date Participation Interest, the lesser of (i) the S&P Recovery Amount of such Collateral Obligation, as of the relevant Measurement Date and (ii) the Market Value of such Collateral Obligation, as of the relevant Measurement Date.

"S&P Deemed Rating Confirmation": The meaning specified in Section 7.18(f).

"S&P Default Rate": With respect to any Collateral Obligation, the default rate as determined in accordance with Section 3 of Schedule 5 hereto. If the number of years to maturity is not an integer, the default rate will be determined using linear interpolation.

"S&P Equivalent Weighted Average Rating Factor": The number (*rounded* up to the nearest whole number) determined by: (a) summing the products of (i) the Principal Balance of each Collateral Obligation (excluding Equity Securities) *multiplied by* (ii) the S&P Rating Factor of such Collateral Obligation and (b) *dividing* such sum by the Principal Balance of all such Collateral Obligations.

"S&P Industry Classification": The S&P Industry Classifications set forth in Schedule 3 hereto, which industry classifications may be updated at the option of the Collateral Manager if S&P publishes revised industry classifications.

"S&P Rating": With respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology (except the rating of Current Pay Obligations shall be determined in accordance with clause (iv) of this definition):

(i) if there is an issuer credit rating of the issuer of such Collateral Obligation by S&P as published by S&P, or the guarantor which unconditionally and irrevocably guarantees such Collateral Obligation pursuant to a form of guaranty that complies with the then-current S&P Criteria, then the S&P Rating shall be such rating (regardless of whether there is a published rating by S&P on the Collateral Obligations of such issuer held by the Issuer; provided that private ratings (that is, ratings provided at the request of the Obligor) may be used for purposes of this definition if the related Obligor has consented to the disclosure thereof and a copy of such consent has been provided to S&P) or (b) if there is no issuer credit rating of the issuer by S&P but (1) there is a senior secured rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation shall be one sub-category below such rating; (2) if clause (1) above does not apply, but there is a senior unsecured rating on any obligation or security of the issuer, the S&P Rating of such Collateral Obligation shall equal such rating; and (3) if neither clause (1) nor clause (2) above applies, but there is a subordinated rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation shall be one sub-category above such rating;

(ii) with respect to any Collateral Obligation that is a DIP Collateral Obligation, the S&P Rating thereof will be the credit rating assigned to such issue by S&P; provided that (a) such credit rating was assigned by S&P within 12 months of such date of determination and (b) the Collateral Manager (on behalf of the Issuer) will notify S&P if the Collateral Manager has actual knowledge of the occurrence of any material amendment or event with respect to such Collateral Obligation that would, in the reasonable business judgment of the Collateral Manager, have a material adverse impact on the credit quality of such Collateral Obligation, including any amortization modifications, extensions of maturity, reductions of principal amount owed, or non-payment of timely interest or principal due;

(iii) if there is not a rating by S&P on the issuer or on an obligation of the issuer, then the S&P Rating may be determined pursuant to clauses (a) through (d) below:

(a) if an obligation of the issuer is publicly rated by Moody's, then the S&P Rating will be determined in accordance with the methodologies for establishing the Moody's Rating set forth above except that the S&P Rating of such obligation will be (1) one sub-category below the S&P equivalent of the Moody's Rating if such Moody's Rating is "Baa3" or higher and (2) two sub-categories below the S&P equivalent of the Moody's Rating if such Moody's Rating is "Ba1" or lower;

(b) the S&P Rating may be based on a credit estimate provided by S&P, and in connection therewith, the Issuer, the Collateral Manager on behalf of the Issuer or the issuer of such Collateral Obligation shall, prior to or within thirty (30) days after the acquisition of such Collateral Obligation, apply (and concurrently submit all available Required S&P Credit Estimate Information in respect of such

application) to S&P for a credit estimate which shall be its S&P Rating; provided that, if such Required S&P Credit Estimate Information is submitted within such thirty (30) day period, then, pending receipt from S&P of such estimate, such Collateral Obligation shall have an S&P Rating as determined by the Collateral Manager in its sole discretion if the Collateral Manager certifies to the Collateral Agent and the Collateral Administrator that it believes that such S&P Rating determined by the Collateral Manager is commercially reasonable and will be at least equal to such rating; provided further, that if such Required S&P Credit Estimate Information is not submitted within such thirty (30) day period, then, pending receipt from S&P of such estimate, the Collateral Obligation shall have (A) the S&P Rating as determined by the Collateral Manager for a period of up to ninety (90) days after the acquisition of such Collateral Obligation and (B) an S&P Rating of "CCC-" following such ninety day period; unless, during such ninety day period, the Collateral Manager has requested the extension of such period and S&P, in its sole discretion, has granted such request; provided further, that (I) if such ninety day period (or other extended period) elapses pending S&P's decision with respect to such application, the S&P Rating of such Collateral Obligation shall be "CCC-"; (II) if the Collateral Obligation has had a public rating by S&P that S&P has withdrawn or suspended within six months prior to the date of such application for a credit estimate in respect of such Collateral Obligation, the S&P Rating in respect thereof shall be "CCC-" pending receipt from S&P of such estimate, and S&P may elect not to provide such estimate until a period of six months (or such other period as provided in S&P's then-current criteria) have elapsed after the withdrawal or suspension of the public rating; (III) such credit estimate shall expire 12 months after the acquisition of such Collateral Obligation, following which such Collateral Obligation shall have an S&P Rating of "CCC-" unless, during such 12-month period, the Issuer applies for renewal thereof in accordance with Section 7.14(b) (and concurrently submits all available Required S&P Credit Estimate Information in respect of such renewal), in which case such credit estimate shall continue to be the S&P Rating of such Collateral Obligation until S&P has confirmed or revised such credit estimate, upon which such confirmed or revised credit estimate shall be the S&P Rating of such Collateral Obligation; and (IV) such confirmed or revised credit estimate shall expire on the next succeeding 12-month anniversary of the date of the acquisition of such Collateral Obligation and (when renewed annually in accordance with Section 7.14(b)) on each 12-month anniversary thereafter;

(c) with respect to a DIP Collateral Obligation, if the S&P Rating cannot otherwise be determined pursuant to this definition, the S&P Rating of such Collateral Obligation will be "CCC-" or the S&P Rating determined pursuant to clause (iii)(b) above; and

(d) with respect to a Collateral Obligation that is not a Defaulted Obligation, the S&P Rating of such Collateral Obligation will at the election of the Issuer (at the direction of the Collateral Manager) be "CCC-"; provided that (i) neither the issuer of such Collateral Obligation nor any of its Affiliates are subject to any bankruptcy or reorganization proceedings, (ii) the issuer has not

defaulted on any payment obligation in respect of any debt security or other obligation of the issuer at any time within the two year period ending on such date of determination, all such debt securities and other obligations of the issuer that are pari passu with or senior to the Collateral Obligation are current and the Collateral Manager reasonably expects them to remain current, and (iii) prior to or within thirty (30) days after such election, the Issuer shall have submitted all available Required S&P Credit Estimate Information in respect of such Collateral Obligation to S&P and thereafter shall submit such further available Required S&P Credit Estimate Information in respect of such Collateral Obligation as reasonably requested by S&P; or

(iv) the S&P Rating of any Current Pay Obligation will be the higher of "CCC" and the S&P Rating determined pursuant to clause (i) above;

provided that, for purposes of the determination of the S&P Rating, (x) if the applicable rating assigned by S&P to an obligor or its obligations is on "credit watch positive" by S&P, such rating will be treated as being one sub-category above such assigned rating and (y) if the applicable rating assigned by S&P to an obligor or its obligations is on "credit watch negative" by S&P, such rating will be treated as being one sub-category below such assigned rating provided further that, for purposes of the determination of the S&P Rating, if (x) the issuer or Obligor of any Collateral Obligation was a debtor under Chapter 11 of the Bankruptcy Code, during which time such issuer, Obligor or Selling Institution, as applicable, or any of its obligations (including any Collateral Obligation) either had an S&P rating of "SD" or "CC" or lower from S&P or had an S&P rating that was withdrawn by S&P and (y) such issuer, Obligor or Selling Institution, as applicable, is no longer a debtor under Chapter 11 of the Bankruptcy Code, then, notwithstanding the fact that such issuer, Obligor or Selling Institution, as applicable, or any of its obligations (including any Collateral Obligation) continues to have an S&P rating of "SD" or "CC" or lower from S&P (or, in the case of any withdrawal, continues to have no S&P rating), the S&P Rating for any such obligation (including any Collateral Obligation), issuer, Obligor or Selling Institution, as applicable, shall be deemed to be "CCC-", so long as S&P has not taken any rating action with respect thereto since the date on which the issuer, Obligor or Selling Institution, as applicable, ceased to be a debtor under Chapter 11 of the Bankruptcy Code; provided further that, (i) if any issuer, Obligor or Selling Institution, as applicable, has not exited the applicable bankruptcy proceeding and (ii) the applicable rating assigned by S&P to such issuer, Obligor or Selling Institution, as applicable, or any of its obligations (including any Collateral Obligation) has been withdrawn, then the S&P Rating for such issuer, Obligor or Selling Institution, as applicable, or any of its obligations (including any Collateral Obligation) shall be deemed to be such withdrawn S&P rating, so long as S&P has not taken any rating action with respect thereto since the date on which such S&P rating was withdrawn.

"S&P Rating Condition": With respect to any action taken or to be taken by or on behalf of the Issuer, a condition that is satisfied if S&P provides written confirmation (including by means of electronic message, facsimile transmission, press release or posting to its website) to the Issuer, the Trustee, the Collateral Agent and the Loan Agent (unless in the form of a press release or posted to its website) that no immediate withdrawal or reduction with respect to its then-current rating by S&P of any Class of Secured Debt will occur as a result of such action; provided that, such rating condition shall be deemed inapplicable with respect to such event or

circumstance if (i) S&P has given notice to the effect that it will no longer review events or circumstances of the type requiring satisfaction of the S&P Rating Condition for purposes of evaluating whether to confirm the then-current ratings (or initial ratings) of obligations rated by S&P; or (ii) S&P has communicated to the Issuer, the Collateral Manager, the Trustee, the Collateral Agent or the Loan Agent (or their counsel) that it will not review such event or circumstance for purposes of evaluating whether to confirm the then-current ratings (or Initial Ratings) of the Secured Debt.

"S&P Rating Factor": The meaning specified in Schedule 7.

"S&P Recovery Amount": With respect to any Collateral Obligation, an amount equal to: (a) the applicable S&P Recovery Rate; *multiplied by* (b) the Principal Balance of such Collateral Obligation.

"S&P Recovery Rate": With respect to a Collateral Obligation, the recovery rate set forth in Section 1 of Schedule 5 using the Initial Rating of the most senior Class of Secured Debt Outstanding at the time of determination.

"S&P Recovery Rating": With respect to a Collateral Obligation for which an S&P Recovery Rate is being determined, the "Recovery Rating" assigned by S&P to such Collateral Obligation based upon the tables set forth in Schedule 5 hereto.

"S&P Region Classification": The S&P Region Classifications set forth in Schedule 5 hereto, which region classifications may be updated at the option of the Collateral Manager if S&P publishes revised region classifications.

"S&P Weighted Average Life": As of any date of determination with respect to all Collateral Obligations other than Defaulted Obligations, the number of years following such date obtained by *dividing* (a) the sum of the products of (i) the number of years (*rounded* to the nearest one-hundredth thereof) from such date of determination to the stated maturity of each such Collateral Obligation *multiplied by* (ii) the outstanding Principal Balance of such Collateral Obligation *by* (b) the aggregate remaining Principal Balance at such time of all Collateral Obligations other than Defaulted Obligations.

"S&P Weighted Average Rating Factor": The meaning specified in Schedule 7.

"S&P's Credit Estimate Guidelines": S&P's "Credit FAQ: What Are Credit Estimates And How Do They Differ From Ratings" dated April 6, 2011, as such guidelines may be amended, supplemented, or updated after the date hereof.

"Sale": The meaning specified in Section 5.17.

"Sale Proceeds": All proceeds (excluding accrued interest, if any) received with respect to Assets as a result of sales or other dispositions of such Assets in accordance with the restrictions described in Article XII or Article V, as applicable, less any reasonable expenses incurred by the Collateral Manager, the Collateral Administrator, the Trustee or the Collateral Agent (other than amounts payable as Administrative Expenses) in connection with such sales or other disposition. Sale Proceeds will include Principal Financed Accrued Interest and Principal Financed Capitalized Interest received in respect of such sale or other disposition.

"Schedule of Collateral Obligations": The schedule of Collateral Obligations attached as Schedule 1 hereto, which schedule shall include the borrower and Principal Balance of each Collateral Obligation included therein, as amended from time to time (without the consent of or any action on the part of any Person) to reflect the release of Collateral Obligations pursuant to Article X hereof and the inclusion of additional Collateral Obligations as provided in Section 12.2 and Section 12.3 hereof.

"Scheduled Distribution": With respect to any Collateral Obligation, each payment of principal and/or interest scheduled to be made by the related Obligor under the terms of such Collateral Obligation (determined in accordance with the assumptions specified in Section 1.3 hereof) after (a) in the case of the initial Collateral Obligations, the Closing Date or (b) in the case of Collateral Obligations added or substituted after the Closing Date, the related Cut-Off Date, as adjusted pursuant to the terms of the related Underlying Documents.

"Second Lien Loan": Any Loan or assignment of or Participation Interest in a Loan that: (a) is not (and cannot by its terms become) subordinate in right of payment to any other obligation of the Obligor of the Loan (other than with respect to liquidation, trade claims, capitalized leases or similar obligations) but which is subordinated (with respect to liquidation preferences with respect to pledged collateral) to a Senior Secured Loan of the Obligor; and (b) is secured by a valid second-priority perfected security interest or lien in, to or on specified collateral (subject to customary exceptions for permitted liens, including, without limitation, any tax liens) securing the Obligor's obligations under the Second Lien Loan the value of which is adequate (in the commercially reasonable judgment of the Collateral Manager) to repay the Loan in accordance with its terms and to repay all other Loans of equal or higher seniority secured by a lien or security interest in the same collateral.

"Section 13 Banking Entity": A Holder of Secured Debt that (i) constitutes a "banking entity" as defined under Section 13 of the United States Bank Holding Company Act of 1956, as amended, and (ii) provides written certification to the Issuer, the Collateral Manager, the Trustee and the Collateral Agent (A) that it is a "banking entity" as defined under Section 13 of the United States Bank Holding Company Act of 1956, as amended, and (B) of the Class or Classes of Secured Debt held or beneficially owned by such holder and the outstanding principal amount thereof (on which certification the Issuer, the Collateral Manager, the Trustee and the Collateral Agent may rely). Any holder that has not provided such certification prior to the day that is 10 Business Days prior to the proposed date of execution of any supplemental indenture shall be deemed for purposes of such supplemental indenture not to be a Section 13 Banking Entity. If no entity provides such certificate, then no Section 13 Banking Entities will be deemed to exist for purposes of any required consent or action under the Transaction Documents.

"Secured Debt": The Class A-1 Loans and the Notes.

"Secured Parties": The meaning specified in the Granting Clauses.

"Securities Account Control Agreement": The Securities Account Control Agreement dated as of the Closing Date among the Issuer, the Collateral Agent, the Custodian and the Document Custodian.

"Securities Act": The United States Securities Act of 1933, as amended.

"Securities Intermediary": The meaning specified in Section 8-102(a)(14) of the UCC.

"Securitization Regulation": Regulation (EU) 2017/2402.

"Security Entitlement": The meaning specified in Section 8-102(a)(17) of the UCC.

"Selling Institution": The entity obligated to make payments to the Issuer under the terms of a Participation Interest.

"Senior Secured Loan": Any Loan or assignment of or Participation Interest in a Loan that: (a) is not (and cannot by its terms become) subordinate in right of payment to any other obligation of the Obligor of the Loan (other than (x) any second lien on the related Obligor's current and related assets as described in the definition of "First Lien Term Loan Behind a Revolver", (y) customary exceptions for Loans secured by a first-priority security interest, including for Super-Priority Revolving Facilities or (z) with respect to trade claims, capitalized leases or similar obligations); (b) is secured by a valid first-priority perfected security interest or lien in, to or on specified collateral securing the Obligor's obligations under the Loan (subject to customary exceptions for permitted liens, including, without limitation, any tax liens); and (c) the value of the collateral securing the Loan at the time of purchase together with other attributes of the Obligor (including, without limitation, its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) is adequate (in the commercially reasonable judgment of the Collateral Manager) to repay the Loan in accordance with its terms and to repay all other Loans of equal seniority secured by a first lien or security interest in the same collateral.

"Share Register": The meaning specified in the Fiscal Agency Agreement.

"Share Registrar": The share registrar appointed by the Issuer pursuant to the Fiscal Agency Agreement.

"Similar Law": Any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in the Preferred Shares by virtue of its interest therein and thereby subject the Issuer or the Collateral Manager (or other Persons responsible for the investment and operation of the Issuer's assets) to Other Plan Law.

"Special Redemption": The meaning specified in Section 9.6.

"Special Redemption Amount": The meaning specified in Section 9.6.

"Special Redemption Date": The meaning specified in Section 9.6.

"Specified Amendment": With respect to any Collateral Obligation, any amendment, waiver or modification which would:

(a) modify the amortization schedule with respect to such Collateral Obligation in a manner that (i) reduces the dollar amount of any Scheduled Distribution by more than the greater of (x) 25% and (y) U.S.$250,000, (ii) postpones any Scheduled Distribution by more than two payment periods or (iii) causes the Weighted Average Life of the applicable Collateral Obligation to increase by more than 25%;

(b) reduce or increase the cash interest rate payable by the Obligor thereunder by more than 100 basis points (excluding any increase in an interest rate arising by operation of a default or penalty interest clause under a Collateral Obligation or as a result of an increase in the interest rate index for any reason other than such amendment, waiver or modification);

(c) extend the stated maturity date of such Collateral Obligation by more than 24 months or beyond the Stated Maturity;

(d) contractually or structurally subordinate such Collateral Obligation by operation of a priority of payments, turnover provisions, the transfer of assets in order to limit recourse to the related Obligor or the granting of liens (other than Permitted Liens) on any of the underlying collateral securing such Collateral Obligation;

(e) release any party from its obligations under such Collateral Obligation, if such release would have a material adverse effect on the Collateral Obligation; or

(f) reduce the principal amount of the applicable Collateral Obligation.

"Specified Obligor Information": The meaning specified in Section 14.15(b).

"STAMP": The meaning specified in Section 2.5(a).

"Standby Directed Investment": The investment specified from time to time in writing by the Issuer, or the Collateral Manager on behalf of the Issuer, to the Collateral Agent, which investment is an Eligible Investment of the type described in clause (ii) of the definition of "Eligible Investments" maturing not later than the earlier of (i) 30 days after the date of such investment (unless putable at par to the issuer thereof) or (ii) the Business Day immediately preceding the next Payment Date (or such shorter maturities expressly provided herein).

"Stated Maturity": With respect to any Class of Secured Debt, the date specified as such in Section 2.3.

"Step-Down Obligation": An obligation or security which by the terms of the related Underlying Documents provides for a decrease in the per annum interest rate on such obligation or security (other than by reason of any change in the applicable index or benchmark rate used to determine such interest rate) or in the spread over the applicable index or benchmark rate, solely as a function of the passage of time; provided that an obligation or security providing for payment of a constant rate of interest at all times after the date of acquisition by the Issuer shall not constitute a Step-Down Obligation.

"Structured Finance Obligation": Any obligation issued by a special purpose vehicle and secured directly by, referenced to, or representing ownership of, a pool of receivables or other financial assets of any Obligor, including collateralized debt obligations and mortgage-backed securities.

"Structuring Agency Agreement": The structuring agency agreement dated as of September 19, 2019, by and among the Co-Issuers, the Co- Structuring Agent, the Transferor and the Depositor, as amended from time to time in accordance with the terms thereof.

"Substitute Collateral Obligations": Collateral Obligations conveyed by the Transferor to the Issuer as substitute Collateral Obligations pursuant to Section 12.3(a).

"Substitute Collateral Obligations Qualification Conditions": The following conditions:

(i) the Coverage Tests, Collateral Quality Test and Concentration Limitations are satisfied, or if not satisfied, are maintained or improved (provided that, with respect to each substitution after the end of the Reinvestment Period, the Coverage Tests must be satisfied);

(ii) the Principal Balance of such Substitute Collateral Obligation (or, if more than one Substitute Collateral Obligation will be added in replacement of a Collateral Obligation or Collateral Obligations, the Aggregate Principal Balance of such Substitute Collateral Obligations) equals or exceeds the Principal Balance of the Collateral Obligation being substituted for and the Net Exposure Amount, if any, with respect thereto shall have been deposited in the Revolver Funding Account;

(iii) the Market Value of such Substitute Collateral Obligation (or, if more than one Substitute Collateral Obligation will be added in replacement of a Collateral Obligation or Collateral Obligations, the aggregate Market Value of such Substitute Collateral Obligations) equals or exceeds the Market Value of the Collateral Obligation being substituted;

(iv) (x) if any of the Collateral Obligations being substituted for are Second Lien Loans, the Aggregate Principal Balance of all Substitute Collateral Obligations that are Second Lien Loans equals or is less than the Principal Balance of the Collateral Obligation(s) being substituted for that are Second Lien Loans and (y) if none of the Collateral Obligations being substituted for are Second Lien Loans, no Substitute Collateral Obligation is a Second Lien Loan;

(v) with respect to each substitution after the end of the Reinvestment Period, the stated maturity date of each Substitute Collateral Obligation is the same or earlier than the stated maturity date of the Collateral Obligation being substituted for; and

(vi) the Fitch Rating and the S&P Rating of each Substitute Collateral Obligation is equal to or higher than the Fitch Rating and the S&P Rating (as applicable) of the Collateral Obligation being substituted for.

"Substitution Event": An event which shall have occurred with respect to any Collateral Obligation that:

(i) becomes a Defaulted Obligation;

(ii) has a Material Covenant Default;

(iii) becomes subject to a proposed Specified Amendment; or

(iv) becomes a Credit Risk Obligation.

"Substitution Period": The meaning specified in Section 12.3(a)(ii).

"Successor Entity": The meaning specified in Section 7.10(a).

"Super-Priority Revolving Facility": With respect to a Loan, a senior secured revolving facility incurred by the Obligor of such Loan that is prior in right of payment to such Loan; provided that the outstanding principal balance and unfunded commitments of such senior secured revolving facility does not exceed 20% of the sum of (x) the outstanding principal balance and unfunded commitments of such revolving facility *plus* (y) the Principal Balance of the Loan *plus* (z) the outstanding principal balance of any other debt for borrowed money incurred by such Obligor that is *pari passu* with such Loan.

"Synthetic Security": A security or swap transaction, other than a Participation Interest, that has payments associated with either payments of interest on and/or principal of a reference obligation or the credit performance of a reference obligation.

"Target Initial Par Amount": U.S.$300,000,000.

"Target Initial Par Condition": A condition satisfied as of the Effective Date if the Aggregate Principal Balance of Collateral Obligations (i) that are held by the Issuer and (ii) of which the Issuer has committed to purchase on such date, together (without duplication) with the amount of any proceeds of prepayments, maturities or redemptions of Collateral Obligations purchased by the Issuer prior to such date, will equal or exceed the Target Initial Par Amount; provided that, for purposes of this definition, any Collateral Obligation that either (x) becomes a Defaulted Obligation prior to the Effective Date or (y) is a Closing Date Participation Interest and has not been elevated to an assignment by the Effective Date shall be treated as having a Principal Balance equal to its S&P Collateral Value.

"Tax": Any tax, levy, impost, duty, charge, assessment, deduction, withholding or fee of any nature (including interest, penalties and additions thereto) imposed by any governmental taxing authority.

"Tax Event": Any event that occurs if (i)(x) any Obligor under any Collateral Obligation being required to deduct or withhold from any payment under such Collateral Obligation to the Issuer for or on account of any Tax for whatever reason and such Obligor is not required to pay to the Issuer such additional amount as is necessary to ensure that the net amount actually received by the Issuer (free and clear of Taxes, whether assessed against such Obligor or the Issuer) will equal the full amount that the Issuer would have received had no such deduction or withholding occurred and (y) the total amount of such deductions or withholdings on the Assets results in a payment by, or charge or tax burden to, the Issuer that results or will result in the withholding of 5% or more of Scheduled Distributions for any Collection Period, or (ii) any jurisdiction imposing net income, profits or similar Tax on the Issuer (including, for this purpose, any withholding tax liability imposed under Section 1446 of the Code) in an aggregate amount in any Collection Period in excess of U.S.$1,000,000.

Notwithstanding anything in this Indenture, the Collateral Manager shall give the Collateral Agent prompt written notice of the occurrence of a Tax Event upon its discovery thereof. Until the Collateral Agent receives written notice from the Collateral Manager or otherwise, the Collateral Agent shall not be deemed to have notice or knowledge to the contrary.

" Tax Jurisdiction": The Bahamas, Bermuda, the British Virgin Islands, the Cayman Islands or the Channel Islands so long as each such tax advantaged jurisdiction is rated at least "A-" by S&P.

"Tax Redemption": The meaning specified in Section 9.3(a) hereof.

" Third Party Credit Exposure": As of any date of determination, the Principal Balance of each Collateral Obligation that consists of a Participation Interest.

"Third Party Credit Exposure Limits": Limits that shall be satisfied if the Third Party Credit Exposure with counterparties having the ratings below from S&P do not exceed the percentage of the Collateral Principal Amount specified below:

S&P's credit rating of Selling Institution	Aggregate Percentage Limit	Individual Percentage Limit
AAA	20%	20%
AA+	10%	10%
AA	10%	10%
AA-	10%	10%
A+	5%	5%
A	5%	5%
Below A	0%	0%

provided that a Selling Institution having an S&P credit rating of "A" must also have a short-term S&P rating of "A-1" otherwise its "Aggregate Percentage Limit" and "Individual Percentage Limit" (each as shown above) shall be 0%.

"Trading Plan": The meaning specified in Section 12.2(b).

"Trading Plan Period": The meaning specified in Section 12.2(b).

"Transaction Documents": This Indenture, the Collateral Management Agreement, the Master Loan Sale Agreement, the Master Participation Agreement, the Credit Agreement, the Collateral Administration Agreement, the Securities Account Control Agreement, the Placement Agreement, the Structuring Agency Agreement, the Fiscal Agency Agreement and the Retention of Net Economic Interest Letter.

" Transaction Parties": The Issuer, the Co-Issuer, the Fiscal Agent, the Transferor, the Depositor, the Collateral Manager, the Trustee, the Collateral Administrator, the Administrator, the Loan Agent, the Collateral Agent, the Custodian and the Placement Agent.

"Transfer Agent": The Person or Persons, which may be the Issuer, authorized by the Issuer to exchange or register the transfer of Notes.

"Transfer Deposit Amount": On any date of determination with respect to any Collateral Obligation, an amount equal to the sum of the outstanding Principal Balance of such Collateral Obligation together with accrued interest thereon through such date of determination (but in no event less than the fair market value thereof).

"Transferor": PennantPark Floating Rate Capital Ltd., a Maryland corporation, together with its successors and assigns.

"Treasury Regulations": The United States Department of Treasury regulations promulgated under the Code.

"Trust Officer": When used with respect to (a) the Trustee, the Collateral Agent or the Loan Agent, any officer within the Corporate Trust Office of the Trustee (or any successor group of the Bank) including any vice president, assistant vice president or officer of the Trustee, the Collateral Agent or the Loan Agent, as applicable, customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the Corporate Trust Office because of such person's knowledge of and familiarity with the particular subject and in each case having direct responsibility for the administration of this Indenture, (b) the Fiscal Agent, any officer within the principal corporate trust office of the Fiscal Agent (or any successor group of the Fiscal Agent) including any vice president, assistant vice president or officer of the Fiscal Agent as applicable, customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the principal corporate trust office of the Fiscal Agent because of such person's knowledge of and familiarity with the particular subject and in each case having direct responsibility for the administration of this Indenture or the Fiscal Agency Agreement and (c) the Collateral Administrator, any officer within the principal corporate trust office of the Collateral Administrator (or any successor group

of the Collateral Administrator) including any vice president, assistant vice president or officer of the Collateral Administrator as applicable, customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the principal corporate trust office of the Collateral Administrator because of such person's knowledge of and familiarity with the particular subject and in each case having direct responsibility for the administration of this Indenture or the Collateral Administration Agreement.

"Trustee": The meaning specified in the first sentence of this Indenture.

"UCC": The Uniform Commercial Code as in effect in the State of New York or, if different, the political subdivision of the United States that governs the perfection of the relevant security interest, as amended from time to time.

"Uncertificated Security": The meaning specified in Section 8-102(a)(18) of the UCC.

"Underlying Document": The indenture, loan agreement, credit agreement or other customary agreement pursuant to which an Asset has been created or issued and each other agreement that governs the terms of or secures the obligations represented by such Asset or of which the holders of such Asset are the beneficiaries.

"Unregistered Securities": The meaning specified in Section 5.17(c).

"Unsecured Loan": A senior unsecured Loan obligation of any Person which is not (and by its terms is not permitted to become) subordinate in right of payment to any other debt for borrowed money incurred by the Obligor under such Loan.

"USA PATRIOT Act": Collectively, (i) the United States Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, signed into law on and effective as of October 26, 2001 and as amended, which, among other things, requires that financial institutions, a term that includes bank, broker-dealers and investment companies, establish and maintain compliance programs to guard against money laundering activities, and (ii) the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions and money laundering.

"U.S. Person": A "U.S. person" within the meaning specified in Regulation S.

"U.S. Retention Interest": The "eligible horizontal residual interest" held by the Depositor in accordance with the U.S. Risk Retention Rules.

"U.S. Risk Retention Rules": The United States federal interagency credit risk retention requirements of Section 15G of the Exchange Act, as added by Section 941 of Dodd-Frank, and promulgated at 17 C.F.R. Part 246.

"U.S. Tax Person": A "United States person" within the meaning of Section 7701(a)(30) of the Code.

"Volcker Rule": Section 13 of the United States Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder.

"Volcker Rule Amendment": The meaning specified in Section 8.1(a)(xv).

"Waived Collateral Management Fee": The meaning specified in Section 11.1(d).

"Weighted Average Coupon": As of any Measurement Date, is the number obtained by *dividing*:

(a) the amount equal to the Aggregate Coupon; *by*

(b) an amount equal to the Aggregate Principal Balance of all Fixed Rate Obligations as of such Measurement Date (in each case including, for any Permitted Deferrable Obligation, only the required current cash interest required by the Underlying Documents).

" Weighted Average Fitch Recovery Rate": As of any date of determination, the rate (expressed as a percentage) determined by summing the products obtained by *multiplying* the Principal Balance of each Collateral Obligation by the Fitch Recovery Rate in relation thereto and *dividing* such sum *by* the Aggregate Principal Balance of all Collateral Obligations and *rounding* up to the nearest 0.1 percent. For the purposes of determining the Principal Balance and Aggregate Principal Balance of Collateral Obligations in this definition, the Principal Balance of each Defaulted Obligation shall be excluded.

"Weighted Average Floating Spread": As of any Measurement Date, the number obtained by *dividing*: (a) the amount equal to (A) the Aggregate Funded Spread *plus* (B) the Aggregate Unfunded Spread *by* (b) an amount equal to the outstanding Aggregate Principal Balance of all Floating Rate Obligations as of such Measurement Date.

"Weighted Average Life": As of any date of determination with respect to all Collateral Obligations other than Defaulted Obligations, the number of years following such date obtained by summing the products obtained by *multiplying*:

(a) the Average Life at such time of each such Collateral Obligation *by* (b) the Principal Balance of such Collateral Obligation;

and dividing such sum by:

(c) the Aggregate Principal Balance at such time of all such Collateral Obligations.

For the purposes of the foregoing, the "Average Life" is, on any date of determination with respect to any Collateral Obligation, the quotient obtained by *dividing* (i) the sum of the products of (a) the number of years (*rounded* to the nearest one hundredth thereof) from such date of determination to the respective dates of each successive Scheduled Distribution of principal of such Collateral Obligation and (b) the respective amounts of principal of such Scheduled Distributions *by* (ii) the sum of all successive Scheduled Distributions of principal on such Collateral Obligation.

"Weighted Average Life Test": A test satisfied on any date of determination if the Weighted Average Life of the Collateral Obligations as of such date is less than or equal to the number of years corresponding to the Closing Date or the most recent Payment Date on or preceding such date of determination as set forth in the table below:

Payment Date (or Closing Date)	Number of Years
Closing Date	8.00
January 2020	7.68
April 2020	7.43
July 2020	7.18
October 2020	6.93
January 2021	6.68
April 2021	6.43
July 2021	6.18
October 2021	5.93
January 2022	5.67
April 2022	5.43
July 2022	5.18
October 2022	4.92
January 2023	4.67
April 2023	4.42
July 2023	4.17
October 2023	3.93
January 2024	3.68
April 2024	3.43
July 2024	3.18
October 2024	2.93
January 2025	2.68
April 2025	2.43
July 2025	2.18
October 2025	1.93
January 2026	1.68
April 2026	1.43
July 2026	1.18
October 2026	0.93
January 2027	0.68
April 2027	0.43
July 2027	0.18
October 2027	0.00

"Weighted Average S&P Recovery Rate": As of any date of determination, the number, expressed as a percentage and determined separately for each Class of Secured Debt, obtained by *summing* the products obtained by *multiplyin*g the Principal Balance of each Collateral Obligation by its corresponding recovery rate as determined in accordance with Section 1 of Schedule 5 hereto, *dividing* such sum *by* the Aggregate Principal Balance of all Collateral Obligations, and *rounding* to the nearest tenth of a percent.

Section 1.2 Usage of Terms. (a) With respect to all terms in this Indenture, the singular includes the plural and the plural the singular; words importing any gender include the other genders; references to "writing" include printing, typing, lithography and other means of reproducing words in a visible form; references to agreements and other contractual instruments include all amendments, modifications and supplements thereto or any changes therein entered into in accordance with their respective terms and not prohibited by this Indenture; references to Persons include their permitted successors and assigns; and the term "including" means "including without limitation."

(b) With respect to any provision herein described as a right of a Holder or Holders of Preferred Shares, it shall be deemed to be a right of the Fiscal Agent acting at the direction of the applicable Holder or Holders of Preferred Shares pursuant to the terms of the Fiscal Agency Agreement. For the avoidance of doubt, the Preferred Shares are not secured by any of the Assets and the Holders thereof are not entitled to exercise remedies under this Indenture.

(c) Unless expressly stated otherwise, references hereunder to (i) the "redemption" of Secured Debt shall be understood to refer, in the case of the Class A-1 Loans, to the repayment of the Class A-1 Loans by the Co-Issuers in accordance with the Credit Agreement, (ii) references to the "issuance" of Secured Debt or to the "execution," "authentication" and/or "delivery" of Secured Debt shall be understood to refer, in the case of the Class A-1 Loans, to the incurrence of the Class A-1 Loans by the Co-Issuers pursuant to the Credit Agreement and this Indenture and (iii) in all instances where any notice is to be delivered to the Loan Agent, there shall be implied a duty that such notice be promptly delivered or made available by the Loan Agent to Class A-1 Lenders.

Section 1.3 Assumptions as to Assets. In connection with all calculations required to be made pursuant to this Indenture with respect to Scheduled Distributions on any Asset, or any payments on any other assets included in the Assets, with respect to the sale of and reinvestment in Collateral Obligations, and with respect to the income that can be earned on Scheduled Distributions on such Assets and on any other amounts that may be received for deposit in the Collection Account, the provisions set forth in this Section 1.3 shall be applied. The provisions of this Section 1.3 shall be applicable to any determination or calculation that is covered by this Section 1.3, whether or not reference is specifically made to Section 1.3, unless some other method of calculation or determination is expressly specified in the particular provision.

(a) All calculations with respect to Scheduled Distributions on the Assets securing the Secured Debt shall be made on the basis of information as to the terms of each such Asset and upon reports of payments, if any, received on such Asset that are furnished by or on behalf of the issuer of such Asset and, to the extent they are not manifestly in error, such information or reports may be conclusively relied upon in making such calculations.

(b) For purposes of calculating the Coverage Tests, except as otherwise specified in the Coverage Tests, such calculations will not include scheduled interest and principal payments on Defaulted Obligations unless or until such payments are actually made.

(c) For each Collection Period and as of any date of determination, the Scheduled Distribution on any Asset (including Current Pay Obligations but excluding Defaulted Obligations, which, except as otherwise provided herein, shall be assumed to have a Scheduled Distribution of zero, except to the extent any payments have actually been received) shall be the sum of (i) the total amount of payments and collections to be received during such Collection Period in respect of such Asset (including the proceeds of the sale of such Asset received and, in the case of sales which have not yet settled, to be received during the Collection Period and not reinvested in additional Collateral Obligations or Eligible Investments or retained in the Collection Account for subsequent reinvestment pursuant to Section 12.2) that, if received as scheduled, will be available in the Collection Account at the end of the Collection Period and (ii) any such amounts received in prior Collection Periods that were not disbursed on or prior to a previous Payment Date.

(d) Each Scheduled Distribution receivable with respect to an Asset shall be assumed to be received on the applicable Due Date, and each such Scheduled Distribution shall be assumed to be immediately deposited in the Collection Account to earn interest at the Assumed Reinvestment Rate. All such funds shall be assumed to continue to earn interest until the date on which they are required to be available in the Collection Account for application, in accordance with the terms hereof, to payments of principal of or interest on the Secured Debt or other amounts payable pursuant to this Indenture. For the avoidance of doubt, all amounts calculated pursuant to this Section 1.3(d) are estimates and may differ from the actual amounts available to make distributions hereunder, and no party shall have any obligation to make any payment hereunder due to the assumed amounts calculated under this Section 1.3(d) being greater than the actual amounts available. For purposes of the applicable determinations required by Section 10.7(b)(iv), Article XII and the definition of "Interest Coverage Ratio," the expected interest on the Secured Debt and Floating Rate Obligations will be calculated using the then current interest rates applicable thereto.

(e) References in Section 11.1(a) to calculations made on a "*pro forma* basis" shall mean such calculations after giving effect to all payments, in accordance with the Priority of Payments described herein, that precede (in priority of payment) or include the clause in which such calculation is made.

(f) For purposes of calculating all Concentration Limitations, in both the numerator and the denominator of any component of the Concentration Limitations, Defaulted Obligations will be treated as having a Principal Balance equal to the Defaulted Obligation Balance.

(g) If a Collateral Obligation included in the Assets would be deemed a Current Pay Obligation but for the applicable percentage limitation in the proviso to the definition of "Defaulted Obligation," then the Current Pay Obligations with the lowest Market Value (expressed as a percentage of the Principal Balance of such Current Pay Obligations as of the date of determination) shall be deemed Defaulted Obligations. Each such Defaulted Obligation will be treated as a Defaulted Obligation for all purposes until such time as the Aggregate Principal Balance of Current Pay Obligations would not exceed, on a *pro forma* basis including such Defaulted Obligation, the applicable percentage of the Collateral Principal Amount as set forth in the proviso to the definition of "Defaulted Obligation."

(h) Except where expressly referenced herein for inclusion in such calculations, Defaulted Obligations will not be included in the calculation of the Collateral Quality Test.

(i) For purposes of calculating compliance with the Investment Criteria, upon the direction of the Collateral Manager by notice to the Collateral Agent and the Collateral Administrator, any Eligible Investment representing Principal Proceeds received upon the sale or other disposition of a Collateral Obligation shall be deemed to have the characteristics of such Collateral Obligation as of the date of such sale or other disposition until reinvested in an additional Collateral Obligation. Such calculations shall be based upon the principal amount of such Collateral Obligation, except in the case of Defaulted Obligations and Credit Risk Obligations, in which case the calculations will be based upon the Principal Proceeds received on the disposition or sale of such Defaulted Obligation or Credit Risk Obligation.

(j) For the purposes of calculating compliance with each of the Concentration Limitations all calculations will be *rounded* to the nearest 0.1%. All other calculations, unless otherwise set forth herein or the context otherwise requires, shall be *rounded* to the nearest ten-thousandth if expressed as a percentage, and to the nearest one-hundredth if expressed otherwise.

(k) If the Issuer (or the Collateral Manager on behalf of the Issuer) is notified by the administrative agent or other withholding agent or otherwise for the syndicate of lenders in respect of (x) any amendment, waiver, consent or extension fees or (y) commitment fees or other similar fees in respect of Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation that any amounts associated therewith are subject to withholding tax imposed by any jurisdiction, the applicable Collateral Quality Test and the Coverage Tests will be calculated thereafter net of the full amount of such withholding tax unless the related Obligor is required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding tax on an after-tax basis pursuant to the Underlying Documents with respect thereto.

(l) Notwithstanding any other provision of this Indenture to the contrary, all monetary calculations under this Indenture and the Credit Agreement shall be in Dollars.

(m) Any reference herein to an amount of the Trustee's, the Collateral Agent's, the Loan Agent's or the Collateral Administrator's fees calculated with respect to a period at a *per annum* rate shall be computed on the basis of the actual number of days in the applicable Interest Accrual Period *divided by* 360 and shall be based on the Fee Basis Amount.

(n) To the extent of any ambiguity in the interpretation of any definition or term contained herein or in the Credit Agreement or to the extent more than one methodology can be used to make any of the determinations or calculations set forth herein, the Collateral Administrator shall request direction from the Collateral Manager as to the interpretation and/or methodology to be used, and the Collateral Administrator shall follow such direction, and together with the Trustee, the Collateral Agent and the Loan Agent, shall be entitled to conclusively rely thereon without any responsibility or liability therefor.

(o) For purposes of calculating compliance with any tests under this Indenture, the trade date (and not the settlement date) with respect to any acquisition or disposition of a Collateral Obligation or Eligible Investment shall be used to determine whether and when such acquisition or disposition has occurred.

(p) For reporting purposes and for purposes of calculating the Coverage Tests, the Investment Criteria and the requirements of this Indenture, assets held by any Equity Holder Subsidiary that constitute Equity Securities will be treated as Equity Securities owned by the Issuer (and the equity interest in such Equity Holder Subsidiary shall not be included in such calculation).

(q) For purposes of calculating compliance with the Collateral Quality Test, DIP Collateral Obligations shall be treated as having an S&P Recovery Rate equal to the S&P Recovery Rate for Senior Secured Loans.

(r) If any Collateral Obligation that is a Closing Date Participation Interest is not elevated by an assignment agreement prior to the Effective Date, such Collateral Obligation will be deemed to have a Principal Balance for purposes of determining the Adjusted Collateral Principal Amount equal to the S&P Collateral Value until the date on which such Collateral Obligation is assigned to the Issuer.

ARTICLE II

THE NOTES

Section 2.1 Forms Generally. The Notes and the Trustee's or Authenticating Agent's certificate of authentication thereon (the "Certificate of Authentication") shall be in substantially the forms required by this Article, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon, as may be consistent herewith, determined by the Responsible Officer of the Issuer executing such Notes as evidenced by his or her execution of such Notes. Any portion of the text of any Note may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Note.

Section 2.2 Forms of Notes. (a) The forms of the Notes shall be as set forth in the applicable part of Exhibit A hereto.

(b) Notes.

(i) The Notes of each Class sold to Persons that are not U.S. Persons outside the United States in reliance on Regulation S shall each be issued initially in the form of one permanent global note per Class in definitive, fully registered form without interest coupons substantially in the applicable form attached as Exhibit A-1 hereto (each, a "Regulation S Global Note"), and shall be deposited on behalf of the subscribers for such Notes represented thereby with the Trustee as custodian for, and registered in the name of a nominee of, DTC for the respective accounts of Euroclear and Clearstream, duly executed by the Co-Issuers (or, if such Notes are not co-issued, the Issuer) and authenticated by the Trustee or the Authenticating Agent as hereinafter provided.

(ii) Except as set forth in paragraph (iv) below, the Notes of each Class sold to U.S. Persons that are QIB/QPs shall each be issued initially in the form of one permanent global note per Class in definitive, fully registered form without interest coupons substantially in the applicable form attached as Exhibit A-1 hereto (each, a "Rule 144A Global Note") and shall be deposited on behalf of the subscribers for such Notes represented thereby with the Trustee as custodian for, and registered in the name of Cede & Co., a nominee of, DTC, duly executed by the Co-Issuers (or, if such Notes are not co-issued, the Issuer) and authenticated by the Trustee or the Authenticating Agent as hereinafter provided.

(iii) The Notes of each Class sold to U.S. Persons that are IAI/QPs shall each be issued in the form of one or more definitive, fully registered notes, without interest coupons substantially in the applicable form attached as Exhibit A-2 hereto (a "Certificated Note") and shall be registered in the name of the beneficial owner or a nominee thereof, duly executed by the Co-Issuers (or, if such Notes are not co-issued, the Issuer) and authenticated by the Trustee or Authenticating Agent as hereinafter provided.

(iv) The Notes of each Class sold to Persons that are QIB/QPs, at the request of such Person at the time of acquisition, purported acquisition or proposed acquisition, shall be issued in the form of Certificated Notes and shall be registered in the name of the beneficial owner or a nominee thereof, duly executed by the Co-Issuers (or, if such Notes are not co-issued, the Issuer) and authenticated by the Trustee or Authenticating Agent as hereinafter provided.

(v) The aggregate principal amount of the Regulation S Global Notes and the Rule 144A Global Notes may from time to time be increased or decreased by adjustments made on the records of the Trustee or DTC or its nominee, as the case may be, as hereinafter provided.

(c) Book Entry Provisions. This Section 2.2(c) shall apply only to Global Notes deposited with or on behalf of DTC.

The provisions of the "Operating Procedures of the Euroclear System" of Euroclear and the "Terms and Conditions Governing Use of Participants" of Clearstream, respectively, will be applicable to the Global Notes insofar as interests in such Global Notes are held by the Agent Members of Euroclear or Clearstream, as the case may be.

Agent Members shall have no rights under this Indenture with respect to any Global Notes held on their behalf by the Trustee, as custodian for DTC, and DTC may be treated by the Co-Issuers, the Trustee, and any agent of the Co-Issuers or the Trustee as the absolute owner of such Global Note for all payment purposes whatsoever, and for all other purposes except as provided in Section 14.2(e). Notwithstanding the foregoing, nothing herein shall prevent the Co-Issuers, the Trustee, or any agent of the Co-Issuers or the Trustee from giving effect to any written certification, proxy or other authorization furnished by DTC, or impair, as between DTC and its Agent Members, the operation of customary practices governing the exercise of the rights of a Holder of any Global Note.

Section 2.3 Authorized Amount; Stated Maturity; Denominations. The aggregate principal amount of Notes that may be authenticated and delivered under this Indenture, together with any Class A-1 Loans that may be incurred pursuant to the Credit Agreement, is limited to U.S.$246,000,000 (except for (i) Notes authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Notes pursuant to Section 2.5, Section 2.6 or Section 8.5 of this Indenture and (ii) additional securities issued in accordance with Section 2.13 and 3.2).

The Class A-1 Loans and the Notes shall be divided into the Classes, having the designations, original principal amounts and other characteristics as follows:

Class Designation	Class A-1 Loans	Class A-1 Notes	Class A-2 Notes	Class B-1 Notes	Class B-2 Notes	Class C-1 Notes	Class C-2 Notes	Class D Notes
Original Principal Amount[1]	U.S.$77,500,000	U.S.$78,500,000	U.S.$15,000,000	U.S.$14,000,000	U.S.$16,000,000	U.S.$19,000,000	U.S.$8,000,000	U.S.$18,000,000
Stated Maturity	Payment Date in October 2031	Payment Date in October 2031	Payment Date in October 2031	Payment Date in October 2031	Payment Date in October 2031	Payment Date in October 2031	Payment Date in October 2031	Payment Date in October 2031
Fixed Rate	No	No	Yes	No	Yes	No	Yes	No
Floating Rate	Yes	Yes	No	Yes	No	Yes	No	Yes
Interest Rate:								
Index	LIBOR	LIBOR	N/A	LIBOR	N/A	LIBOR	N/A	LIBOR
Index Maturity[2]	3 month	3 month	N/A	3 month	N/A	3 month	N/A	3 month
Spread/Coupon[3]	1.80%	1.80%	3.660%	2.90%	4.266%	4.00%	5.379%	4.75%
Initial Rating(s):								
S&P	AAA(sf)	AAA(sf)	AAA(sf)	AA(sf)	AA(sf)	A(sf)	A(sf)	BBB-(sf)
Fitch	AAAsf	AAAsf	N/A	N/A	N/A	N/A	N/A	N/A
Priority Classes	None	None	A-1 Loans, A-1 Notes	A-1 Loans, A-1 Notes, A-2	A-1 Loans, A-1 Notes, A-2	A-1 Loans, A-1 Notes, A-2, B-1, B-2	A-1 Loans, A-1 Notes, A-2, B-1, B- 2	A-1 Loans, A-1 Notes, A-2, B-1, B-2, C-1, C-2
Junior Classes	A-2, B-1, B-2, C-1, C-2, D	A-2, B-1, B-2, C-1, C-2, D	B-1, B-2, C-1, C-2, D	C-1, C-2, D	C-1, C-2, D	D	D	N/A
Pari Passu Classes	A-1 Notes	A-1 Loans	None	B-2	B-1	C-2	C-1	None
Interest Deferrable	No	No	No	No	No	Yes	Yes	Yes
Issuer(s)	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers
Form	N/A	Book-Entry (Physical for IAI/QPs)	Book-Entry (Physical for IAI/QPs)	Book-Entry (Physical for IAI/QPs)	Book-Entry (Physical for IAI/QPs)	Book-Entry (Physical for IAI/QPs)	Book-Entry (Physical for IAI/QPs)	Book-Entry (Physical for IAI/QPs)

1 As of the Closing Date.

2 LIBOR shall be calculated by reference to three-month LIBOR; provided that with respect to the portion of the first Interest Accrual Period comprising the period from the Closing Date to but excluding the First LIBOR Period End Date, LIBOR shall be determined by interpolating between the rates for 1 week and 1 month.

3 The spread over LIBOR or the stated Interest Rate, as applicable, with respect to any Class of Secured Debt (other than the Class A-1 Debt) may be reduced in connection with a Re-Pricing of such Class of Secured Debt, subject to the conditions set forth in Section 9.7.

The Notes shall be issued in minimum denominations of U.S.$250,000 and integral multiples of U.S.$1.00 in excess thereof. Notes shall only be transferred or resold in compliance with the terms of this Indenture.

The Issuer shall issue 55,400,000 Preferred Shares on the Closing Date pursuant to the Memorandum and Articles and subject to the terms of the Fiscal Agency Agreement.

Section 2.4 Execution, Authentication, Delivery and Dating. (a) The Notes shall be executed on behalf of the Co-Issuers (or, in the case of the Class D Notes, the Issuer) by one of its Officers. The signature of such Officer on the Notes may be manual or facsimile.

(d) Notes bearing the manual or facsimile signatures of individuals who were at the time of execution Officers of the Issuer or the Co-Issuers shall bind the Issuer or Co-Issuers, as applicable, notwithstanding the fact that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Notes or did not hold such offices at the date of issuance of such Notes.

(e) At any time and from time to time after the execution and delivery of this Indenture, the Co-Issuers may deliver Notes executed by the Issuer or the Co-Issuers to the Trustee or the Authenticating Agent for authentication and the Trustee or the Authenticating Agent, upon Issuer Order (which Issuer Order shall, in respect of a transfer of Notes hereunder, shall have been deemed to have been provided upon the Issuer's delivery of an executed Note to the Trustee), shall authenticate and deliver such Notes as provided herein and not otherwise.

(f) Each Note authenticated and delivered by the Trustee or the Authenticating Agent upon Issuer Order on the Closing Date shall be dated as of the Closing Date. All other Notes that are authenticated after the Closing Date for any other purpose under this Indenture shall be dated the date of their authentication.

(g) Notes issued upon transfer, exchange or replacement of other Notes shall be issued in authorized denominations reflecting the original aggregate principal amount of the Notes so transferred, exchanged or replaced, but shall represent only the current outstanding principal amount of the Notes so transferred, exchanged or replaced. If any Note is divided into more than one Note in accordance with this Article II, the original principal amount of such Note shall be proportionately divided among the Notes delivered in exchange therefor and shall be deemed to be the original aggregate principal amount of such subsequently issued Notes.

(h) No Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose, unless there appears on such Note a Certificate of Authentication, substantially in the form provided for herein, executed by the Trustee or by the Authenticating Agent by the manual signature of one of their authorized signatories, and such Certificate of Authentication upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered hereunder.

Section 2.5 Registration, Registration of Transfer and Exchange. (a) (i) The Co-Issuers shall cause the Notes to be Registered and shall cause to be kept a register (the " Note Register") at the office of the Trustee in which, subject to such reasonable regulations as it may prescribe, the Issuer shall provide for the registration of Notes and the registration of transfers of Notes. The Trustee is hereby initially appointed registrar (the " Note Registrar") for the purpose of registering Notes and transfers of such Notes with respect to the Note Register maintained in the United States as herein provided. Upon any resignation or removal of the Note Registrar, the Issuer shall promptly appoint a successor or, in the absence of such appointment, assume the duties of Note Registrar.

(ii) If a Person other than the Trustee is appointed by the Issuer as Note Registrar, the Issuer will give the Trustee prompt written notice of the appointment of a Note Registrar and of the location, and any change in the location, of the Note Register, and the Trustee shall have the right to inspect the Note Register at all reasonable times and to obtain copies thereof and the Trustee shall have the right to rely upon a certificate executed on behalf of the Note Registrar by an Officer thereof as to the names and addresses of the Holders of the Notes and the principal or face amounts and numbers of such Notes. Upon written request at any time, the Note Registrar shall provide to the Issuer, the Collateral Manager or the Placement Agent a current list of Holders as reflected in the Note Register.

(iii) Subject to this Section 2.5, upon surrender for registration of transfer of any Notes at the office or agency of the Co-Issuers to be maintained as provided in Section 7.2, the Issuer shall execute, and the Trustee shall authenticate, or cause the Authenticating Agent to authenticate, and deliver, in the name of the designated transferee or transferees, one or more new Notes of any authorized denomination and of a like aggregate principal or face amount. Upon written request at any time, the Trustee shall provide to the Issuer, the Collateral Manager or the Placement Agent a current list of Holders.

(iv) In addition, the Issuer, the Trustee and the Collateral Manager shall be entitled to conclusively rely upon any certificate of ownership provided to the Trustee by a beneficial owner of a Note (including a Beneficial Ownership Certificate or a certificate in the form of Exhibit D and the continued ownership of any Note indicated therein) and/or other forms of reasonable evidence of such ownership as to the names and addresses of such beneficial owner and the Classes, principal amounts and CUSIP numbers of Notes beneficially owned thereby and shall have no liability for relying on the same. Upon written request at any time, the Trustee shall provide to the Issuer, the Collateral Manager or the Placement Agent a copy of each Beneficial Ownership Certificate that the Trustee has received.

(v) At the option of the Holder, Notes may be exchanged for Notes of like terms, in any authorized denominations and of like aggregate principal amount, upon surrender of the Notes to be exchanged at such office or agency. Whenever any Note is surrendered for exchange, the Issuer or the Co-Issuers, as applicable, shall execute, and the Trustee shall authenticate, or cause the Authenticating Agent to authenticate, and deliver, the Notes that the Holder making the exchange is entitled to receive.

(vi) All Notes issued and authenticated upon any registration of transfer or exchange of Notes shall be the valid obligations of the Issuer or the Co-Issuers, as applicable, evidencing the same debt (to the extent they evidence debt), and entitled to the same benefits under this Indenture as the Notes surrendered upon such registration of transfer or exchange.

(vii) Every Note presented or surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer in a form reasonably satisfactory to the Note Registrar, duly executed by the Holder thereof or such Holder's attorney duly authorized in writing with such signature guaranteed by an "eligible guarantor institution" meeting the requirements of the Note Registrar, which requirements include membership or participation in the Securities Transfer Agents Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Note Registrar in addition to, or in substitution for, STAMP, all in accordance with the Exchange Act.

(viii) No service charge shall be made to a Holder for any registration of transfer or exchange of Notes, but the Trustee or the Transfer Agent may require payment of a sum sufficient to cover any transfer tax or other governmental charge payable in connection therewith. The Trustee or the Transfer Agent shall be permitted to request such evidence reasonably satisfactory to it documenting the identity, authority and/or signatures of the transferor and transferee.

(b) No Note may be sold or transferred (including, without limitation, by pledge or hypothecation) unless such sale or transfer is exempt from the registration requirements of the Securities Act, is exempt from the registration requirements under applicable state securities laws and will not cause the Issuer to become subject to the requirement that it register as an investment company under the 1940 Act.

(c) No transfer of a beneficial interest in a Note will be effective if the transferee's acquisition, holding or disposition of such interest would constitute or result in a prohibited transaction under Section 406 of ERISA, Section 4975 of the Code or violation of other applicable law, unless an exemption is available and all conditions to permit such transfer have been satisfied.

(d) Notwithstanding anything contained herein to the contrary, neither the Trustee nor the Collateral Agent shall be responsible for ascertaining whether any transfer complies with, or for otherwise monitoring or determining compliance with, the registration provisions of or any exemptions from the Securities Act, applicable state securities laws or the applicable laws of any other jurisdiction, ERISA, the Code, the 1940 Act, or the terms hereof; provided that if a certificate is specifically required by the terms of this Section 2.5 to be provided to the Trustee by a prospective transferor or transferee, the Trustee shall be under a duty to receive and examine the same to determine whether or not the certificate substantially conforms on its face to the applicable requirements of this Indenture and shall promptly notify the party delivering the same and the Issuer if such certificate does not comply with such terms.

(e) Transfers of Global Notes shall only be made in accordance with Section 2.2(b) and this Section 2.5(e).

(i) Rule 144A Global Note to Regulation S Global Note. Subject to the rules and procedures of DTC and this Section 2.5(e)(i), holder of a beneficial interest in a Rule 144A Global Note deposited with DTC may at any time exchange its interest in such Rule 144A Global Note for an equivalent beneficial interest in the corresponding Regulation S Global Note, or transfer its interest in such Rule 144A Global Note to a Person taking delivery thereof in the form of an equivalent beneficial interest in the corresponding Regulation S Global Note; provided that such exchanging holder or transferee, as applicable, is a Person that is not a U.S. Person. Upon receipt by the Trustee, the Note Registrar and the Transfer Agent of (A) instructions given in accordance with DTC's procedures from an Agent Member directing the Transfer Agent to credit or cause to be credited a beneficial interest in the corresponding Regulation S Global Note, in an amount equal to the beneficial interest in the Rule 144A Global Note to be exchanged or transferred, but not less than the Minimum Denomination applicable to such Class of Notes, (B) a written order given in accordance with DTC's procedures containing information regarding the participant account of DTC and the Euroclear or Clearstream account to be credited with such increase, (C) a duly-executed certificate in the form of Exhibit B-1 attached hereto given by the holder of such beneficial interest stating that the exchange or transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes, including that the holder or the transferee, as applicable, is a Person that is not a U.S. Person and is purchasing such beneficial interest in reliance on Regulation S, and (D) a written certification in the form of Exhibit B-5 attached hereto given by the transferee in respect of such beneficial interest stating, among other things, that such transferee is a Person that is not a U.S. Person and is purchasing such beneficial interest outside the United States in reliance on Regulation S, then the Transfer Agent shall approve the instructions at DTC to reduce, or cause to be reduced, the principal amount of the applicable Rule 144A Global Note and to increase, or cause to be increased, the principal amount of the corresponding Regulation S Global Note by the aggregate principal amount of the beneficial interest in the Rule 144A Global Note to be exchanged or transferred, and to credit or cause to be credited to the securities account of the Agent Member specified in such instructions a beneficial interest in the corresponding Regulation S Global Note equal to the reduction in the principal amount of such Rule 144A Global Note.

(ii) Regulation S Global Note to Rule 144A Global Note. Subject to the rules and procedures of DTC and this Section 2.5(e)(ii), a holder of a beneficial interest in a Regulation S Global Note deposited with DTC may at any time exchange its interest in such Regulation S Global Note for an equivalent beneficial interest in the corresponding Rule 144A Global Note or transfer its interest in such Regulation S Global Note to a Person taking delivery thereof in the form of an equivalent beneficial interest in the corresponding Rule 144A Global Note. Upon receipt by the Trustee, the Note Registrar and the Transfer Agent of (A) instructions from Euroclear, Clearstream and/or DTC, as the case may be, directing the Transfer Agent to credit or cause to be credited a beneficial interest in the corresponding Rule 144A Global Note in an amount equal to the beneficial interest the Regulation S Global Note to be exchanged or transferred, but not less than the Minimum Denomination applicable to such Class of Notes, such instructions to contain information regarding the participant account with DTC to be credited with such increase, (B) a duly-executed certificate in the form of Exhibit B-3 attached hereto given by the holder of such beneficial interest and stating, among other things, that, in the case of a transfer, the Person transferring such interest in such Regulation S Global Note reasonably believes that the Person acquiring such interest in a Rule 144A Global Note is a QIB/QP, is obtaining such beneficial interest in a transaction meeting the requirements of Rule 144A and in

accordance with any applicable securities laws of any state of the United States or any other jurisdiction and (C) a written certification in the form of Exhibit B-4 attached hereto given by the transferee in respect of such beneficial interest stating, among other things, that such transferee is a QIB/QP, then the Transfer Agent shall approve the instructions at DTC to reduce, or cause to be reduced, the Regulation S Global Note and to increase or cause to be increased, the principal amount of the corresponding Rule 144A Global Note by the aggregate principal amount of the beneficial interest in the Regulation S Global Note to be or exchanged or transferred and to credit or cause to be credited to the securities account of the Agent Member specified in such instructions a beneficial interest in the corresponding Rule 144A Global Note equal to the reduction in the principal amount of such Regulation S Global Note.

(iii) Global Note to Certificated Note. Subject to the rules and procedures of Euroclear, Clearstream and/or DTC, as applicable, this Section 2.5(e)(ii) and Section 2.10(a), a holder of a beneficial interest in a Global Note deposited with DTC may at any time transfer its interest in such Global Note to one or more Persons taking delivery thereof in the form of a corresponding Certificated Note. Upon receipt by the Trustee, the Note Registrar and the Transfer Agent of (A) one or more duly-executed certificates substantially in the form of Exhibit B-2 and (B) appropriate instructions from DTC, if required, the Transfer Agent shall approve the instructions at DTC to reduce, or cause to be reduced, the principal amount of the applicable Global Note by the aggregate principal amount of the beneficial interest in the Global Note to be transferred and record the transfer in the Note Register in accordance with Section 2.5(a) and upon execution by the Co-Issuers (or the Issuer in the case of Class D Notes), authentication by the Trustee or the Authenticating Agent and delivery by the Transfer Agent of one or more corresponding Certificated Notes, registered in the names specified in the instructions described in clause (B) above, in principal amounts designated by the transferee (the aggregate of such principal amounts being equal to the aggregate principal amount of the interest in such Global Note transferred by the transferor) but not less than the Minimum Denomination applicable to such Class of Notes.

(f) Transfers of Certificated Notes shall only be made in accordance with Section 2.2(b) and this Section 2.5(f).

(i) Certificated Notes to Rule 144A Global Notes or Regulation S Global Notes. Subject to the rules and procedures of Euroclear, Clearstream and/or DTC, as applicable, and this Section 2.5(f)(i), a holder of a Certificated Note may at any time exchange all or a portion of its interest in such Certificated Note for a beneficial interest in a corresponding Rule 144A Global Notes or Regulation S Global Note or to transfer all or a portion of such Certificated Note to one or more Persons taking delivery thereof in the form of a beneficial interest in the corresponding Rule 144A Global Note or the Regulation S Global Note. Upon receipt by the Note Registrar of (A) a Holder's Certificated Note properly endorsed for assignment to one or more transferee, (B) a duly-executed certificate substantially in the form of Exhibit B-1 or Exhibit B-3 (as applicable) attached hereto executed by the transferor and a certificate substantially in the form of Exhibit B-4 or B-5 (as applicable) attached hereto executed by each transferee, (C) instructions given in accordance with Euroclear, Clearstream or DTC's procedures, as

the case may be, from an Agent Member to instruct DTC to cause to be credited a beneficial interest in the corresponding Rule 144A Global Notes or Regulation S Global Notes, as applicable, in an amount equal to the Certificated Notes to be transferred to each such transferee or exchanged, and (D) a written order given in accordance with DTC's procedures containing information regarding the Agent Member's account at DTC and/or Euroclear or Clearstream to be credited with such increase, the Note Registrar shall cancel such Certificated Note in accordance with Section 2.9, record the transfer in the Note Register in accordance with Section 2.5(a) and approve the instructions at DTC, concurrently with such cancellation, to credit or cause to be credited to the securities account of the Agent Member specified in such instructions a beneficial interest in the corresponding Rule 144A Global Notes or Regulation S Global Note equal to the principal amount of the Certificated Note transferred to each such transferee or exchanged.

(ii) Certificated Notes to Certificated Notes. Subject to this Section 2.5(f)(ii), a holder of a Certificated Note may at any time exchange such Certificated Note for one or more Certificated Notes and/or transfer all or a portion of such Certificated Note to one or more Person taking delivery thereof in the form of a Certificated Note. Upon receipt by the Note Registrar of (A) a Holder's Certificated Note properly endorsed for assignment to each transferee, and (B) a duly-executed certificates substantially in the form of Exhibit B-2 attached hereto executed by each transferee, the Note Registrar shall cancel such Certificated Note in accordance with Section 2.9, record the transfer in the Note Register in accordance with Section 2.5(a) and upon execution by the Co-Issuers (or the Issuer, in the case of Class D Notes), authentication by the Trustee or the Authenticating Agent and delivery by the Trustee, deliver one or more Certificated Notes bearing the same designation as the Certificated Note endorsed for transfer, registered in the names specified in the assignment described in clause (A) above, in principal amounts designated by the transferee (the aggregate of such principal amounts being equal to the aggregate principal amount of the Certificated Note surrendered by the transferor) but not less than the Minimum Denomination applicable to such Class of Notes.

(g) If Notes are issued upon the transfer, exchange or replacement of Notes bearing the applicable legends set forth in the applicable part of Exhibit A hereto, and if a request is made to remove such applicable legend on such Notes, the applicable legend shall not be removed unless there is delivered to the Trustee and the Co-Issuers such satisfactory evidence, which may include an Opinion of Counsel acceptable to them, as may be reasonably required by the Co-Issuers (and which shall by its terms permit reliance by the Trustee), to the effect that neither such applicable legend nor the restrictions on transfer set forth therein are required to ensure that transfers thereof comply with the provisions of the Securities Act, the 1940 Act, ERISA or the Code. Upon provision of such satisfactory evidence, the Trustee or its Authenticating Agent, at the written direction of the Co-Issuers shall, after due execution by the Co-Issuers authenticate and deliver Notes that do not bear such applicable legend.

(h) Each Person who becomes a beneficial owner of Notes represented by an interest in a Global Note will be deemed to have represented and agreed as follows (except as may be expressly agreed in writing between an initial purchaser and the Issuer, which writing shall be provided to the Trustee):

(i) In connection with the purchase of such Notes, such beneficial owner agrees that: (A) none of the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Administrator, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates is acting as a fiduciary or financial or investment adviser for such beneficial owner; (B) such beneficial owner is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Administrator, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates other than any statements in the final Offering Circular for such Notes, and such beneficial owner has read and understands such final Offering Circular (including, without limitation, the descriptions therein of the structure of the transaction in which the Notes are being issued and the risks to purchasers of the Notes); (C) such beneficial owner has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to this Indenture) based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Administrator, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates; (D) such beneficial owner is either (1) (in the case of a beneficial owner of an interest in a Rule 144A Global Note) both (a) a Qualified Institutional Buyer that is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(i)(D) or (a)(1)(i)(E) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(i)(F) of Rule 144A under the Securities Act that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries of the plan and (b) a Qualified Purchaser or (2) (in the case of a beneficial owner of an interest in a Regulation S Global Note) not a U.S. Person and is acquiring the Notes in reliance on the exemption from registration provided by Regulation S; (E) such beneficial owner is acquiring its interest in such Notes for its own account and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (F) such beneficial owner was not formed for the purpose of investing in such Notes; (G) such beneficial owner understands that the Issuer may receive a list of participants holding interests in the Notes from one or more book-entry depositories; (H) such beneficial owner will hold and transfer at least the Minimum Denomination of such Notes; (I) such beneficial owner is a sophisticated investor and is purchasing the Notes with a full understanding of all of the terms, conditions and risks thereof, and is capable of and willing to assume those risks; and (J) such beneficial owner will provide notice of the relevant transfer restrictions, representations, warranties and agreements to subsequent transferees.

(ii) Such beneficial owner agrees that (A) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (B) if it is a governmental, church, non-U.S. or other plan which is subject to any Other Plan Law, its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law.

(iii) If the purchaser or transferee of any Note or any beneficial interest therein is a Benefit Plan Investor, it will be deemed to represent, warrant and agree that (i) none of the Transaction Parties or any of their affiliates, has provided any investment advice within the meaning of Section 3(21)(A)(ii) of ERISA to the Benefit Plan Investor or to any fiduciary or other person investing the assets of the Benefit Plan Investor ("Fiduciary"), in connection with its acquisition of Notes, and (ii) the Fiduciary is exercising its own independent judgment in evaluating the investment in the Notes.

(iv) Such beneficial owner understands that such Notes are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, such Notes have not been and will not be registered under the Securities Act, and, if in the future such beneficial owner decides to offer, resell, pledge or otherwise transfer its interest in such Notes, such interest in the Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of this Indenture and the legend on such Notes. Such beneficial owner acknowledges that no representation has been made as to the availability of any exemption under the Securities Act or any state securities laws for resale of such Notes. Such beneficial owner understands that neither of the Co-Issuers has been registered as an investment company under the 1940 Act, and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the 1940 Act.

(v) Such beneficial owner is aware that, except as otherwise provided herein, any Notes (or interest therein) being sold to it in reliance on Regulation S will be represented by one or more Regulation S Global Notes and that beneficial interests therein may be held only through DTC for the respective accounts of Euroclear or Clearstream.

(vi) Such beneficial owner agrees to treat the Issuer, the Co-Issuer and the Notes as described in the "Certain U.S. Federal Income Tax Considerations" section of the Offering Circular for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

(vii) Such beneficial owner will timely furnish the Issuer, the Trustee or their respective agents with any tax forms or certifications (including, without limitation, IRS Form W-9, an applicable IRS Form W-8 (together with all applicable attachments), or any successors to such IRS forms) that the Issuer, the Trustee or their respective agents reasonably request in order to (A) make payments to the beneficial owner without, or at a reduced rate of, withholding, (B) qualify for a reduced rate of withholding in any jurisdiction from or through which they receive payments, and (C) satisfy reporting and other obligations under the Code, Treasury Regulations, or any other applicable law or regulation (including the Cayman FATCA Legislation), and will update or replace such tax forms or certifications in accordance with their terms or subsequent amendments. Such beneficial owner acknowledges that the failure to provide, update or replace any such tax forms or certifications may result in the imposition of withholding or back-up withholding on payments to the beneficial owner, or to the Issuer. Amounts withheld by the Issuer or their agents that are, in their sole judgment, required to be withheld pursuant to applicable tax laws will be treated as having been paid to such beneficial owner by the Issuer.

(viii) Such beneficial owner will provide the Issuer or its agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA and the Cayman FATCA Legislation and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer. Such beneficial owner acknowledges that in the event such Holder fails to provide such information or documentation, or to the extent that its ownership of Notes would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer (and any agent acting on its behalf) is authorized to withhold amounts otherwise distributable to the investor as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the investor to sell its Notes and, if such person does not sell its Notes within 10 Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account, in addition to other related costs and charges, any taxes incurred by the Issuer in connection with such sale) to such person as payment in full for such Notes. The Issuer may also assign each such Note a separate securities identifier in the Issuer's sole discretion. Each Holder agrees that the Issuer, the Trustee and/or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to the Cayman Islands Tax Information Authority, the IRS and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and the Cayman FATCA Legislation.

(ix) Such beneficial owner represents that it is not a member of an "expanded group" (as defined in Treasury Regulations section 1.385-1(c)(4)) with respect to which a beneficial owner of Preferred Shares is a "covered member" (as defined in Treasury Regulations section 1.385-1(c)(2)), except to the extent that the Issuer or its agents have provided such beneficial owner with an express waiver of this representation.

(x) Such beneficial owner agrees that for so long as the Issuer is treated as an entity disregarded as separate from such beneficial owner for U.S. federal income tax purposes, it will not transfer its interest in a Note unless it shall have obtained written advice of Dechert LLP or Cadwalader, Wickersham & Taft LLP, or an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters, in the form and substance reasonably satisfactory to the Collateral Manager, to the effect that (A) such transfer will not cause the Issuer to be treated as a publicly traded partnership taxable as a corporation or to be subject to U.S. federal income tax with respect to its net income or subject to tax liability under Section 1446 of the Code and (B) any such Note and any other outstanding Notes of the same Class (excluding any Notes of the same Class that will continue to be held by such beneficial owner immediately after such transfer) will be fungible for U.S. federal income tax purposes immediately after such transfer.

(xi) Such beneficial owner represents that, if it is not a United States person for U.S. federal income tax purposes, it:

(a) is: (1) not a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business (within the meaning of section 881(c)(3)(A) of the Code); (2) not a "10-percent shareholder" with respect to the holder or any beneficial owners of the Preferred Shares within the meaning of section 871(h)(3) or section 881(c)(3)(B) of the Code; and (3) not a "controlled foreign corporation" that is related to the holder or any beneficial owners of the Preferred Shares within the meaning of section 881(c)(3)(C) of the Code;

(b) has provided an IRS Form W-8ECI representing that all payments received or to be received by it from the Issuer are effectively connected with its conduct of a trade or business in the United States and includible in its gross income; or

(c) is eligible for the benefits under an income tax treaty with the United States that eliminates U.S. federal income taxation of payments on the Notes.

(xii) Such beneficial owner agrees not to seek to commence in respect of the Issuer, the Co-Issuer or any Equity Holder Subsidiary, or cause the Issuer or any Equity Holder Subsidiary to commence, a bankruptcy proceeding before a year and a day has elapsed since the payment in full to the holders of the Secured Debt issued pursuant to this Indenture and incurred pursuant to the Credit Agreement or, if longer, the applicable preference period (plus one day) then in effect.

(xiii) Such beneficial owner agrees that (a)(i) the express terms of this Indenture govern the rights of the holders to direct the commencement of a Proceeding against any Person, (ii) this Indenture contains limitations on the rights of the holders to direct the commencement of any such Proceeding, and (iii) each beneficial owner shall comply with such express terms if it seeks to direct the commencement of any such Proceeding, (b) there are no implied rights under this Indenture to direct the commencement of any such Proceeding, and (c) notwithstanding any provision of this Indenture, or any provision of the Notes or of any other agreement, the Co-Issuers shall be under no duty or obligation of any kind to the holders of the Notes (or of any interest therein), or any of them, to institute any legal or other proceedings of any kind, against any person or entity, including, without limitation, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Manager, the Collateral Administrator or the Calculation Agent.

(xiv) Such beneficial owner agrees that the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, may enter into binding commitments to sell and transfer all Notes of a Re-Priced Class held by non-consenting holders pursuant to this Indenture, and if such beneficial owner is a non-consenting holder, it agrees to sell and transfer its Notes in accordance with the provisions of this Indenture and hereby irrevocably appoints the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, as its true and lawful agent and attorney-in-fact (with full power of substitution) in its name, place and stead and at its expense, in connection with such sale and transfer, and agrees to cooperate with the Issuer, the Re-Pricing Intermediary on behalf of the Issuer and/or the Trustee to effect such sale and transfers.

(xv) Such beneficial owner will provide the Issuer, the Trustee and their agents with any information and documentation required by the Issuer to achieve AML Compliance, and will update or replace such information, as necessary.

(i) Each Person who becomes an owner of a Certificated Note will be required to make the representations and agreements set forth in Exhibit B-2.

(j) Any purported transfer of a Note or interest therein not in accordance with this Section 2.5 shall be null and void and shall not be given effect for any purpose whatsoever.

(k) To the extent required by the Issuer, as determined by the Issuer or the Collateral Manager on behalf of the Issuer, the Issuer may, upon written notice to the Trustee, the Collateral Agent and the Loan Agent impose additional transfer restrictions on the Notes to comply with the USA PATRIOT Act or the Code and other similar laws or regulations, including, without limitation, requiring each transferee of a Note to make representations to the Issuer in connection with such compliance.

(l) The Note Registrar, the Trustee and the Issuer shall be entitled to conclusively rely on the information set forth on the face of any purchaser, transferor and transferee certificate delivered pursuant to this Section 2.5 and shall be able to presume conclusively the continuing accuracy thereof, in each case without further inquiry or investigation. Notwithstanding anything in this Indenture to the contrary, neither the Trustee nor the Transfer Agent shall be required to obtain any certificate specifically required by the terms of this Section 2.5 if the Trustee or the Transfer Agent is not notified of or in a position to know of any transfer requiring such a certificate to be presented by the proposed transferor or transferee.

(m) For the avoidance of doubt, notwithstanding anything in this Indenture to the contrary, the Placement Agent may hold a position in a Regulation S Global Note prior to the distribution of the applicable Notes represented by such position.

(n) Conversion of Class A-1 Loans.

(i) Notwithstanding anything herein to the contrary and in accordance with the procedures set forth in Section 3.7 of the Credit Agreement, upon written notice to the Trustee, the Collateral Agent, the Loan Agent, each Rating Agency and the Co-Issuers, provided in accordance with the Credit Agreement, a Class A-1 Lender may elect any Payment Date (such Payment Date, the "Conversion Date") upon which all or a portion of the Aggregate Outstanding Amount of the Class A-1 Loans held by such Converting Lender will be converted into Class A-1 Notes of an equal Aggregate Outstanding Amount in accordance with the terms hereof and the terms of the Credit Agreement; provided that (x) such Conversion Date will be no earlier than the fifth Business Day following the date such notice is delivered (or such later date as may be reasonably agreed to by such Converting Lender, the Collateral Agent, the Loan Agent and the Trustee) and (y) the Conversion Date may only occur on a Payment Date.

(ii) On each Conversion Date, (A) the Aggregate Outstanding Amount of the Class A-1 Notes will be increased by the current Aggregate Outstanding Amount of the Class A-1 Loans so converted and (B) the Class A-1 Loans so converted will cease to be Outstanding and will be deemed to have been repaid in full for all purposes hereunder and under the Credit Agreement. Class A-1 Notes may not be converted into Class A-1 Loans.

(iii) The Co-Issuers, the Collateral Manager and the Converting Lender agree to provide reasonable assistance to the Trustee, the Collateral Agent and the Loan Agent in connection with such conversion, including, but not limited to, providing applicable instructions to DTC, the Trustee, the Collateral Agent, the Loan Agent and the Note Registrar or Loan Registrar, as applicable.

(iv) Each Class A-1 Lender may elect, in its sole discretion, to exercise the Conversion Option concurrently with an assignment of all or a portion of its Class A-1 Loans (an "Assignment/Conversion") such that the effective date of the assignment occurs on the related Conversion Date and the assignee receives Class A-1 Notes (or an interest therein) in lieu of the portion of Class A-1 Loans being assigned. Any assignment made in connection with an Assignment/Conversion must meet the requirements for an assignment set forth in Section 3.7 of the Credit Agreement. Any Class A-1 Lender electing to make an Assignment/Conversion shall deliver to the Trustee, the Collateral Agent, the Loan Agent and the Co-Issuers at least five Business Days prior to the Conversion Date, (A) an executed Assignment Agreement (as defined in the Credit Agreement), (B) a completed notice substantially in the form of Exhibit C to the Credit Agreement, (C) the assignment fee required under the Credit Agreement and (D) a written certification from the assignee substantially in the form of Exhibit B-4 or Exhibit B-5, as applicable.

Section 2.6 Mutilated, Defaced, Destroyed, Lost or Stolen Note. (a) If (i) any mutilated or defaced Note is surrendered to a Transfer Agent, or if there shall be delivered to the Co-Issuers, the Trustee and the relevant Transfer Agent evidence to their reasonable satisfaction of the destruction, loss or theft of any Note, and (ii) there is delivered to the Co-Issuers, the Trustee and such Transfer Agent such security or indemnity as may be required by them to hold each of them harmless, then, in the absence of notice to the Co-Issuers, the Trustee or such Transfer Agent that such Note has been acquired by a protected purchaser, the Co-Issuers shall execute and, upon Issuer Order, the Trustee shall authenticate, or cause the Authenticating Agent to authenticate, and deliver to the Holder, in lieu of any such mutilated, defaced, destroyed, lost or stolen Note, a new Note having the same designation, of like tenor (including the same date of issuance) and equal principal or face amount, registered in the same manner, dated the date of its authentication, bearing interest from the date to which interest has been paid on the mutilated, defaced, destroyed, lost or stolen Note and bearing a number not contemporaneously outstanding.

(b) If, after delivery of such new Note, a protected purchaser of the predecessor Note presents for payment, transfer or exchange such predecessor Note, the Co-Issuers, the Transfer Agent and the Trustee shall be entitled to recover such new Note from the Person to whom it was delivered or any Person taking therefrom, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Co-Issuers, the Trustee and the Transfer Agent in connection therewith.

(c) In case any such mutilated, defaced, destroyed, lost or stolen Note has become due and payable, the Co-Issuers in their discretion may, instead of issuing a new Note pay such Note without requiring surrender thereof except that any mutilated or defaced Note shall be surrendered.

(d) Upon the issuance of any new Note under this Section 2.6, the Co-Issuers may require the payment by the Holder thereof of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

(e) Every new Note issued pursuant to this Section 2.6 in lieu of any mutilated, defaced, destroyed, lost or stolen Note shall constitute an original additional contractual obligation of the Co-Issuers and such new Note shall be entitled, subject to the second paragraph of this Section 2.6, to all the benefits of this Indenture equally and proportionately with any and all other Notes of the same Class duly issued hereunder.

(f) The provisions of this Section 2.6 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, defaced, destroyed, lost or stolen Notes.

Section 2.7 Payment of Principal and Interest and Other Amounts; Principal and Interest Rights Preserved. (a) The Secured Debt of each Class shall accrue interest during each Interest Accrual Period at the applicable Interest Rate and such interest will be payable in arrears on each Payment Date on the Aggregate Outstanding Amount thereof on the first day of the related Interest Accrual Period (after giving effect to payments of principal thereof on such date), except as otherwise set forth below. For purposes of determining any Interest Accrual Period, in the case of any Fixed Rate Notes, (i) for any Payment Date that is not a Redemption Date or a Re-Pricing Date, the Payment Date shall be assumed to be the 15th day of the relevant month (irrespective of whether such day is a Business Day) and (ii) for any Payment Date that is a Redemption Date or a Re-Pricing Date, the Payment Date shall be the Redemption Date or the Re-Pricing Date, as applicable. Payment of interest on each Class of Secured Debt (other than the Class A-1 Debt) will be subordinated to the payment of interest on each related Priority Class as provided in Section 11.1. So long as any Priority Class is Outstanding with respect to a Class of Deferrable Notes, any payment of interest due on such Class of Deferrable Notes that is not available to be paid in accordance with the Priority of Payments on any Payment Date ("Deferred Interest " with respect to such Class) shall not be considered "due and payable" for the purposes of Section 5.1(a) (and the failure to pay such interest shall not be an Event of Default) until the earliest of (i) the Payment Date on which funds are available to pay such Deferred Interest in accordance with the Priority of Payments, (ii) the Redemption Date with respect to such Class of Deferrable Notes, and (iii) the Stated Maturity of such Class of Deferrable Notes. Deferred Interest on the Deferrable Notes shall be payable on the first Payment Date on which funds are available to be used for such purpose in accordance with the Priority of Payments, but in any event no later than the earlier of the Payment Date (i) that is the Redemption Date with respect to such Class of Deferrable Notes, and (ii) that is the Stated Maturity of such Class of Deferrable Notes. Regardless of whether any Priority Class is Outstanding with respect to a Class of Deferrable Notes, to the extent that funds are not available on any Payment Date (other than the Redemption Date with respect to, or Stated Maturity of, such Class of Deferrable Notes) to pay previously accrued Deferred Interest, such

previously accrued Deferred Interest will not be due and payable on such Payment Date and any failure to pay such previously accrued Deferred Interest on such Payment Date will not be an Event of Default. Interest will cease to accrue on each Class of Secured Debt, or in the case of a partial repayment, on such repaid part, from the date of repayment. To the extent lawful and enforceable, interest on any interest that is not paid when due on any Class A-1 Notes or Class A-1 Loans, or if no Class A-1 Notes or Class A-1 Loans are Outstanding, any Class A-2 Notes, or if no Class A-1 Notes, Class A-1 Loans or Class A-2 Notes are Outstanding, any Class B Notes, or if no Class A-1 Notes, Class A-1 Loans, Class A-2 Notes or Class B Notes are Outstanding, any Class C Notes, or if no Class A-1 Notes, Class A-1 Loans, Class A-2 Notes, Class B Notes or Class C Notes are Outstanding, any Class D Notes, shall accrue at the Interest Rate for such Class until paid as provided herein.

(b) The principal of each Class of Secured Debt matures at par and is due and payable on the date of the Stated Maturity for such Class, unless such principal has been previously repaid or unless the unpaid principal of such Class becomes due and payable at an earlier date by declaration of acceleration, call for redemption or otherwise. Notwithstanding the foregoing, the payment of principal of each Class (and payments of Principal Proceeds to the Fiscal Agent (for payment to Holders of the Preferred Shares)) may only occur in accordance with the Priority of Payments. Payments of principal on any Class of Secured Debt that are not paid in accordance with the Priority of Payments on any Payment Date (other than the Payment Date that is the Stated Maturity of such Class of Secured Debt or any Redemption Date) because of insufficient funds therefor shall not be considered "due and payable" for purposes of Section 5.1(a) until the Payment Date on which such principal may be paid in accordance with the Priority of Payments or all Priority Classes with respect to such Class have been paid in full.

(c) Principal payments on the Secured Debt will be made in accordance with the Priority of Payments and Article IX.

(d) The Paying Agent shall require the previous delivery of properly completed and signed applicable tax certifications (generally, in the case of U.S. federal income tax, an IRS Form W-9 (or applicable successor form) in the case of a U.S. Tax Person or the applicable IRS Form W-8 (or applicable successor form) in the case of a Person that is not a U.S. Tax Person) or other certification acceptable to it to enable the Issuer, the Co-Issuer, the Trustee, the Collateral Agent and any Paying Agent to determine their duties and liabilities with respect to any taxes or other charges that they may be required to pay, deduct or withhold from payments in respect of such Secured Debt or the Holder or beneficial owner of such Secured Debt under any present or future law or regulation of the United States, any other jurisdiction or any political subdivision thereof or taxing authority therein or to comply with any reporting or other requirements under any such law or regulation (including any cost basis reporting obligations) and the delivery of any information required under FATCA. The Issuer shall not be obligated to pay any additional amounts to the Holders or beneficial owners of Secured Debt as a result of deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges with respect to the Secured Debt. Nothing herein shall be construed to obligate the Paying Agent, the Collateral Agent or the Trustee to determine the duties or liabilities of the Issuer or any other paying agent with respect to any tax certification or withholding requirements, or any tax certification or withholding requirements of any jurisdiction, political subdivision or taxing authority outside the United States.

(e) Payments in respect of interest on and principal of Secured Debt shall be made by the Collateral Agent or by a Paying Agent in Dollars to: (1) the Loan Agent, for distribution to the Class A-1 Lenders in the case of the Class A-1 Loans; (2) DTC or its designee with respect to a Global Note; and (3) the Holder or its nominee with respect to a Certificated Note; in each case, by wire transfer, as directed by such Person, in immediately available funds to a Dollar account maintained by the Loan Agent, in the case of the Class A-1 Loans, by DTC or its nominee, in the case of Global Notes, or by the Holder or its nominee, in the case of Certificated Notes; provided that in the case of a Certificated Note (1) the Holder thereof shall have provided written wiring instructions to the Trustee on or before the related Record Date and (2) if appropriate instructions for any such wire transfer are not received by the related Record Date, then such payment shall be made by check drawn on a U.S. bank mailed to the address of such Holder, as it appears on the Note Register. Upon final payment due on the Maturity of (A) a Note, the Holder thereof shall present and surrender such Note at the Corporate Trust Office of the Trustee or at the office of any Paying Agent on or prior to such Maturity and (B) the Class A-1 Loans, the Holder thereof shall present and surrender the lender note representing such Class A-1 Loan to the Corporate Trust Office of the Loan Agent in accordance with the Credit Agreement, in each case, on or prior to such Maturity; provided that if the Trustee, the Collateral Agent, the Loan Agent and the Co-Issuers shall have been furnished such security or indemnity as may be required by them to save each of them harmless and an undertaking thereafter to surrender such certificate, then, in the absence of notice to the Co-Issuers, the Trustee and the Collateral Agent that the applicable Note has been acquired by a protected purchaser, such final payment with respect to such shall be made without presentation or surrender. None of the Co-Issuers, the Trustee, the Collateral Manager, the Collateral Agent or any Paying Agent will have any responsibility or liability for any aspects of the records (or for maintaining, supervising or reviewing such records) maintained by DTC, Euroclear, Clearstream or any of the Agent Members or any of their nominees relating to or for payments made thereby on account of beneficial interests in a Global Note. In the case where any final payment of principal and interest is to be made on any Note (other than on the Stated Maturity thereof), the Trustee, the Collateral Agent, or the Loan Agent, as applicable, in the name and at the expense of the Co-Issuers shall prior to the date on which such payment is to be made, mail (by first class mail, postage prepaid) to the Persons entitled thereto at their respective addresses as they appear on the Note Register, a notice which shall specify the date on which such payment will be made and the place where such Notes may be presented and surrendered for such payment.

(f) Payments of principal to Holders of Secured Debt of each Class shall be made in the proportion that the Aggregate Outstanding Amount of such Class registered in the name of each such Holder on the applicable Record Date bears to the Aggregate Outstanding Amount of such Class on such Record Date.

(g) Interest accrued with respect to the Secured Debt (other than the Fixed Rate Notes) shall be calculated on the basis of the actual number of days elapsed in the applicable Interest Accrual Period *divided by* 360. Interest on the Fixed Rate Notes shall be calculated on the basis of a 360-day year consisting of twelve (12) 30-day months; provided that if a redemption occurs on a Business Day that would not otherwise be a Payment Date, interest on such Fixed Rate Notes will be calculated on the basis of the actual number of days elapsed in the applicable Interest Accrual Period *divided by* 360.

(h) All reductions in the principal amount of a Note (or one or more predecessor Notes) or Class A-1 Loan effected by payments of installments of principal made on any Payment Date or Redemption Date shall be binding upon all future Holders of such Note or Class A-1 Loan, as applicable, and of any Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof, whether or not such payment is noted on such Note.

(i) Notwithstanding any other provision of this Indenture or the Credit Agreement, the obligations of the Issuer and Co-Issuer under the Notes, the Class A-1 Loans and the Transaction Documents are limited recourse obligations of the Co-Issuers and the Preferred Shares are equity interests in the Issuer payable solely from the Assets and following realization of the Assets, and application of the proceeds thereof in accordance with this Indenture and the Credit Agreement, all obligations of and any claims against the Co-Issuers hereunder or in connection herewith after such realization shall be extinguished and shall not thereafter revive. No recourse shall be had against any officer, director, manager, partner, member, employee, shared personnel, shareholder, authorized Person or incorporator of either of the Co-Issuers, the Collateral Manager or their respective affiliates, successors or assigns for any amounts payable under the Secured Debt, this Indenture or the Credit Agreement. It is understood that the foregoing provisions of this paragraph (i) shall not (i) prevent recourse to the Assets for the sums due or to become due under any security, instrument or agreement which is part of the Assets or (ii) constitute a waiver, release or discharge of any indebtedness or obligation evidenced by the Secured Debt or the Credit Agreement or secured by this Indenture until such Assets have been realized. It is further understood that the foregoing provisions of this paragraph (i) shall not limit the right of any Person to name the Issuer or the Co-Issuer as a party defendant in any Proceeding or in the exercise of any other remedy under the Secured Debt, this Indenture or the Credit Agreement, so long as no judgment in the nature of a deficiency judgment or seeking personal liability shall be asked for or (if obtained) enforced against any such Person or entity.

(j) Subject to the foregoing provisions of this Section 2.7, each Note delivered under this Indenture and upon registration of transfer of or in exchange for or in lieu of any other Note shall carry the rights to unpaid interest and principal (or other applicable amount) that were carried by such other Note.

(k) Payments in respect of the Preferred Shares are subordinated to the payment of interest on and principal of each Class of Secured Debt as provided in Section 11.1, except that notwithstanding the Priority of Payments, Permitted RIC Distributions may be made if the conditions specified in the definition thereof are satisfied. Payments in respect of the Preferred Shares shall be made to the Preferred Shares Payment Account maintained by the Fiscal Agent, for distribution to the Holders of the Preferred Shares in accordance with the Fiscal Agency Agreement.

Section 2.8 Persons Deemed Owners. The Issuer, the Co-Issuer, the Trustee, the Collateral Agent, and any agent of the Issuer, the Co-Issuer, the Trustee or the Collateral Agent shall treat as the owner of each Note the Person in whose name such Note is registered on the Note Register on the applicable Record Date for the purpose of receiving payments of principal of and interest on such Note and on, other than as otherwise expressly provided in this Indenture, any other date for all other purposes whatsoever (whether or not such Note is overdue), and none of the Issuer, the Co-Issuer or the Trustee, the Collateral Agent, nor any agent of the Issuer, the Co-Issuer, the Trustee, or the Collateral Agent shall be affected by notice to the contrary.

Section 2.9 Cancellation. All Notes surrendered for payment, registration of transfer, exchange or redemption, or deemed lost or stolen, shall be promptly canceled by the Trustee and may not be reissued or resold. No Note may be surrendered (including any surrender in connection with any abandonment, donation, gift or contribution thereof or other event or circumstance) except for payment as provided herein, or for registration of transfer or exchange in accordance with this Article II or redemption in accordance with Article IX hereof (and, in the case of Special Redemption, a mandatory redemption pursuant to Section 9.1, or an Optional Redemption in part by Class, only to the extent that such Special Redemption, mandatory redemption or Optional Redemption results in payment in full of the applicable Class of Notes), or for replacement in connection with any Note deemed lost or stolen. Any Notes surrendered for cancellation as permitted by this Section 2.9 shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee. No Notes shall be authenticated in lieu of or in exchange for any Notes canceled as provided in this Section 2.9, except as expressly permitted by this Indenture. All canceled Notes held by the Trustee shall be destroyed or held by the Trustee in accordance with its standard retention policy unless the Co-Issuers shall direct by an Issuer Order received prior to destruction that they be returned to it.

Section 2.10 DTC Ceases to be Depository. (a) A Global Note deposited with DTC pursuant to Section 2.2 shall be transferred in the form of one or more corresponding Certificated Notes to the beneficial owners thereof only if (A) such transfer complies with Section 2.5 of this Indenture and (B) either (x) (i) DTC notifies the Co-Issuers that it is unwilling or unable to continue as depository for such Global Note, or (ii) DTC ceases to be a Clearing Agency registered under the Exchange Act and, in each case, a successor depository is not appointed by the Co- Issuers within 90 days after receiving notice of such event or (y) an Event of Default has occurred and is continuing and such transfer is requested by any beneficial owner of an interest in such Global Note.

(b) Any Global Note that is transferable in the form of a corresponding Certificated Note to the beneficial owner thereof pursuant to this Section 2.10 shall be surrendered by DTC to the Trustee's Corporate Trust Office to be so transferred, in whole or from time to time in part, without charge, and the Co-Issuers shall execute and the Trustee shall authenticate, or cause the Authenticating Agent to authenticate, and deliver, upon such transfer of each portion of such Global Note, an equal aggregate principal amount of definitive physical certificates (pursuant to the instructions of DTC) in authorized denominations. Any Certificated Note delivered in exchange for an interest in a Global Note shall, except as otherwise provided by Section 2.5, bear the legends set forth in the applicable Exhibit A and shall be subject to the transfer restrictions referred to in such legends.

(c) Subject to the provisions of Section 2.10(b), the Holder of a Global Note may grant proxies and otherwise authorize any Person, including Agent Members and Persons that may hold interests through Agent Members, to take any action that such Holder is entitled to take under this Indenture or the Notes.

(d) In the event of the occurrence of any of the events specified in Section 2.10(a), the Co-Issuers will promptly make available to the Trustee a reasonable supply of Certificated Notes.

If Certificated Notes are not so issued by the Co-Issuers to such beneficial owners of interests in Global Notes as required by Section 2.10(a), the Issuer expressly acknowledges that the beneficial owners shall be entitled to pursue any remedy that the Holders of a Global Note would be entitled to pursue in accordance with Article V of this Indenture (but only to the extent of such beneficial owner's interest in the Global Note) as if corresponding Certificated Notes had been issued; provided that the Trustee shall be entitled to rely upon any certificate of ownership provided by such beneficial owners (including a certificate in the form of Exhibit D) and/or other forms of reasonable evidence of such ownership and shall have no liability for relying on the same.

Neither the Trustee nor the Note Registrar shall be liable for any delay in the delivery of directions from the DTC, as depository, and may conclusively rely on, and shall be fully protected in relying on, such direction as to the names of the beneficial owners in whose names such Certificated Notes shall be registered or as to delivery instructions for such Certificated Notes.

Section 2.11 Non-Permitted Holders. (a) Notwithstanding anything to the contrary elsewhere herein, any transfer of a beneficial interest in any Note to a U.S. Person that is not a QIB/QP (or, solely in the case of Notes issued as Certificated Notes, an IAI/QP) shall in either case be null and void and any such purported transfer of which the Issuer, the Co-Issuer, the Trustee, the Collateral Agent and the Loan Agent shall have notice may be disregarded by the Issuer, the Co-Issuer, the Trustee, the Collateral Agent and the Loan Agent for all purposes. In addition, the acquisition of Notes by a Non-Permitted Holder under Section 2.11(b) shall be null and void *ab initio*.

(b) If any U.S. Person that is not a QIB/QP (or, solely in the case of Notes issued as Certificated Notes, a U.S. Person that is an Institutional Accredited Investor and is also a Qualified Purchaser (or a corporation, partnership, limited liability company or other entity (other than a trust) of which each shareholder, partner, member or other equity owner is a Qualified Purchaser)) shall in either case become the Holder or beneficial owner of an interest in any Note (any such Person a "Non-Permitted Holder"), the acquisition of such Notes by such Holder shall be void *ab initio*. The Issuer (or the Collateral Manager on behalf of the Issuer) shall, promptly after discovery that such Person is a Non-Permitted Holder by the Issuer or the Co-Issuer (if the Co-Issuer obtains actual knowledge), or upon notice to the Issuer from the Trustee (if a Trust Officer of the Trustee obtains actual knowledge (in which case the Trustee agrees to notify the Issuer of such discovery, if any)), send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its interest in the Notes held by such Non-Permitted Holder to a Person that is not a Non-Permitted Holder within 30 days after the date of such notice. If such Non-Permitted Holder fails to so transfer such Notes or interest therein, the Issuer or the Collateral Manager acting for the Issuer shall have the right, without further notice to the Non-Permitted Holder, to sell such Notes or interest in such Notes to a purchaser selected by the Issuer that is not a Non-Permitted Holder on such terms as the Issuer may choose. The Issuer, or the Collateral Manager acting on behalf of the Issuer, may (but is not required to) select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly

deal in securities similar to the Notes and sell such Notes to the highest such bidder; provided that the Collateral Manager, its Affiliates and accounts, funds, clients or portfolios established and controlled by the Collateral Manager shall be entitled to bid in any such sale. However, the Issuer or the Collateral Manager may select a purchaser by any other means determined by it in its sole discretion. The Holder of each Note, the Non-Permitted Holder and each other Person in the chain of title from the Holder to the Non-Permitted Holder, by its acceptance of an interest in the Notes, agrees to cooperate with the Issuer, the Trustee, the Collateral Agent and the Collateral Manager to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the Non-Permitted Holder. The terms and conditions of any such sale under this sub-section shall be determined in the sole discretion of the Issuer, and none of the Issuer, the Co-Issuer, the Trustee, the Collateral Agent, the Fiscal Agent or the Collateral Manager shall be liable to any Person having an interest in the Notes or Preferred Shares sold as a result of any such sale or the exercise of such discretion.

(c) If any Person shall become the beneficial owner of an interest in any Note who has made or is deemed to have made, as applicable, a prohibited transaction, Benefit Plan Investor, Controlling Person, Similar Law or Other Plan Law representation required by Section 2.5 that is subsequently shown to be false or misleading or whose beneficial ownership otherwise causes a violation of the 25% Limitation (any such Person a "Non-Permitted ERISA Holder"), the Issuer (or the Collateral Manager on behalf of the Issuer) shall, promptly after discovery that such Person is a Non-Permitted ERISA Holder by the Issuer or upon notice to the Issuer from the Trustee (if a Trust Officer of the Trustee obtains actual knowledge or by the Co-Issuer if it obtains actual knowledge (who, in which case, agree to notify the Issuer of such discovery, if any)), send notice to such Non-Permitted ERISA Holder demanding that such Non-Permitted ERISA Holder transfer all or any portion of the Notes or Preferred Shares held by such Person to a Person that is not a Non-Permitted ERISA Holder within 10 days after the date of such notice. If such Non-Permitted ERISA Holder fails to so transfer such Notes or Preferred Shares, the Issuer shall have the right, without further notice to the Non-Permitted ERISA Holder, to sell such Notes or interest in such Notes to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose. The Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Notes or Preferred Shares and selling such Notes or Preferred Shares to the highest such bidder. However, the Issuer may select a purchaser by any other means in its sole discretion. The holder of each Note or Preferred Share, the Non-Permitted ERISA Holder and each other Person in the chain of title from the Holder to the Non-Permitted ERISA Holder, by its acceptance of an interest in the Notes or Preferred Shares, agrees to cooperate with the Issuer and the Trustee to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the Non-Permitted ERISA Holder. The terms and conditions of any sale under this subsection shall be determined in the sole discretion of the Issuer, and none of the Issuer, the Co-Issuer, the Trustee, the Fiscal Agent, the Collateral Agent, the Loan Agent or the Collateral Manager shall be liable to any Person having an interest in the Notes or Preferred Shares sold as a result of any such sale or the exercise of such discretion.

Section 2.12 [Reserved].

Section 2.13 Additional Issuance. (a) At any time during the Reinvestment Period (and, solely with respect to additional Preferred Shares, after the Reinvestment Period), the Co-Issuers or the Issuer, as applicable, may incur additional loans, issue and sell additional Secured Debt of each Class and/or issue and sell additional Preferred Shares (on a *pro rata* basis with respect to each Class or, if additional Class A-1 Debt is not being issued, on a *pro rata* basis for all Classes that are subordinate to the Class A-1 Debt) (except a greater proportion of Preferred Shares may be issued) and use the proceeds to purchase additional Collateral Obligations or as otherwise permitted under this Indenture; provided that additional Class A-1 Debt may consist of additional Class A-1 Loans and/or additional Class A-1 Notes; provided, further, that the following conditions are met:

(i) the Collateral Manager, the Depositor and a Majority of the Preferred Shares consents to such issuance;

(ii) unless such issuance is being made in order for the Depositor, the Collateral Manager or an Affiliate thereof to comply with the U.S. Risk Retention Rules (based on written advice of nationally recognized counsel to the Depositor or the Collateral Manager, as applicable, experienced in such matters) (a "Risk Retention Issuance"), if additional Class A-1 Loans will be incurred, a Majority of the Class A-1 Lenders consents thereto;

(iii) the aggregate principal amount of Secured Debt of any Class issued in all additional issuances shall not exceed 100% of the Aggregate Outstanding Amount of such Class on the Closing Date;

(iv) the terms of the Secured Debt issued must be identical to the respective terms of previously issued Secured Debt of the applicable Class (except that the interest due on additional Secured Debt will accrue from the issue or incurrence date of such additional Secured Debt and the spread over LIBOR (or stated interest rate, in the case of Fixed Rate Notes) and price of such additional Secured Debt do not have to be identical to those of the initial Secured Debt of such Class; provided that the Interest Rate of any such additional Secured Debt must not exceed the Interest Rate applicable to the initial Secured Debt of that Class);

(v) the proceeds of any additional Secured Debt or additional Preferred Shares (net of fees and expenses incurred in connection with such issuance) will be treated as Principal Proceeds, used to purchase additional Collateral Obligations, or as otherwise permitted hereunder;

(vi) the Overcollateralization Ratio with respect to each Class is maintained or improved after giving effect to such issuance;

(vii) an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters shall be delivered to the Trustee to the effect that (1) such additional issuance will not cause the Issuer (A) to be subject to U.S. federal income tax with respect to its net income or subject to tax liability under Section 1446 of the Code, or (B) to be treated as a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes and (2) any additional Class A-1 Debt, Class A-2 Notes,

Class B Notes, Class C Notes or Class D Notes will be treated as indebtedness for U.S. federal income tax purposes; provided, however, that the opinion described in this clause (vii)(2) will not be required with respect to any additional Secured Debt that bear a different securities identifier from the Secured Debt of the same Class that were issued on the Closing Date and are outstanding at the time of the additional issuance;

(viii) such issuance is accomplished in a manner that allows the Independent accountants of the Issuer to accurately provide the tax information relating to original issue discount required to be provided to the holders of Secured Debt (including the additional Secured Debt); and

(ix) an officer's certificate of the Issuer is delivered to the Trustee stating that the foregoing conditions (i) through (viii) have been satisfied.

(b) Except in the case of a Risk Retention Issuance, (i) any additional Class A-1 Debt issued as described above will be offered to the existing holders of Class A-1 Debt in the form of Class A-1 Loans and/or Class A-1 Notes held by each such existing holder (x) first, in such amounts as are necessary to preserve each such holder's *pro rata* ownership interest in the Class A-1 Debt and (y) second, in the case of any unsold additional Class A-1 Debt, without regard to each holder's *pro rata* ownership interest in the Class A-1 Debt, it being understood that additional Class A-1 Debt offered to an existing holder pursuant to this subclause (y) may be subscribed for by such holder in the form of additional Class A-1 Loans or additional Class A-1 Notes, without regard to the form of such holder's existing holdings, (ii) any additional Secured Debt of any other Class issued as described above will, to the extent reasonably practicable, be offered first to holders of that Class in such amounts as are necessary to preserve each such holder's *pro rata* ownership interest in such Class and (iii) any additional Preferred Shares issued as described above will, to the extent reasonably practicable, be offered first to holders of Preferred Shares in such amounts as are necessary to preserve each such holder's *pro rata* ownership interest in the Preferred Shares. The Collateral Agent shall provide written notice to S&P of the issuance of any additional Secured Debt or Preferred Shares pursuant to this Section 2.13.

ARTICLE III

CONDITIONS PRECEDENT

Section 3.1 Conditions to Issuance of Notes on Closing Date. The Notes to be issued on the Closing Date may be executed by the Co-Issuers and delivered to the Trustee for authentication and thereupon the same shall be authenticated by the Trustee or the Authenticating Agent and delivered by the Trustee upon Issuer Order and upon receipt by the Trustee, the Collateral Agent and the Loan Agent of the following:

(a) Officers' Certificate of the Co-Issuers Regarding Corporate Matters. An Officer's certificate of each of the Co-Issuers (A) evidencing the authorization by Resolution of the execution and delivery of this Indenture and the Credit Agreement, and, in the case of the Issuer, the Collateral Management Agreement, the Collateral Administration Agreement and related Transaction Documents and, in each case, the execution, authentication and delivery of the Notes applied for by it and the incurrence of the Class A-1 Loans, (B) specifying the Stated

Maturity, principal amount and Interest Rate of each Class of Notes to be authenticated and delivered and the Class A-1 Loans to be incurred, (C) in the case of the Issuer, certifying that the issuance of the Preferred Shares issued on the Closing Date is in accordance with the terms of the Memorandum and Articles, and (D) certifying that (1) the attached copy of the Resolution is a true and complete copy thereof, (2) such Resolution has not been rescinded and is in full force and effect on and as of the Closing Date and (3) the Officers authorized to execute and deliver such documents hold the offices and have the signatures indicated thereon.

(b) Governmental Approvals. From each of the Co-Issuers either (A) a certificate of the Co-Issuers or other official document evidencing the due authorization, approval or consent of any governmental body or bodies, at the time having jurisdiction in the premises, together with an Opinion of Counsel of the Co-Issuers that no other authorization, approval or consent of any governmental body is required for the valid issuance of the Notes or (B) an Opinion of Counsel of the Co-Issuers that no such authorization, approval or consent of any governmental body is required for the valid issuance of such Notes except as has been given.

(c) U.S. Counsel Opinions. Opinions of Cadwalader, Wickersham & Taft LLP, special U.S. counsel to the Co-Issuers, Dechert LLP, counsel to the Collateral Manager, the Transferor and the Depositor, and Nixon Peabody LLP, counsel to the Trustee, the Collateral Agent, the Fiscal Agent and the Collateral Administrator, in each case dated the Closing Date, in form and substance satisfactory to the Issuer.

(d) Cayman Counsel Opinion. An opinion of Appleby (Cayman) Ltd., Cayman Islands counsel to the Issuer, dated the Closing Date, in form and substance satisfactory to the Issuer.

(e) Officers' Certificate of Co-Issuers Regarding Indenture. An Officer's certificate of each of the Co-Issuers stating that, to the signing Officer's knowledge, the Issuer or the Co-Issuer, as the case may be, is not in default under this Indenture and that neither the issuance of the Notes applied for by it nor the incurrence of the Class A-1 Loans will result in a default or a breach of any of the terms, conditions or provisions of, or constitute a default under, its organizational documents, any indenture or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which it is a party or by which it may be bound or to which it may be subject; that all conditions precedent provided herein relating to the authentication and delivery of the Notes applied for by it have been complied with; and that all expenses due or accrued with respect to the Offering of such Notes or relating to actions taken on or in connection with the Closing Date have been paid or reserves therefor have been made. The Officer's certificate of the Issuer shall also state that, to the signing Officer's knowledge, all of the Issuer's representations and warranties contained herein are true and correct as of the Closing Date.

(f) Certificate of the Collateral Manager. An Officer's certificate of the Collateral Manager, dated as of the Closing Date, to the effect that immediately before the Delivery of the Collateral Obligations on the Closing Date:

(i) the information with respect to each Collateral Obligation in the Schedule of Collateral Obligations is true and correct and such schedule is complete with respect to each such Collateral Obligation;

(ii) each Collateral Obligation in the Schedule of Collateral Obligations satisfies the requirements of the definition of "Collateral Obligation";

(iii) the Issuer purchased or entered into each Collateral Obligation in the Schedule of Collateral Obligations in compliance with Section 12.2; and

(iv) the Aggregate Principal Balance of the Collateral Obligations which the Issuer has purchased, acquired in the Initial Sale and Contribution or entered into binding commitments to purchase or identified for expected purchase on or prior to the Closing Date is at least U.S.$293 million.

(g) Grant of Collateral Obligations. Contemporaneously with the issuance and sale of the Notes on the Closing Date, the Grant pursuant to the Granting Clauses of this Indenture of all of the Issuer's right, title and interest in and to the Collateral Obligations pledged to the Collateral Agent for inclusion in the Assets on the Closing Date shall be effective, and Delivery of such Collateral Obligations (including each promissory note and all other Underlying Documents related thereto to the extent received by the Issuer) as contemplated by Section 3.3 shall have been effected.

(h) Certificate of the Issuer Regarding Assets. An Officer's certificate of the Issuer, dated as of the Closing Date, to the effect that:

(i) in the case of each Collateral Obligation pledged to the Collateral Agent for inclusion in the Assets, on the Closing Date and immediately prior to the Delivery thereof (or immediately after Delivery thereof, in the case of clause (VI)(ii) below) on the Closing Date;

(I) the Issuer is the owner of such Collateral Obligation free and clear of any liens, claims or encumbrances of any nature whatsoever except for (i) those which are being released on the Closing Date; (ii) those Granted pursuant to this Indenture and (iii) any other Permitted Liens;

(II) the Issuer has acquired its ownership in such Collateral Obligation in good faith without notice of any adverse claim, except as described in clause (I) above;

(III) the Issuer has not assigned, pledged or otherwise encumbered any interest in such Collateral Obligation (or, if any such interest has been assigned, pledged or otherwise encumbered, it has been released) other than interests Granted pursuant to this Indenture and the Securities Account Control Agreement;

(IV) the Issuer has full right to Grant a security interest in and assign and pledge such Collateral Obligation to the Collateral Agent;

(V) based on the certificate of the Collateral Manager delivered pursuant to Section 3.1(f), the information set forth with respect to such Collateral Obligation in the Schedule of Collateral Obligations is true and correct;

(VI) (i) based on the certificate of the Collateral Manager delivered pursuant to Section 3.1(f), each Collateral Obligation included in the Assets satisfies the requirements of the definition of "Collateral Obligation" and (ii) the requirements of Section 3.1(g) have been satisfied;

(VII) upon the Grant by the Issuer, the Collateral Agent has a first priority perfected security interest in the Collateral Obligations and other Assets, except as permitted by this Indenture; and

(ii) based on the certificate of the Collateral Manager delivered pursuant to Section 3.1(f), the Aggregate Principal Balance of the Collateral Obligations which the Issuer has purchased, acquired in the Initial Sale and Contribution or entered into binding commitments to purchase or identified for expected purchase on or prior to the Closing Date is at least U.S.$293 million.

(i) Rating Letters. An Officer's certificate of the Co-Issuers to the effect that attached thereto is a true and correct copy of a letter signed by S&P and a letter issued by Fitch, in each case confirming that each Class of Secured Debt rated by it has been assigned the applicable Initial Rating and that such ratings are in effect on the Closing Date.

(j) Accounts. Evidence of the establishment of each of the Accounts.

(k) Issuer Order for Deposit of Funds into Accounts. (i) An Issuer Order signed in the name of the Issuer by a Responsible Officer of the Issuer, dated as of the Closing Date, authorizing the deposit of U.S.$10,697,216.09 from the proceeds of the issuance of the Notes and the incurrence of the Class A-1 Loans into the Ramp-Up Account for use pursuant to Section 10.3(c); (ii) an Issuer Order signed in the name of the Issuer by a Responsible Officer of the Issuer, dated as of the Closing Date, authorizing the deposit of U.S.$2,300,000.00 from the proceeds of the issuance of the Notes and the incurrence of the Class A-1 Loans into the Expense Reserve Account for use pursuant to Section 10.3(d); (iii) an Issuer Order signed in the name of the Issuer by a Responsible Officer of the Issuer, dated as of the Closing Date, authorizing the deposit of an amount equal to the Interest Reserve Amount from the proceeds of the issuance of the Notes and the incurrence of the Class A-1 Loans into the Interest Reserve Account for use pursuant to Section 10.3(e); and (iv) an Issuer Order signed in the name of the Issuer by a Responsible Officer of the Issuer, dated as of the Closing Date, authorizing the deposit of U.S.$0 from the proceeds of the issuance of the Notes and the incurrence of the Class A-1 Loans into the Revolving Funding Account for use pursuant to Section 10.4.

(l) Transaction Documents. An executed counterpart of the Collateral Management Agreement, the Credit Agreement, the Collateral Administration Agreement and the Securities Account Control Agreement and a copy of each purchaser representation letter for Certificated Notes issued on the Closing Date (if any).

(m) Other Documents. Such other documents as the Collateral Agent may reasonably require; provided that nothing in this clause (m) shall imply or impose a duty on the part of the Trustee to require any other documents.

Section 3.2 Conditions to Additional Issuance. Any additional securities to be issued in accordance with Section 2.13 may be executed by the Co-Issuers and delivered to the Trustee for authentication and thereupon the same shall be authenticated by the Trustee or the Authenticating Agent and delivered by the Trustee upon Issuer Order and upon receipt by the Trustee, the Collateral Agent and the Loan Agent of the following:

(a) Officer's Certificate of the Co-Issuers Regarding Corporate Matters. An Officer's certificate of each of the Co-Issuers (a) evidencing the authorization by Resolution of the execution, authentication and delivery of the Notes applied for by it, (b) specifying the Stated Maturity, principal amount and Interest Rate of each Class of Notes to be authenticated and delivered and (c) certifying that (A) the attached copy of the Resolution is a true and complete copy thereof, (B) such Resolution has not been rescinded and is in full force and effect on and as of the date of issuance and (C) the Officers authorized to execute and deliver such documents hold the offices and have the signatures indicated thereon.

(b) Governmental Approvals. From each of the Co-Issuers either (a) a certificate of the Issuer or the Co-Issuer, as the case may be, or other official document evidencing the due authorization, approval or consent of any governmental body or bodies, at the time having jurisdiction in the premises, together with an Opinion of Counsel of the Co-Issuers that no other authorization, approval or consent of any governmental body is required for the valid issuance of the additional Notes or (b) an Opinion of Counsel of the Co-Issuers that no such authorization, approval or consent of any governmental body is required for the valid issuance of such additional Notes except as has been given.

(c) Officer's Certificate of the Co-Issuers Regarding Indenture. An Officer's certificate of each Co-Issuer stating that, to the signing Officer's knowledge, (a) the Issuer or the Co-Issuer, as the case may be, is not in default under this Indenture; (b) the issuance of the additional Notes applied for by it will not result in a default or a breach of any of the terms, conditions or provisions of, or constitute a default under, its organizational documents, any indenture or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which it is a party or by which it may be bound or to which it may be subject; (c) the provisions of Section 2.13 and all conditions precedent provided in this Indenture relating to the authentication and delivery of the additional Notes applied for by it have been complied with; (d) all expenses due or accrued with respect to the Offering of such Notes or relating to actions taken on or in connection with the additional issuance have been paid or reserves therefor have been made; and (e) all of the Issuer's or the Co-Issuer's, as the case may be, representations and warranties contained herein are true and correct as of the date of additional issuance.

(d) Supplemental Indenture. A fully executed counterpart of the supplemental indenture making such changes to this Indenture as shall be necessary to permit such additional issuance.

(e) Rating Agency Notice. Notice shall have been provided by the Issuer to the Rating Agencies.

(f) Issuer Order for Deposit of Funds into Accounts. An Issuer Order signed in the name of the Issuer by an Officer of the Issuer, dated as of the date of the additional issuance, authorizing the deposit of the net proceeds of the issuance into the Principal Collection Subaccount for use pursuant to Section 10.2.

(g) Evidence of Required Consents. Satisfactory evidence of the consent of the Collateral Manager, the Depositor and a Majority of the Preferred Shares to such issuance.

(h) Other Documents. Such other documents as the Trustee may reasonably require; provided that nothing in this clause (h) shall imply or impose a duty on the part of the Trustee to require any other documents.

Section 3.3 Custodianship; Delivery of Collateral Obligations and Eligible Investments. (a) The Collateral Manager, on behalf of the Issuer, shall deliver or cause to be delivered, on or prior to the Closing Date (with respect to the Initial Collateral Obligations) and within five (5) Business Days after the related Cut-Off Date (with respect to any additional Collateral Obligations) to the Custodian or the Collateral Agent, as applicable, all Assets in accordance with the definition of "Deliver." The Custodian appointed hereby shall act as custodian for the Issuer and as custodian and agent for the Collateral Agent on behalf of the Secured Parties for purposes of perfecting the Collateral Agent's security interest in those Assets in which a security interest is perfected by Delivery of the related Assets to the Custodian. Initially, the Custodian shall be the Bank. Any successor custodian shall be a state or national bank or trust company that (i) has (A) capital and surplus of at least U.S.$200,000,000, (B) a rating of at least "BBB+" by S&P and (C) to the extent that Fitch is rating any Class of Secured Debt then Outstanding, a short-term credit rating of at least "F1" and a long-term credit rating of at least "A" by Fitch and (ii) is a Securities Intermediary. Subject to the limited right to relocate Assets as provided in Section 7.5(b), the Custodian shall hold (i) all Collateral Obligations, Eligible Investments, Cash and other investments purchased in accordance with this Indenture and (ii) any other property of the Issuer otherwise Delivered to the Collateral Agent or the Custodian, as applicable, by or on behalf of the Issuer, and subject to the Securities Account Control Agreement, in the relevant Account established and maintained pursuant to Article X as to which in each case the Collateral Agent shall have entered into the Securities Account Control Agreement with the Custodian providing, inter alia, that the establishment and maintenance of such Account will be governed by a law of a jurisdiction satisfactory to the Issuer and the Collateral Agent.

(b) Each time that the Collateral Manager on behalf of the Issuer directs or causes the acquisition of any Collateral Obligation, Eligible Investment or other investment, the Collateral Manager (on behalf of the Issuer) shall, if the Collateral Obligation, Eligible Investment or other investment is required to be, but has not already been, transferred to the relevant Account, cause the Collateral Obligation, Eligible Investment or other investment to be Delivered to the Custodian to be held in the Custodial Account (or in the case of any such investment that is not a Collateral Obligation, in the Account in which the funds used to purchase the investment are held in accordance with Article X) for the benefit of the Collateral Agent in accordance with this Indenture. The security interest of the Collateral Agent in the funds or other property used in

connection with the acquisition shall, immediately and without further action on the part of the Collateral Agent, be released. The security interest of the Collateral Agent shall nevertheless come into existence and continue in the Collateral Obligation, Eligible Investment or other investment so acquired, including all interests of the Issuer in to any contracts related to and proceeds of such Collateral Obligation, Eligible Investment or other investment.

ARTICLE IV

SATISFACTION AND DISCHARGE

Section 4.1 Satisfaction and Discharge of Indenture. This Indenture shall be discharged and shall cease to be of further effect except as to (i) rights of registration of transfer and exchange, (ii) substitution of mutilated, defaced, destroyed, lost or stolen Notes, (iii) rights of Holders to receive payments of principal thereof and interest thereon, (iv) the rights, obligations, protections, indemnities and immunities of the Trustee and the Collateral Agent, (v) the rights, obligations and immunities of the Collateral Manager hereunder and under the Collateral Management Agreement, (vi) the rights, obligations, protections, indemnities and immunities of the Collateral Administrator hereunder and under the Collateral Administration Agreement and (vii) the rights of Holders as beneficiaries hereof with respect to the property deposited with the Collateral Agent and payable to all or any of them (and the Collateral Agent, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture) when either:

(a) (i) either:

(A) (x) all Notes theretofore authenticated and delivered to Holders other than (1) Notes which have been mutilated, defaced, destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.6 and (2) Notes for whose payment Money has theretofore irrevocably been deposited in trust and thereafter repaid to the Issuer or discharged from such trust, as provided in Section 7.3 have been delivered to the Trustee for cancellation and (y) the Class A-1 Loans have been repaid in full in accordance with the terms of the Credit Agreement (other than the Class A-1 Loans for whose payment Money has theretofore irrevocably been deposited in trust and thereafter repaid to the Issuer or discharged from such trust, as provided in Section 7.3); or

(B) all Notes not theretofore delivered to the Trustee for cancellation and all Class A-1 Loans not prepaid in full in accordance with the Credit Agreement (1) have become due and payable, or (2) will become due and payable at their Stated Maturity within one year, or (3) are to be called for redemption pursuant to Article IX (and, in the case of the Class A-1 Loans, prepaid in accordance with the Credit Agreement) under an arrangement satisfactory to the Trustee and the Collateral Agent for the giving of notice of redemption by the Co-Issuers pursuant to Section 9.4 and either (x) the Issuer has irrevocably deposited or caused to be deposited with the Collateral Agent, in trust for such purpose, Cash or non-callable direct obligations of the United States of America (provided that such obligations are entitled to the full faith and credit of the United States of America or are debt

obligations that are rated "AAA" by S&P) in an amount sufficient, as recalculated by a firm of Independent certified public accountants that are nationally recognized, to pay and discharge the entire indebtedness on any unpaid Class A-1 Loans and on any Notes not theretofore delivered to the Trustee for cancellation, for principal and interest to the date of such deposit (in the case of Secured Debt that has become due and payable), or to the respective Stated Maturity or the respective Redemption Date, as the case may be, and shall have Granted to the Collateral Agent a valid perfected security interest in such Eligible Investment that is of first priority or free of any adverse claim, as applicable, and shall have furnished to the Trustee and the Collateral Agent an Opinion of Counsel with respect thereto or (y) in the event all of the Assets are liquidated following the satisfaction of the conditions specified in Section 5.5(a), the Issuer shall have paid or caused to be paid all proceeds of such liquidation of the Assets in accordance with the Priority of Payments; and

(ii) the Issuer has paid or caused to be paid all other sums then due and payable hereunder and under the Credit Agreement (including, without limitation, any amounts then due and payable pursuant to the Collateral Administration Agreement and the Collateral Management Agreement, in each case, without regard to the Administrative Expense Cap) by the Issuer and no other amounts are scheduled to be due and payable by the Issuer other than Dissolution Expenses (it being understood that the requirements of this clause (a)(ii) may be satisfied as set forth in Section 5.7); and

(iii) the Co-Issuers have delivered to the Trustee an Officer's certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with; or

(b) (i) the Collateral Agent confirms to the Issuer that:

(A) the Collateral Agent is not holding any Assets (other than (x) the Collateral Management Agreement, the Collateral Administration Agreement and the Securities Account Control Agreement and (y) Cash in an amount not greater than the Dissolution Expenses); and

(B) no funds (other than Cash in an amount not greater than the Dissolution Expenses) are on deposit in or to the credit of any Accounts, and the Custodian has not established any other securities accounts or deposit accounts in the name of the Issuer (or the Collateral Agent for the benefit of the Issuer or any Secured Party in connection with this Indenture);

(ii) each of the Co-Issuers has delivered to the Trustee and the Collateral Agent a certificate stating that (1) there are no Assets (other than (x) the Collateral Management Agreement, the Collateral Administration Agreement and the Securities Account Control Agreement and (y) Cash in an amount not greater than the Dissolution Expenses) that remain subject to the lien of this Indenture, and (2) all funds (other than Cash in an amount not greater than the Dissolution Expenses) on deposit in or to the credit of the Accounts have been distributed in accordance with the terms of this Indenture or have otherwise been irrevocably deposited with the Collateral Agent for such purpose; and

(iii) the Co-Issuers have delivered to the Trustee and the Collateral Agent an Officer's certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the rights and obligations of the Co-Issuers, the Trustee, the Collateral Agent, the Loan Agent, the Collateral Manager and, if applicable, the Holders, as the case may be, under Sections 2.7, 4.2, 5.4(d), 5.9, 5.18, 6.1, 6.3, 6.6, 6.7, 7.1, 7.3, 13.1, 14.10, 14.11, and 14.12 shall survive.

Section 4.2 Application of Trust Money. All Cash and obligations deposited with the Collateral Agent pursuant to Section 4.1 shall be held in trust and applied by it in accordance with the provisions of the Secured Debt and this Indenture, including, without limitation, the Priority of Payments, to the payment of principal and interest (or other amounts with respect to the Preferred Shares), either directly or through any Paying Agent (including, in the case of distributions of the Preferred Shares, the Fiscal Agent), as the Collateral Agent may determine; and such Cash and obligations shall be held in a segregated account identified as being held in trust for the benefit of the Secured Parties.

Section 4.3 Repayment of Monies Held by Paying Agent. In connection with the satisfaction and discharge of this Indenture with respect to the Secured Debt, all Monies then held by any Paying Agent other than the Collateral Agent under the provisions of this Indenture shall, upon demand of the Co-Issuers, be paid to the Collateral Agent to be held and applied pursuant to Section 7.3 hereof and in accordance with the Priority of Payments and thereupon such Paying Agent shall be released from all further liability with respect to such Monies.

Section 4.4 Limitation on Obligation to Incur Administrative Expenses. If at any time when this Indenture is eligible to be discharged pursuant to Section 4.1, the sum of (i) Eligible Investments, (ii) Cash and (iii) amounts reasonably expected to be received by the Issuer in Cash during the current Collection Period (as certified by the Collateral Manager in its reasonable judgment) is less than the sum of Dissolution Expenses and any accrued and unpaid Administrative Expenses, then notwithstanding any other provision of this Indenture, the Issuer shall no longer be required to incur Administrative Expenses as otherwise required by this Indenture to any Person other than the Trustee, the Collateral Administrator, the Fiscal Agent, the Collateral Manager, the Administrator, the Share Registrar and their respective Affiliates, and failure to pay such amounts shall not constitute a Default hereunder.

ARTICLE V

EVENTS OF DEFAULT; REMEDIES

Section 5.1 Events of Default. "Event of Default," wherever used herein, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) a default in the payment, when due and payable, of (i) any interest on any Class A-1 Loan, any Class A-1 Note, any Class A-2 Note or any Class B Note or, if there are no Class A-1 Loans Outstanding, Class A-1 Notes Outstanding, Class A-2 Notes Outstanding or Class B Notes Outstanding, any Note or Notes of the Class that is the Controlling Class at such time and, in each case, the continuation of any such default for three Business Days after a Trust Officer of the Trustee or the Collateral Agent has actual knowledge or receives written notice from any holder of Secured Debt of such payment default, or (ii) any principal of, or interest or Deferred Interest on, or any Redemption Price in respect of, any Class of Secured Debt at its Stated Maturity or any Redemption Date with respect to such Secured Debt; provided that the failure to effect any Optional Redemption which is withdrawn by the Co-Issuers in accordance with this Indenture or with respect to which any Refinancing fails to occur shall not constitute an Event of Default or a Failed Optional Redemption and provided, further, that, solely with respect to clause (i) above, in the case of a failure to disburse funds due to an administrative error or omission by the Collateral Manager, the Trustee, the Collateral Agent, the Loan Agent, the Collateral Administrator or any Paying Agent, such failure continues for five Business Days after a Trust Officer of the Collateral Agent receives written notice or has actual knowledge of such administrative error or omission;

(b) the failure on any Payment Date to disburse amounts available in the Payment Account in excess of U.S.$1,000 in accordance with the Priority of Payments and continuation of such failure for a period of three Business Days or, in the case of a failure to disburse due to an administrative error or omission by the Trustee, the Collateral Agent, the Collateral Administrator, the Administrator or any Paying Agent, such failure continues for five Business Days after a Trust Officer of the Collateral Agent receives written notice or has actual knowledge of such administrative error or omission;

(c) either of the Co-Issuers or the Assets becomes an investment company required to be registered under the 1940 Act;

(d) except as otherwise provided in this Section 5.1, a default in a material respect in the performance, or breach in a material respect, of any other covenant of the Issuer or the Co-Issuer herein or in the Credit Agreement (it being understood, without limiting the generality of the foregoing, that (i) any failure to meet any Concentration Limitation, Collateral Quality Test or Coverage Test is not an Event of Default, except to the extent provided in clause (e) below, and (ii) the failure of the Issuer to satisfy the requirements of Section 7.18 will not constitute an Event of Default unless such failure constitutes an Event of Default under this clause (d) and the Issuer or the Co-Issuer, or the Collateral Manager acting on behalf of the Issuer, has acted in bad faith), or the failure of any material representation or warranty of the Issuer or the Co-Issuer made herein or in the Credit Agreement or in any certificate or other writing delivered pursuant hereto or in connection herewith to be correct in each case in all material respects when the same shall have been made and such default, breach or failure has a material adverse effect on the Holders, and the continuation of such default, breach or failure for a period of 45 days after notice to the Issuer or the Co-Issuers, as applicable, and the Collateral Manager by registered or certified mail or overnight delivery service, by the Trustee, the Collateral Agent or the Loan Agent at the direction of the Holders of at least a Majority of the Controlling Class, specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a “Notice of Default” hereunder;

(e) on any Measurement Date as of which any Class A-1 Debt is Outstanding, failure of the percentage equivalent of a fraction, (i) the numerator of which is equal to (1) the Collateral Principal Amount *plus* (2) the aggregate Market Value of all Defaulted Obligations on such date and (ii) the denominator of which is equal to the Aggregate Outstanding Amount of the Class A-1 Debt, to equal or exceed 102.5%;

(f) the entry of a decree or order by a court having competent jurisdiction adjudging the Issuer or the Co-Issuer as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of the Issuer or the Co-Issuer under the Bankruptcy Code or any other applicable law, or appointing a receiver, liquidator, assignee, or sequestrator (or other similar official) of the Issuer or the Co-Issuer or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, respectively, and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days; or

(g) the institution by the Issuer or the Co-Issuer of Proceedings to have the Issuer or Co-Issuer, as the case may be, adjudicated as bankrupt or insolvent, or the consent of the Issuer or the Co-Issuer to the institution of bankruptcy or insolvency Proceedings against the Issuer or Co-Issuer, or the filing by the Issuer or the Co-Issuer of a petition or answer or consent seeking reorganization or relief under the Bankruptcy Code or any other similar applicable law, or the consent by the Issuer or the Co-Issuer to the filing of any such petition or to the appointment in a Proceeding of a receiver, liquidator, assignee, trustee or sequestrator (or other similar official) of the Issuer or the Co-Issuer or of any substantial part of its property, respectively, or the making by the Issuer or the Co-Issuer of an assignment for the benefit of creditors, or the admission by the Issuer or the Co-Issuer in writing of its inability to pay its debts generally as they become due, or the taking of any action by the Issuer or the Co-Issuer in furtherance of any such action.

Upon a Responsible Officer's obtaining knowledge of the occurrence of an Event of Default, each of (i) the Co-Issuers, (ii) the Trustee (iii) the Collateral Agent, and (iv) the Collateral Manager shall notify each other. Upon the occurrence of an Event of Default known to a Trust Officer of the Collateral Agent, the Collateral Agent shall promptly (and in no event later than three Business Days thereafter) notify the Holders (as their names appear on the Note Register, the Loan Register or the Share Register, as applicable), each Paying Agent and each of the Rating Agencies of such Event of Default in writing (unless such Event of Default has been waived as provided in Section 5.14).

Section 5.2 Acceleration of Maturity; Rescission and Annulment. (a) If an Event of Default occurs and is continuing (other than an Event of Default specified in Section 5.1(f) or (g)), the Collateral Agent may, and shall, upon the written direction of a Majority of the Controlling Class, by notice to the Co-Issuers and each Rating Agency, declare the principal of and accrued and unpaid interest on all the Secured Debt to be immediately due and payable, and upon any such declaration such principal, together with all accrued and unpaid interest thereon, and other amounts payable hereunder, shall become immediately due and payable. If an Event of Default specified in Section 5.1(f) or (g) occurs, all unpaid principal, together with all accrued and unpaid interest thereon, of all the Secured Debt, and other amounts payable thereunder and hereunder, shall automatically become due and payable without any declaration or other act on the part of the Collateral Agent or any Holder.

(b) At any time after such a declaration of acceleration of maturity has been made and before a judgment or decree for payment of the Money due has been obtained by the Collateral Agent as hereinafter provided in this Article V, a Majority of the Controlling Class, by written notice to the Issuer, the Collateral Agent and each Rating Agency, may rescind and annul such declaration and its consequences if:

(i) The Issuer or the Co-Issuer has paid or deposited with the Collateral Agent a sum sufficient to pay:

(A) all unpaid installments of interest and principal then due on the Secured Debt (other than any principal amounts due to the occurrence of an acceleration);

(B) to the extent that the payment of such interest is lawful, interest upon any Deferred Interest at the applicable Interest Rate; and

(C) all unpaid taxes and Administrative Expenses of the Co-Issuers and other sums paid or advanced by the Collateral Agent hereunder, by the Loan Agent under the Credit Agreement or by the Collateral Administrator under the Collateral Administration Agreement or hereunder, accrued and unpaid Aggregate Collateral Management Fees then due and owing (excluding any Waived Collateral Management Fee) and any other amounts then payable by the Co-Issuers hereunder prior to such Administrative Expenses and such Aggregate Collateral Management Fees; or

(ii) It has been determined that all Events of Default, other than the nonpayment of the interest on or principal of the Secured Debt that has become due solely by such acceleration, have:

(A) been cured; and

(I) in the case of an Event of Default specified in Section 5.1(e), the Holders of at least a Majority of the Class A-1 Debt, by written notice to the Collateral Agent, have agreed with such determination (which agreement shall not be unreasonably withheld); or

(II) in the case of any other Event of Default, the Holders of at least a Majority of each Class of Secured Debt (voting separately by Class), in each case, by written notice to the Collateral Agent, have agreed with such determination (which agreement shall not be unreasonably withheld); or

(B) been waived as provided in Section 5.14.

No such rescission shall affect any subsequent Default or impair any right consequent thereon.

(c) Notwithstanding anything in this Section 5.2 to the contrary, the Secured Debt will not be subject to acceleration by the Collateral Agent solely as a result of the failure to pay any amount due on a Class of Secured Debt other than the Controlling Class other than any failure to pay interest due on the Class B Notes.

Section 5.3 Collection of Indebtedness and Suits for Enforcement by Collateral Agent. The Co-Issuers covenant that if a default shall occur in respect of the payment of any principal of or interest when due and payable on any Secured Debt, the Co-Issuers will, upon demand of the Collateral Agent, pay to the Collateral Agent, for the benefit of the Holder of such Secured Debt, the whole amount, if any, then due and payable on such Secured Debt for principal and interest with interest upon the overdue principal and, to the extent that payments of such interest shall be legally enforceable, upon overdue installments of interest, at the applicable Interest Rate, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Collateral Agent and its agents, experts and counsel.

If the Issuer or the Co-Issuer fails to pay such amounts forthwith upon such demand, the Collateral Agent, in its own name and as trustee of an express trust, may, and shall, subject to the terms of this Indenture (including Section 6.3(e)) upon direction of a Majority of the Controlling Class, institute a Proceeding for the collection of the sums so due and unpaid, may prosecute such Proceeding to judgment or final decree, and may enforce the same against the Co-Issuers or any other obligor upon the Secured Debt and collect the Monies adjudged or decreed to be payable in the manner provided by law out of the Assets.

If an Event of Default occurs and is continuing, the Collateral Agent may in its discretion, and shall, subject to the terms of this Indenture (including Sections 6.1(c)(iv) and 6.3(e)) upon written direction of the Majority of the Controlling Class, proceed to protect and enforce its rights and the rights of the Secured Parties by such appropriate Proceedings as the Trustee shall deem most effectual (if no such direction is received by the Collateral Agent) or as the Collateral Agent may be directed by the Majority of the Controlling Class, to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement herein or in aid of the exercise of any power granted herein, or to enforce any other proper remedy or legal or equitable right vested in the Collateral Agent by this Indenture or by law.

In case there shall be pending Proceedings relative to the Issuer or any other obligor upon the Secured Debt under the Bankruptcy Code or any other applicable bankruptcy, insolvency or other similar law, or in case a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Issuer, the Co-Issuer, their respective property or such other obligor or their property, or in case of any other comparable Proceedings relative to the Issuer, the Co-Issuer or other obligor upon the Secured Debt, or the creditors or property of the Issuer, the Co-Issuer or such other obligor, the Collateral Agent, regardless of whether the principal of the Secured Debt shall then be due and payable as therein expressed or by declaration or otherwise and regardless of whether the Collateral Agent shall have made any demand pursuant to the provisions of this Section 5.3, shall be entitled and empowered, by intervention in such Proceedings or otherwise:

(a) to file and prove a claim or claims for the whole amount of principal and interest owing and unpaid in respect of the Secured Debt upon direction by a Majority of the Controlling Class and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Collateral Agent (including any claim for reasonable compensation to the Collateral Agent and each predecessor Collateral Agent, and their respective agents, attorneys and counsel, and for reimbursement of all reasonable expenses and liabilities incurred, and all advances made, by the Collateral Agent and each predecessor Collateral Agent, except as a result of negligence or bad faith) and of the Holders allowed in any Proceedings relative to the Issuer, the Co-Issuer or to the creditors or property of the Issuer or the Co-Issuer;

(b) unless prohibited by applicable law and regulations, to vote on behalf of the Holders upon the direction of a Majority of the Controlling Class, in any election of a trustee or a standby trustee in arrangement, reorganization, liquidation or other bankruptcy or insolvency Proceedings or Person performing similar functions in comparable Proceedings; and

(c) to collect and receive any Monies or other property payable to or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the Noteholders, the Class A-1 Lenders and of the Collateral Agent on their behalf; and any trustee, receiver or liquidator, custodian or other similar official is hereby authorized by each of the Noteholders and the Class A-1 Lenders to make payments to the Collateral Agent, and, if the Collateral Agent shall consent to the making of payments directly to the Noteholders (or, in the case of Class A-1 Loans, to the Loan Agent) to pay to the Collateral Agent such amounts as shall be sufficient to cover reasonable compensation to the Collateral Agent, each predecessor Collateral Agent and their respective agents, attorneys and counsel, and all other reasonable expenses and liabilities incurred, and all advances made, by the Collateral Agent and each predecessor Collateral Agent except as a result of negligence or bad faith.

Nothing herein contained shall be deemed to authorize the Collateral Agent to authorize or consent to or vote for or accept or adopt on behalf of any Holders of Secured Debt, any plan of reorganization, arrangement, adjustment or composition affecting the Secured Debt or any Holder thereof, or to authorize the Collateral Agent to vote in respect of the claim of any such Holders, as applicable, in any such Proceeding except, as aforesaid, to vote for the election of a trustee in bankruptcy or similar Person.

In any Proceedings brought by the Collateral Agent on behalf of the Holders of the Secured Debt (and any such Proceedings involving the interpretation of any provision of this Indenture to which the Collateral Agent shall be a party), the Collateral Agent shall be held to represent all the Holders of the Secured Debt.

Notwithstanding anything in this Section 5.3 to the contrary, the Collateral Agent may not sell or liquidate the Assets or institute Proceedings in furtherance thereof pursuant to this Section 5.3 except according to the provisions specified in Section 5.5(a).

Section 5.4 Remedies. (a) If an Event of Default has occurred and is continuing, and the Secured Debt has been declared due and payable and such declaration and its consequences have not been rescinded and annulled, the Co-Issuers agree that the Trustee may, and shall, subject to the terms of this Indenture (including Section 6.3(e)), upon written direction of a Majority of the Controlling Class, to the extent permitted by applicable law, exercise one or more of the following rights, privileges and remedies:

(i) institute Proceedings for the collection of all amounts then payable on the Secured Debt or otherwise payable under this Indenture or the Credit Agreement, whether by declaration or otherwise, enforce any judgment obtained, and collect from the Assets any Monies adjudged due;

(ii) sell or cause the sale of all or a portion of the Assets or rights or interests therein, at one or more public or private sales called and conducted in any manner permitted by law and in accordance with Section 5.17 hereof;

(iii) institute Proceedings from time to time for the complete or partial foreclosure of this Indenture and/or the Credit Agreement with respect to the Assets;

(iv) exercise any remedies of a secured party under the UCC and take any other appropriate action to protect and enforce the rights and remedies of the Collateral Agent and the Holders of Secured Debt hereunder (including exercising all rights of the Trustee under the Securities Account Control Agreement); and

(v) exercise any other rights and remedies that may be available at law or in equity;

provided that the Collateral Agent may not sell or liquidate the Assets or institute Proceedings in furtherance thereof pursuant to this Section 5.4 except according to the provisions of Section 5.5(a).

The Collateral Agent may, but need not, obtain and rely upon an opinion of an Independent investment banking firm of national reputation (the reasonable cost of which shall be payable as an Administrative Expense) in structuring and distributing securities similar to the Notes, which may be the Placement Agent, as to the feasibility of any action proposed to be taken in accordance with this Section 5.4 and as to the sufficiency of the proceeds and other amounts receivable with respect to the Assets to make the required payments of principal of and interest on the Secured Debt, which opinion shall be conclusive evidence as to such feasibility or sufficiency.

(b) If an Event of Default as described in Section 5.1(d) hereof shall have occurred and be continuing the Collateral Agent may, and at the direction of the Holders of not less than 25% of the Aggregate Outstanding Amount of the Controlling Class shall, subject to the terms of this Indenture (including Section 6.3(e)), institute a Proceeding solely to compel performance of the covenant or agreement or to cure the representation or warranty, the breach of which gave rise to the Event of Default under such Section, and enforce any equitable decree or order arising from such Proceeding.

(c) Upon any sale, whether made under the power of sale hereby given or by virtue of judicial Proceedings, any Secured Party or any Affiliate of the Issuer may bid for and purchase the Assets or any part thereof and, upon compliance with the terms of sale, may hold, retain, possess or dispose of such property in its or their own absolute right without accountability.

Upon any sale, whether made under the power of sale hereby given or by virtue of judicial Proceedings, the receipt of the Collateral Agent, or of the Officer making a sale under judicial Proceedings, shall be a sufficient discharge to the purchaser or purchasers at any sale for its or their purchase Money, and such purchaser or purchasers shall not be obliged to see to the application thereof.

Any such sale, whether under any power of sale hereby given or by virtue of judicial Proceedings, shall bind the Co-Issuers, the Trustee, the Collateral Agent, the Loan Agent and the Holders of the Notes, shall operate to divest all right, title and interest whatsoever, either at law or in equity, of each of them in and to the property sold, and shall be a perpetual bar, both at law and in equity, against each of them and their successors and assigns, and against any and all Persons claiming through or under them.

(d) Notwithstanding any other provision of this Indenture, none of the Trustee, the Secured Parties or the Holders may, prior to the date which is one year and one day (or if longer, any applicable preference period *plus* one day) after the payment in full of all the Secured Debt, institute against, or join any other Person in instituting against, the Issuer, the Co-Issuer or any Equity Holder Subsidiary any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation Proceedings, or other similar Proceedings under Cayman Islands, United States federal or state bankruptcy or similar laws. Nothing in this Section 5.4 shall preclude, or be deemed to stop, the Collateral Agent (i) from taking any action prior to the expiration of the aforementioned period in (A) any case or Proceeding voluntarily filed or commenced by the Issuer, the Co-Issuer or any Equity Holder Subsidiary or (B) any involuntary insolvency Proceeding filed or commenced by a Person other than the Collateral Agent, or (ii) from commencing against the Issuer, the Co-Issuer or any Equity Holder Subsidiary or any of its properties any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium, liquidation or similar Proceeding.

Section 5.5 Optional Preservation of Assets. (a) Notwithstanding anything to the contrary herein (but subject to the right of the Collateral Manager to direct the Collateral Agent to sell Collateral Obligations or Equity Securities in compliance with Section 12.1), if an Event of Default shall have occurred and be continuing, the Collateral Agent shall retain the Assets securing the Secured Debt intact, collect and cause the collection of the proceeds thereof and make and apply all payments at the date or dates fixed by the Collateral Agent and deposit and maintain all accounts in respect of the Assets and the Secured Debt in accordance with the Priority of Payments and the provisions of Article X, Article XII and Article XIII unless:

(i) the Collateral Agent, pursuant to Section 5.5(c) and in consultation with the Collateral Manager, determines that the anticipated proceeds of a sale or liquidation of all or any portion of the Assets (after deducting the reasonable expenses of such sale or liquidation) would be sufficient to discharge in full the amounts then due (or, in the case of interest, accrued) and unpaid on the Secured Debt for principal and interest (including accrued and unpaid Deferred Interest), and all other amounts that, pursuant to the Priority of Payments, are required to be paid prior to such payments on such Secured Debt (including amounts due and owing as Administrative Expenses (without regard to the Administrative Expense Cap) and due and unpaid Aggregate Collateral Management Fees (excluding any Waived Collateral Management Fee)) and a Majority of the Controlling Class agrees with such determination;

(ii) in the case of an Event of Default specified in Section 5.1(e), the Holders of at least a Majority of the Class A-1 Debt direct the sale and liquidation of the Assets (without regard to whether another Event of Default has occurred prior, contemporaneously or subsequent to such Event of Default); or

(iii) in the case of any Event of Default, the Holders of at least a Majority of each Class of Secured Debt (voting separately by Class) direct the sale and liquidation of the Assets.

So long as such Event of Default is continuing, any such retention pursuant to this Section 5.5(a) may be rescinded at any time when the conditions specified in clause (i), (ii) or (iii) exist.

(b) Nothing contained in Section 5.5(a) shall be construed to require the Collateral Agent to sell the Assets securing the Secured Debt if the conditions set forth in clause (i), (ii) or (iii) of Section 5.5(a) are not satisfied. Nothing contained in Section 5.5(a) shall be construed to require the Collateral Agent to preserve the Assets securing the Secured Debt if prohibited by applicable law. The Collateral Agent shall provide written notice to S&P if it commences the sale of the Assets pursuant to this Section 5.5.

(c) In determining whether the condition specified in Section 5.5(a)(i) exists, the Trustee shall use reasonable efforts to obtain, with the cooperation of the Collateral Manager, bid prices with respect to each Asset from two nationally recognized dealers (as specified by the Collateral Manager to the Trustee in writing) at the time making a market in such Assets and shall compute the anticipated proceeds of sale or liquidation on the basis of the lower of such bid prices for each such Asset. In the event that the Collateral Agent, with the cooperation of the Collateral Manager, is only able to obtain bid prices with respect to each Asset from one nationally recognized dealer at the time making a market in such Assets, the Collateral Agent shall compute the anticipated proceeds of the sale or liquidation on the basis of such one bid price for each such Asset. If the Collateral Agent is unable to obtain any bids, the condition in Section 5.5(a)(i) shall be deemed to not exist. In addition, for the purposes of determining issues relating to the execution of a sale or liquidation of the Assets and the execution of a sale or other liquidation thereof in connection with a determination whether the condition specified in Section 5.5(a)(i) exists, the Collateral Agent may retain and rely on an opinion of an Independent investment banking firm of national reputation (the cost of which shall be payable as an Administrative Expense).

The Collateral Agent shall deliver to the Noteholders, the Class A-1 Lenders and the Collateral Manager a report stating the results of any determination required pursuant to Section 5.5(a)(i) no later than 10 days after such determination is made. The Collateral Agent shall make the determinations required by Section 5.5(a)(i) within 30 days after an Event of Default and at the request of a Majority of the Controlling Class at any time during which the Collateral Agent retains the Assets pursuant to Section 5.5(a)(i).

Section 5.6 Trustee and Collateral Agent May Enforce Claims Without Possession of Notes. All rights of action and claims under this Indenture or under any of Secured Debt may be prosecuted and enforced by the Trustee or the Collateral Agent without the possession of any of the Notes or the production thereof in any trial or other Proceeding relating thereto, and any such action or Proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall be applied as set forth in Section 5.7 hereof.

Section 5.7 Application of Money Collected. Any Money collected by the Collateral Agent with respect to the Secured Debt pursuant to this Article V and any Money that may then be held or thereafter received by the Collateral Agent with respect to the Secured Debt hereunder shall be applied, subject to Section 13.1 and in accordance with the provisions of Section 11.1(a)(iii), at the date or dates fixed by the Collateral Agent. Upon the final distribution of all proceeds of any liquidation effected hereunder, the provisions of Section 4.1(a) and Section 4.1(b) shall be deemed satisfied for the purposes of discharging this Indenture pursuant to Article IV.

Section 5.8 Limitation on Suits. No Holder of any Secured Debt shall have any right to institute any Proceedings, judicial or otherwise, with respect to this Indenture or the Credit Agreement, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(a) such Holder has previously given to the Collateral Agent written notice of an Event of Default;

(b) the Holders of not less than 25% of the then Aggregate Outstanding Amount of the Secured Debt of the Controlling Class shall have made written request to the Collateral Agent to institute Proceedings in respect of such Event of Default in its own name as the Collateral Agent hereunder and such Holder or Holders have provided the Collateral Agent indemnity reasonably satisfactory to the Collateral Agent against the costs, expenses (including reasonable attorneys' fees and expenses) and liabilities which might reasonably be incurred by it in compliance with such request;

(c) the Collateral Agent, for 30 days after its receipt of such notice, request and provision of such indemnity, has failed to institute any such Proceeding; and

(d) no direction inconsistent with such written request has been given to the Collateral Agent during such 30-day period by a Majority of the Controlling Class; it being understood and intended that no one or more Holders of Secured Debt shall have any right in any manner whatever by virtue of, or by availing itself of, any provision of this Indenture or the Credit Agreement to affect, disturb or prejudice the rights of any other Holders of Secured Debt of the same Class or to obtain or to seek to obtain priority or preference over any other Holders of the Secured Debt of the same Class or to enforce any right under this Indenture or the Credit Agreement, except in the manner herein provided and for the equal and ratable benefit of all the Holders of Secured Debt of the same Class subject to and in accordance with Section 13.1 and the Priority of Payments.

In the event the Collateral Agent shall receive conflicting or inconsistent requests and indemnity pursuant to this Section 5.8 from two or more groups of Holders of the Controlling Class, each representing less than a Majority of the Controlling Class, the Collateral Agent shall act in accordance with the request specified by the group of Holders with the greatest percentage of the Aggregate Outstanding Amount of the Controlling Class, notwithstanding any other provisions of this Indenture or the Credit Agreement. If all such groups represent the same percentage, the Collateral Agent, in its sole discretion, may determine what action, if any, shall be taken.

The Issuer or the Co-Issuer, as applicable, shall, so long as any Secured Debt remaining Outstanding and for a year and a day thereafter, and subject to the proviso below, timely file an answer and any other appropriate pleading objecting to (i) the institution of any proceeding to have the Issuer or the Co-Issuer, as the case may be, adjudicated as bankrupt or insolvent, or (ii) the filing of any petition seeking relief, reorganization, arrangement, adjustment, liquidation, winding up or composition of or in respect of the Issuer or the Co-Issuer, as the case may be, under any bankruptcy law or any other applicable law; provided that the obligations set forth in clauses (i) and (ii) above shall be subject to the availability of funds therefor under the Priority of Payments. The reasonable fees, costs, charges and expenses incurred by the Issuer or Co-Issuer (including reasonable attorneys' fees and expenses) in connection with taking any such action shall be paid as Administrative Expenses.

Section 5.9 Unconditional Rights of Holders of Secured Debt to Receive Principal and Interest. Subject to Section 2.7(i), but notwithstanding any other provision of this Indenture or the Credit Agreement, any Holder of Secured Debt shall have the right, which is absolute and unconditional, to receive payment of the principal of and interest on such Secured Debt, as such principal, interest and other amounts become due and payable in accordance with the Priority of Payments and Section 13.1, as the case may be, and, subject to the provisions of Section 5.8, to institute proceedings for the enforcement of any such payment, and such right shall not be impaired without the consent of such Holder. Holders of Secured Debt ranking junior to Secured Debt still Outstanding shall have no right to institute Proceedings or to request the Collateral Agent to institute proceedings for the enforcement of any such payment until such time as no Secured Debt ranking senior to such Secured Debt remains Outstanding, which right shall be subject to the provisions of Section 5.8, and shall not be impaired without the consent of any such Holder.

Section 5.10 Restoration of Rights and Remedies. If the Collateral Agent or any Holder has instituted any Proceeding to enforce any right or remedy under this Indenture and such Proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Collateral Agent or to such Holder, then and in every such case the Co-Issuers, the Collateral Agent and the Holder shall, subject to any determination in such Proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Issuer, Collateral Agent and the Holder shall continue as though no such Proceeding had been instituted.

Section 5.11 Rights and Remedies Cumulative. No right or remedy herein conferred upon or reserved to the Collateral Agent or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.12 Delay or Omission Not Waiver. No delay or omission of the Collateral Agent or any Holder of Secured Debt to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein or of a subsequent Event of Default. Every right and remedy given by this Article V or by law to the Collateral Agent or to the Holders of Secured Debt may be exercised from time to time, and as often as may be deemed expedient, by the Collateral Agent or by the Holders of Secured Debt.

Section 5.13 Control by Majority of Controlling Class. A Majority of the Controlling Class shall have the right following the occurrence, and during the continuance of, an Event of Default to cause the institution of and direct the time, method and place of conducting any Proceeding for any remedy available to the Collateral Agent or exercising any trust or power conferred upon the Collateral Agent under this Indenture; provided that:

(a) such direction shall not conflict with any rule of law or with any express provision of this Indenture;

(b) the Collateral Agent may take any other action deemed proper by the Collateral Agent that is not inconsistent with such direction; provided that subject to Section 6.1, the Collateral Agent need not take any action that it determines might involve it in liability or expense (unless the Collateral Agent has received the indemnity as set forth in (c) below);

(c) the Collateral Agent shall have been provided with an indemnity reasonably satisfactory to it against all costs, expenses (including reasonable and documented attorney's fees and expenses) and liabilities anticipated to be incurred by it in connection with such request; and

(d) notwithstanding the foregoing, any direction to the Collateral Agent to undertake a Sale of the Assets shall be by the Holders of Secured Debt representing the requisite percentage of the Aggregate Outstanding Amount of Secured Debt specified in Section 5.4 and/or Section 5.5.

Section 5.14 Waiver of Past Defaults. Prior to the time a judgment or decree for payment of the Money due has been obtained by the Collateral Agent, as provided in this Article V, a Majority of the Controlling Class may on behalf of the Holders of all Secured Debt waive any past Default or Event of Default and its consequences, except a Default:

(a) in the payment of the principal of any Secured Debt (which may be waived only with the consent of the Holder of such Secured Debt);

(b) in the payment of interest on any Secured Debt (which may be waived only with the consent of the Holder of such Secured Debt);

(c) in respect of a covenant or provision hereof that under Section 8.2 cannot be modified or amended without the waiver or consent of each Holder of Outstanding Secured Debt materially and adversely affected thereby (which may be waived only with the consent of each such Holder); or

(d) in respect of a representation contained in Section 7.19 (which may be waived only by a Majority of the Controlling Class if the S&P Rating Condition is satisfied).

In the case of any such waiver, the Co-Issuers, the Collateral Agent and the Holders of Secured Debt shall be restored to their former positions and rights hereunder, respectively, but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereto. The Collateral Agent shall promptly give written notice of any such waiver to each Rating Agency, the Collateral Manager and each Holder. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture.

Section 5.15 Undertaking for Costs. All parties to this Indenture agree, and each Holder by such Holder's acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Collateral Agent for any action taken, or omitted by it as Collateral Agent, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section 5.15 shall not apply to any suit instituted by the Collateral Agent, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% of the Aggregate Outstanding Amount of the Controlling Class, or to any suit instituted by any Noteholder or Class A-1 Lender for the enforcement of the payment of the principal of or interest on any Secured Debt on or after the applicable Stated Maturity (or, in the case of redemption which has resulted in an Event of Default, on or after the applicable Redemption Date).

Section 5.16 Waiver of Stay or Extension Laws. Each of the Co-Issuers covenant (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any valuation, appraisement, redemption or marshalling law or rights, in each case wherever enacted, now or at any time hereafter in force, which may affect the covenants set forth in, the performance of, or any remedies under this Indenture; and each of the Co-Issuers (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law or rights, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Collateral Agent, but will suffer and permit the execution of every such power as though no such law had been enacted or rights created.

Section 5.17 Sale of Assets. (a) The power to effect any sale (a "Sale") of any portion of the Assets pursuant to Sections 5.4 and 5.5 shall not be exhausted by any one or more Sales as to any portion of such Assets remaining unsold, but shall continue unimpaired until the entire Assets shall have been sold or all amounts secured by the Assets shall have been paid. The Collateral Agent may upon notice to the Holders, and shall, upon direction of a Majority of the

Controlling Class, from time to time postpone any Sale by public announcement made at the time and place of such Sale. The Collateral Agent hereby expressly waives its rights to any amount fixed by law as compensation for any Sale; provided that the Collateral Agent shall be authorized to deduct the reasonable costs, charges and expenses (including, but not limited to, reasonable costs and expenses of counsel) incurred by it in connection with such Sale from the proceeds thereof notwithstanding the provisions of Section 6.7 or other applicable terms hereof.

(b) The Collateral Agent may bid for and acquire any portion of the Assets in connection with a public Sale thereof, and may pay all or part of the purchase price by crediting against amounts owing on the Secured Debt in the case of the Assets or other amounts secured by the Assets, all or part of the net proceeds of such Sale after deducting the reasonable costs, charges and expenses (including, but not limited to, reasonable costs and expenses of counsel) incurred by the Trustee in connection with such Sale notwithstanding the provisions of Section 6.7 hereof or other applicable terms hereof. The Notes need not be produced in order to complete any such Sale, or in order for the net proceeds of such Sale to be credited against amounts owing on the Secured Debt. The Collateral Agent may hold, lease, operate, manage or otherwise deal with any property so acquired in any manner permitted by law in accordance with this Indenture.

(c) If any portion of the Assets consists of securities issued without registration under the Securities Act ("Unregistered Securities"), the Collateral Agent may seek an Opinion of Counsel, or, if no such Opinion of Counsel can be obtained and with the consent of a Majority of the Controlling Class, seek a no action position from the Securities and Exchange Commission or any other relevant federal or State regulatory authorities, regarding the legality of a public or private Sale of such Unregistered Securities.

(d) The Trustee shall execute and deliver an appropriate instrument of conveyance transferring its interest in any portion of the Assets in connection with a Sale thereof, without recourse, representation or warranty. In addition, the Collateral Agent is hereby irrevocably appointed the agent and attorney in fact of the Issuer to transfer and convey its interest in any portion of the Assets in connection with a Sale thereof, and to take all action necessary to effect such Sale. No purchaser or transferee at such a sale shall be bound to ascertain the Collateral Agent's authority, to inquire into the satisfaction of any conditions precedent or see to the application of any Monies.

Section 5.18 Action on the Notes. The Collateral Agent's right to seek and recover judgment on the Secured Debt or under this Indenture or the Credit Agreement shall not be affected by the seeking or obtaining of or application for any other relief under or with respect to this Indenture or the Credit Agreement. Neither the lien of this Indenture nor any rights or remedies of the Collateral Agent or the Holders shall be impaired by the recovery of any judgment by the Collateral Agent against the Issuer or by the levy of any execution under such judgment upon any portion of the Assets or upon any of the assets of the Co-Issuers.

ARTICLE VI

THE TRUSTEE AND THE COLLATERAL AGENT

Section 6.1 Certain Duties and Responsibilities. (a) Except during the continuance of an Event of Default known to the Trustee:

(i) the Trustee undertakes to perform such duties and only such duties as are specifically set forth herein, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; provided that in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they substantially conform on their face to the requirements of this Indenture and shall promptly, but in any event within three Business Days in the case of an Officer's certificate furnished by the Collateral Manager, notify the party delivering the same if such certificate or opinion does not conform. If a corrected form shall not have been delivered to the Trustee within 15 days after such notice from the Trustee, the Trustee shall so notify the Noteholders and the Loan Agent.

(b) In case an Event of Default known to the Trustee has occurred and is continuing, the Trustee shall, prior to the receipt of directions, if any, from a Majority of the Controlling Class, or such other percentage as permitted by this Indenture, exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs.

(c) No provision of this Indenture or any other Transaction Documents shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this subsection shall not be construed to limit the effect of subsection (a) of this Section 6.1;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Trust Officer, unless it shall be proven that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Co-Issuers or the Collateral Manager in accordance with this Indenture and/or a Majority (or such other percentage as may be required by the terms hereof) of the Controlling Class (or other Class if required or permitted by the terms hereof), relating to the time, method and place of conducting any Proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture;

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial or other liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers contemplated hereunder, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risk or liability is not reasonably assured to it unless such risk or liability relates to the performance of its ordinary services, including mailing of notices under this Indenture; and

(v) in no event shall the Trustee be liable for special, indirect, punitive or consequential loss or damage (including but not limited to lost profits) even if the Trustee has been advised of the likelihood of such damages and regardless of such action.

(d) For all purposes under this Indenture, the Trustee shall not be deemed to have notice or knowledge of any Default or Event of Default described in Sections 5.1(c), (d), (e), or (f) unless a Trust Officer assigned to and working in the Corporate Trust Office has actual knowledge thereof or unless written notice of any event which is in fact such an Event of Default or Default is received by the Trustee at the Corporate Trust Office, and such notice references the Notes generally, the Co-Issuers or this Indenture. For purposes of determining the Trustee's responsibility and liability hereunder, whenever reference is made herein to such an Event of Default or a Default, such reference shall be construed to refer only to such an Event of Default or Default of which the Trustee is deemed to have notice as described in this Section 6.1.

(e) Upon the Trustee receiving written notice from the Collateral Manager that an event constituting "Cause" as defined in the Collateral Management Agreement has occurred, the Trustee shall, not later than two Business Days thereafter, forward such notice to the Noteholders (as their names appear in the Note Register) and to the Loan Agent (for delivery to the Class A-1 Lenders).

(f) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 6.1 or Section 6.3.

(g) [Reserved].

(h) In order to comply with the USA PATRIOT Act, including Section 326 thereof, the Trustee is required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Trustee. Accordingly, the Co-Issuers and each of the parties to the other Transaction Documents agree to provide to the Trustee upon its request from time to time such identifying information and documentation as may be available for such party in order to enable the Trustee to comply with the USA PATRIOT Act.

Section 6.2 Notice of Event of Default. Promptly (and in no event later than three Business Days) after the occurrence of any Event of Default actually known to a Trust Officer of the Trustee or after any declaration of acceleration has been made or delivered to the Trustee pursuant to Section 5.2, the Trustee shall provide notice to the Collateral Manager, each Rating Agency, each Noteholder (as their respective names and addresses appear on the Note Register) and to the Loan Agent (for delivery to the Class A-1 Lenders), notice of all Event of Defaults hereunder known to the Trustee, unless such Event of Default shall have been cured or waived.

Section 6.3 Certain Rights of Trustee. Except as otherwise provided in Section 6.1:

(a) the Trustee may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Issuer or the Co-Issuer mentioned herein shall be sufficiently evidenced by an Issuer Request or Issuer Order, as the case may be;

(c) whenever in the administration of this Indenture the Trustee shall (i) deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's certificate or Issuer Order or (ii) be required to determine the value of any Assets or funds hereunder or the cash flows projected to be received therefrom, the Trustee may, in the absence of bad faith on its part, rely on reports of nationally recognized accountants, investment bankers or other Persons qualified to provide the information required to make such determination, including nationally recognized dealers in Assets of the type being valued, securities quotation services, loan pricing services and loan valuation agents;

(d) as a condition to the taking or omitting of any action by it hereunder, the Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise or to honor any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have provided to the Trustee security or indemnity reasonably satisfactory to it against the costs, expenses (including reasonable attorneys' fees and expenses) and liabilities which might reasonably be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report (including any Accountants' Certificate), notice, request, direction, consent, order, note or other paper or document, but the Trustee, in its discretion, may, and upon the written direction of a Majority of the Controlling Class or of a Rating Agency shall (subject to the right hereunder to be reasonably satisfactorily indemnified for associated expense (including the reasonable fees and expenses of agents, experts and counsel) and liability), make such further inquiry or investigation into such facts or matters as it may see fit or as it shall be directed, and the Trustee shall be entitled, on reasonable prior notice to the Co-Issuers and the Collateral Manager, to examine the books and records relating to the Notes and the Assets, personally or by agent or attorney, during the

Co-Issuers' or the Collateral Manager's normal business hours; provided that the Trustee shall, and shall cause its agents to, hold in confidence all such information, except (i) to the extent disclosure may be required by law by any regulatory, administrative or Governmental Authority, (ii) as otherwise required pursuant to this Indenture and (iii) to the extent that the Trustee, in its sole discretion, may determine that such disclosure is consistent with its obligations hereunder; provided further that, the Trustee may disclose on a confidential basis any such information to its agents, attorneys and auditors in connection with the performance of its responsibilities hereunder;

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys; provided that the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed, with due care by it hereunder;

(h) the Trustee shall not be liable for any action it takes or omits to take in good faith that it reasonably believes to be authorized or within its rights or powers hereunder, including actions or omissions to act at the direction of the Collateral Manager;

(i) nothing herein shall be construed to impose an obligation on the part of the Trustee to monitor, recalculate, evaluate or verify or independently determine the accuracy of any report, certificate or information received from the Co-Issuers, the Collateral Manager, the Transferor or any other Person (unless and except to the extent otherwise expressly set forth herein);

(j) to the extent any defined term hereunder, or any calculation required to be made or determined by the Trustee hereunder, is dependent upon or defined by reference to generally accepted accounting principles (as in effect in the United States) ("GAAP"), the Trustee shall be entitled to request and receive (and conclusively rely upon) instruction from the Issuer or the accountants identified in the Accountants' Certificate (and in the absence of its receipt of timely instruction therefrom, shall be entitled to obtain from an Independent accountant at the expense of the Issuer) as to the application of GAAP in such connection, in any instance;

(k) the Trustee shall not be liable for the actions or omissions of, or any inaccuracies in the records of, the Collateral Manager, the Transferor, the Co-Issuers, any Paying Agent (other than the Trustee), DTC, Euroclear, Clearstream, or any other clearing agency or depository and without limiting the foregoing, the Trustee shall not be under any obligation to monitor, evaluate or verify compliance by the Collateral Manager with the terms hereof, of the Collateral Management Agreement or any other Transaction Document to which it is a party, or by the Transferor with the terms hereof or the Master Loan Sale Agreement, or to verify or independently determine the accuracy of information received by the Trustee from the Collateral Manager (or from any selling institution, agent bank, trustee or similar source), the Transferor or any other Person with respect to the Assets;

(l) notwithstanding any term hereof (or any term of the UCC that might otherwise be construed to be applicable to a "securities intermediary" as defined in the UCC) to the contrary, none of the Trustee, the Custodian or the Securities Intermediary shall be under a duty or obligation in connection with the acquisition or Grant by the Issuer to the Collateral Agent of any item constituting the Assets, or to evaluate the sufficiency of the documents or instruments delivered to it by or on behalf of the Issuer in connection with its Grant or otherwise, or in that regard to examine any Underlying Document, in each case, in order to determine compliance with applicable requirements of and restrictions on transfer in respect of such Assets;

(m) in the event the Bank is acting in the capacity of Paying Agent, Note Registrar, Transfer Agent, Authenticating Agent, Custodian, Calculation Agent, Collateral Agent, Loan Agent, Collateral Administrator or Securities Intermediary, the rights, protections, benefits, immunities and indemnities afforded to the Trustee pursuant to this Article VI shall also be afforded to the Bank acting in such capacities; provided that such rights, protections, benefits, immunities and indemnities shall be in addition to any rights, immunities and indemnities provided in the Securities Account Control Agreement, the Collateral Administration Agreement or any other documents to which the Bank in such capacity is a party;

(n) any permissive right of the Trustee to take or refrain from taking actions enumerated herein shall not be construed as a duty;

(o) to the extent permitted by applicable law, the Trustee shall not be required to give any bond or surety in respect of the execution of this Indenture or otherwise;

(p) the Trustee shall not be deemed to have notice or knowledge of any matter unless a Trust Officer has actual knowledge thereof or unless written notice thereof is received by the Trustee at the Corporate Trust Office and such notice references the Notes generally, the Issuer or this Indenture. Whenever reference is made herein to a Default or an Event of Default such reference shall, insofar as determining any liability on the part of the Trustee is concerned, be construed to refer only to a Default or an Event of Default of which the Trustee is deemed to have knowledge in accordance with this paragraph;

(q) the Trustee shall not be responsible for delays or failures in performance resulting from circumstances beyond its control (such circumstances include but are not limited to acts of God, strikes, lockouts, riots, acts of war, loss or malfunctions of utilities, computer (hardware or software) or communications services);

(r) to help fight the funding of terrorism and money laundering activities, the Trustee shall request, verify and record information that identifies individuals or entities that establish a relationship or open an account with the Trustee. The Trustee shall ask for the name, address, tax identification number and other information that will allow the Trustee to identify the individual or entity who is establishing the relationship or opening the account. The Trustee may also ask for formation documents such as organizational documents, an offering memorandum, or other identifying documents to be provided by the Issuer. Nothing herein shall be construed to impose any liability or obligation on the part of the Trustee to monitor AML Compliance by any person;

(s) neither the Trustee nor the Collateral Administrator shall have any obligation or duty to determine or otherwise monitor the Co-Issuers', the Collateral Manager's, the Depositor's or the EU Retention Holder's compliance with the U.S. Risk Retention Rules, the EU Securitization Laws, or the risk retention regulations of any other jurisdiction;

(t) in making or disposing of any investment permitted by this Indenture, the Trustee is authorized to deal with itself (in its individual capacity) or with any one or more of its Affiliates, in each case on an arm's-length basis, whether it or such Affiliate is acting as a subagent of the Trustee or for any third party or dealing as principal for its own account. If otherwise qualified, obligations of the Bank or any of its Affiliates shall qualify as Eligible Investments hereunder;

(u) the Trustee or its Affiliates are permitted to receive additional compensation that could be deemed to be in the Trustee's economic self-interest for (i) serving as investment adviser, administrator, shareholder, servicing agent, custodian or subcustodian with respect to certain of the Eligible Investments, (ii) using Affiliates to effect transactions in certain Eligible Investments and (iii) effecting transactions in certain Eligible Investments. Such compensation is not payable or reimbursable under Section 6.7 of this Indenture;

(v) the Trustee shall have no duty (i) to cause any recording, filing relating to the perfection of any security interest in the Assets, or depositing of this Indenture or any supplemental indenture or any financing statement or continuation statement evidencing a security interest, or to cause the maintenance of any such recording, filing or depositing or to any rerecording, refiling or redepositing of any thereof or (ii) to maintain any insurance; and

(w) none of the Trustee, the Collateral Agent or the Collateral Administrator shall have any obligation to determine (i) if a Collateral Obligation meets the criteria or eligibility restrictions imposed by this Indenture and shall be entitled to conclusively rely on the Collateral Manager's classification, characterization, designation or categorization of each Collateral Obligation to the extent such classification, characterization or categorization is subjective or judgmental in nature or based on information not readily available to the Trustee or the Collateral Administrator; (ii) if the Collateral Manager has not provided it with the information necessary for making such determination, whether the conditions specified in the definition of "Deliver" have been complied with or (iii) the sufficiency of the documents or instruments delivered to it by or on behalf of the Issuer in connection with the Grant by the Issuer to the Collateral Agent of any items constituting Assets or otherwise, or in that regard to examine any Underlying Documents, in order to determine compliance with applicable requirements of and restrictions on transfer of a Collateral Obligation.

Section 6.4 Not Responsible for Recitals or Issuance of Secured Debt. The recitals contained herein and in the Notes, other than the Certificate of Authentication thereon, shall be taken as the statements of the Co-Issuers; and the Trustee assumes no responsibility for their correctness. The Trustee makes no representation as to the validity or sufficiency of this Indenture (except as may be made with respect to the validity of the Trustee's obligations hereunder), the Assets or the Secured Debt. The Trustee shall not be accountable for the use or application by the Co-Issuers of the Secured Debt or the proceeds thereof or any Money paid to the Co-Issuers pursuant to the provisions hereof.

Section 6.5 May Hold Notes. The Trustee, any Paying Agent, Note Registrar or any other agent of the Co-Issuers, in its individual or any other capacity, may become the owner or pledgee of Notes and/or additional Notes issued pursuant to Section 2.13 and 3.2, if any, and may otherwise deal with the Co-Issuers or any of their Affiliates with the same rights it would have if it were not Trustee, Paying Agent, Note Registrar or such other agent.

Section 6.6 Money Held in Trust. Money held by the Trustee hereunder shall be held in trust to the extent required herein. The Trustee shall be under no liability for interest on any Money received by it hereunder except to the extent of income or other gain on investments which are deposits in or certificates of deposit of the Bank in its commercial capacity and income or other gain actually received by the Trustee on Eligible Investments.

Section 6.7 Compensation and Reimbursement. (a) The Issuer agrees:

(i) to pay the Bank in each of its capacities under the Transaction Documents on each Payment Date reasonable compensation, as set forth in a separate fee schedule, for all services rendered by the Bank in each of its capacities hereunder and under the other Transaction Documents (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(ii) except as otherwise expressly provided herein, to reimburse the Bank in each of its capacities under the Transaction Documents in a timely manner upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in each of its capacities under the Transaction Documents in accordance with any provision of this Indenture or other Transaction Document (including, without limitation, securities transaction charges and the reasonable compensation and expenses and disbursements of its agents, experts and legal counsel and of any accounting firm or investment banking firm employed by the Trustee pursuant to Section 5.4, 5.5, 6.3(c) or 10.7, except any such expense, disbursement or advance as may be attributable to its negligence, willful misconduct or bad faith) but with respect to securities transaction charges, only to the extent any such charges have not been waived during a Collection Period due to the Trustee's receipt of a payment from a financial institution with respect to certain Eligible Investments, as specified by the Collateral Manager;

(iii) to indemnify the Bank in each of its capacities under the Transaction Documents (other than as Collateral Agent) and their respective officers, directors, employees and agents for, and to hold them harmless against, any loss, liability or expense (including reasonable fees and expenses of their agent, experts and counsel) incurred without negligence, willful misconduct or bad faith on their part, arising out of or in connection with acting or serving in each such capacity under the Transaction Documents, including the costs and expenses of defending themselves (including reasonable fees and expenses of agents, experts and attorneys) against any claim (whether such claim involves the Issuer or is brought by any third party) or liability in connection with the administration, exercise or performance of any of their powers or duties hereunder and under any other agreement or instrument related hereto and of enforcing this Indenture and any indemnification rights hereunder; and

(iv) to pay the Trustee reasonable additional compensation together with its expenses (including reasonable counsel fees) for any collection or enforcement action taken pursuant to Section 6.13 or Article V, respectively.

(b) The Trustee shall receive amounts pursuant to this Section 6.7 and any other amounts payable to it under this Indenture or in any of the Transaction Documents to which the Trustee is a party only as provided in Sections 11.1(a)(i), (ii) and (iii) (or such other manner in which Administrative Expenses are permitted to be paid under this Indenture) but only to the extent that funds are available for the payment thereof. Subject to Section 6.9, the Trustee shall continue to serve as Trustee under this Indenture notwithstanding the fact that the Trustee shall not have received amounts due it hereunder; provided that nothing herein shall impair or affect the Trustee's rights under Section 6.9. No direction by the Noteholders shall affect the right of the Trustee to collect amounts owed to it under this Indenture. If, on any date when a fee or an expense shall be payable to the Trustee pursuant to this Indenture, insufficient funds are available for the payment thereof, any portion of a fee or an expense not so paid shall be deferred and payable on such later date on which a fee or an expense shall be payable and sufficient funds are available therefor.

(c) The Trustee hereby agrees not to cause the filing of a petition in bankruptcy against the Issuer, the Co-Issuer or any Equity Holder Subsidiary for the non-payment to the Trustee of any amounts provided by this Section 6.7 until at least one year and one day, or, if longer, the applicable preference period then in effect *plus* one day, after the payment in full of all Secured Debt issued under this Indenture and incurred pursuant to the Credit Agreement.

(d) The Issuer's obligations to the Trustee under this Section 6.7 shall be secured by the lien of this Indenture payable in accordance with the Priority of Payments, and shall survive the discharge of this Indenture and the resignation or removal of the Trustee.

(e) To the extent the entity acting as Trustee is acting as Note Registrar, Calculation Agent, Paying Agent, Authenticating Agent or Custodian, the rights, privileges, immunities and indemnities set forth in this Article VI shall also apply to it acting in each such capacity.

Section 6.8 Corporate Trustee Required; Eligibility. There shall at all times be a Trustee hereunder which shall (a) be an Independent organization or entity organized and doing business under the laws of the United States of America or of any state thereof, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least U.S.$200,000,000, subject to supervision or examination by federal or state authority, and having an office within the United States, and who makes the representations contained in Section 6.17 and (b) have a rating of at least "BBB+" by S&P and (to the extent that Fitch is rating any Secured Debt then Outstanding) a short-term credit rating of at least "F1" or a long-term credit rating of at least "A" by Fitch. If such organization or entity publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 6.8, the combined capital and surplus of such organization or entity shall be deemed to be its combined capital and surplus as set forth in its most recent published report of condition. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 6.8, it shall resign immediately in the manner and with the effect hereinafter specified in this Article VI.

Section 6.9 Resignation and Removal; Appointment of Successor. (a) No resignation or removal of the Trustee and no appointment of a successor trustee pursuant to this Article VI shall become effective until the acceptance of appointment by the successor trustee under Section 6.10.

(b) Subject to Section 6.9(a), the Trustee may resign at any time by giving not less than 30 days' written notice thereof to the Co-Issuers, the Collateral Manager, the Holders of Secured Debt and each Rating Agency. Upon receiving such notice of resignation, the Co-Issuers shall promptly appoint a successor trustee or trustees satisfying the requirements of Section 6.8 by written instrument, in duplicate, executed by a Responsible Officer of the Co-Issuers, one copy of which shall be delivered to the Trustee so resigning and one copy to the successor trustee or trustees, together with a copy to each Holder and the Collateral Manager; provided that such successor trustee shall be appointed only upon the Act of a Majority of each Class of Secured Debt or, at any time when an Event of Default shall have occurred and be continuing, by an Act of a Majority of the Controlling Class. If no successor trustee shall have been appointed and an instrument of acceptance by a successor trustee shall not have been delivered to the Trustee within 60 days after the giving of such notice of resignation, the resigning Trustee or any Holder, on behalf of itself and all others similarly situated, may petition any court of competent jurisdiction for the appointment of a successor trustee satisfying the requirements of Section 6.8.

(c) The Trustee may be removed at any time upon 30 days' prior written notice by Act of a Majority of each Class of Secured Debt or, at any time when an Event of Default shall have occurred and be continuing by an Act of a Majority of the Controlling Class, delivered to the Trustee and to the Co-Issuers.

(d) If at any time:

(i) the Trustee shall cease to be eligible under Section 6.8 and shall fail to resign after written request therefor by the Co-Issuers or by any Holder; or

(ii) the Trustee shall become incapable of acting or shall be adjudged as bankrupt or insolvent or a receiver or liquidator of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation;

then, in any such case (subject to Section 6.9(a)), (A) the Co-Issuers, by Issuer Order, may remove the Trustee, or (B) subject to Section 5.15, any Holder may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor trustee.

(e) If the Trustee shall be removed or become incapable of acting, or if a vacancy shall occur in the office of the Trustee for any reason (other than resignation), the Co-Issuers, by Issuer Order, shall promptly appoint a successor trustee. If the Co-Issuers shall fail to appoint a successor trustee within 60 days after such removal or incapability or the occurrence of such vacancy, a successor trustee may be appointed by a Majority of the Controlling Class by written instrument delivered to the Issuer and the retiring Trustee. The successor trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor trustee and supersede any successor trustee proposed by the Co-Issuers. If no successor trustee shall have been so appointed by the Co-Issuers or a Majority of the Controlling Class and shall have accepted appointment in the manner hereinafter provided, subject to Section 5.15, any Holder may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor trustee.

(f) The Co-Issuers shall give prompt notice of each removal of the Trustee and each appointment of a successor trustee by mailing written notice of such event by first class mail, postage prepaid, to the Collateral Manager, the Collateral Agent, each Rating Agency, each Noteholder (as their names and addresses appear on the Note Register) and the Loan Agent (for delivery to the Class A-1 Lenders). Each notice shall include the name of the successor trustee and the address of its Corporate Trust Office. If the Co-Issuers fail to mail such notice within ten days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be given at the expense of the Co-Issuers.

(g) If the Bank shall resign or be removed as Trustee, the Bank shall also resign or be removed as Custodian and as Document Custodian under the Securities Account Control Agreement, Fiscal Agent under the Fiscal Agency Agreement, Paying Agent, Collateral Agent, Loan Agent, Calculation Agent, Note Registrar and any other capacity in which the Bank is then acting pursuant to this Indenture or any other Transaction Document.

Section 6.10 Acceptance of Appointment by Successor. Every successor trustee appointed hereunder shall meet the requirements of Section 6.8, shall make the representations and warranties contained in Section 6.17, and shall execute, acknowledge and deliver to the Co-Issuers, the Collateral Agent, the Loan Agent and the retiring Trustee an instrument accepting such appointment. In addition, so long as the retiring Trustee is the same institution as the Collateral Administrator, unless otherwise agreed to in writing by the Issuer, the successor and the retiring institutions, upon the appointment of the successor trustee, the Collateral Administrator shall immediately resign and such successor trustee shall automatically become the Collateral Administrator pursuant to Section 7(b) of the Collateral Administration Agreement and shall be required to agree to assume the duties of the Collateral Administrator under the terms and conditions of the Collateral Administration Agreement in its acceptance of appointment as successor trustee until such time, if any, as it is replaced as Collateral Administrator by the Issuer pursuant to the Collateral Administration Agreement. Upon delivery of the required instruments, the resignation or removal of the retiring Trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of the retiring Trustee; but, on request of the Co-Issuers or a Majority of any Class of Secured Debt or the successor trustee or successor Collateral Administrator, as applicable, such retiring Trustee shall, upon payment of its charges then unpaid, execute and deliver an instrument transferring to such successor trustee all the rights, powers and trusts of the retiring Trustee, and shall duly assign, transfer and deliver to such successor trustee all property and Money held by such retiring Trustee hereunder. Upon request of any such successor trustee, the Co-Issuers shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor trustee all such rights, powers and trusts.

Section 6.11 Merger, Conversion, Consolidation or Succession to Business of Trustee. Any organization or entity into which the Trustee may be merged or converted or with which it may be consolidated, or any organization or entity resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any organization or entity succeeding to

all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder; provided that such organization or entity shall be otherwise qualified and eligible under this Article VI, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any of the Notes have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Notes so authenticated with the same effect as if such successor trustee had itself authenticated such Notes.

Section 6.12 Co-Trustees. At any time or times, the Co-Issuers and the Trustee shall have power to appoint one or more Persons to act as co-trustee (subject to satisfaction of the S&P Rating Condition), jointly with the Trustee, of all or any part of the Assets, with the power to file such proofs of claim and take such other actions pursuant to Section 5.6 herein and to make such claims and enforce such rights of action on behalf of the Holders, as such Holders themselves may have the right to do, subject to the other provisions of this Section 6.12.

The Co-Issuers shall join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint a co-trustee. If the Co-Issuers does not join in such appointment within 15 days after the receipt by them of a request to do so, the Trustee shall have the power to make such appointment.

Should any written instrument from the Co-Issuers be required by any co-trustee so appointed, more fully confirming to such co-trustee such property, title, right or power, any and all such instruments shall, on request, be executed, acknowledged and delivered by the Co-Issuers. The Co-Issuers agree to pay, to the extent funds are available therefor under Section 11.1(a)(i)(A), for any reasonable fees and expenses in connection with such appointment.

Every co-trustee shall, to the extent permitted by law, but to such extent only, be appointed subject to the following terms:

(a) the Notes shall be authenticated and delivered and all rights, powers, duties and obligations hereunder in respect of the custody of securities, Cash and other personal property held by, or required to be deposited or pledged with, the Trustee hereunder, shall be exercised solely by the Trustee;

(b) the rights, powers, duties and obligations hereby conferred or imposed upon the Trustee in respect of any property covered by the appointment of a co-trustee shall be conferred or imposed upon and exercised or performed by the Trustee or by the Trustee and such co-trustee jointly as shall be provided in the instrument appointing such co-trustee;

(c) the Trustee at any time, by an instrument in writing executed by it, with the concurrence of the Co-Issuers evidenced by an Issuer Order, may accept the resignation of or remove any co-trustee appointed under this Section 6.12, and in case an Event of Default has occurred and is continuing, the Trustee shall have the power to accept the resignation of, or remove, any such co-trustee without the concurrence of the Co-Issuers. A successor to any co-trustee so resigned or removed may be appointed in the manner provided in this Section 6.12;

(d) no co-trustee hereunder shall be personally liable by reason of any act or omission of the Trustee hereunder;

(e) the Trustee shall not be liable by reason of any act or omission of a co-trustee; and

(f) any Act of the Holders delivered to the Trustee shall be deemed to have been delivered to each co-trustee.

The Issuer shall notify each Rating Agency of the appointment of a co-trustee hereunder.

Section 6.13 Certain Duties of Trustee Related to Delayed Payment of Proceeds and the Assets. If the Trustee shall not have received a payment with respect to any Asset on its Due Date, (a) the Trustee shall promptly notify the Issuer and the Collateral Manager in writing or electronically and (b) unless within three Business Days (or the end of the applicable grace period for such payment, if any) after such notice (x) such payment shall have been received by the Trustee or (y) the Issuer, in its absolute discretion (but only to the extent permitted by Section 10.2(a)), shall have made provision for such payment satisfactory to the Trustee in accordance with Section 10.2(a), the Trustee shall, not later than the Business Day immediately following the last day of such period and in any case upon request by the Collateral Manager, request the issuer of such Asset, the trustee under the related Underlying Document or a paying agent designated by either of them, as the case may be, to make such payment not later than three Business Days after the date of such request. If such payment is not made within such time period, the Trustee, subject to the provisions of clause (iv) of Section 6.1(c), shall take such action as the Collateral Manager shall direct. Any such action shall be without prejudice to any right to claim a Default or Event of Default under this Indenture. If the Issuer or the Collateral Manager requests a release of an Asset and/or delivers an additional Collateral Obligation or a Substitute Collateral Obligation in connection with any such action under the Collateral Management Agreement or under this Indenture, such release and/or substitution shall be subject to Section 10.8 and Article XII of this Indenture, as the case may be. Notwithstanding any other provision hereof, the Trustee shall deliver to the Issuer or its designee any payment with respect to any Asset or any additional Collateral Obligation or Substitute Collateral Obligation received after the Due Date thereof to the extent the Issuer previously made provisions for such payment satisfactory to the Trustee in accordance with this Section 6.13 and such payment shall not be deemed part of the Assets.

Reasonably promptly after receipt thereof, the Trustee will notify and provide to the Collateral Manager on behalf of the Issuer a copy of any documents, financial reports, legal opinions or any other information reasonably available to it without undue cost or burden, including, without limitation, any notices, reports, requests for waiver, consent requests or any other requests or communications relating to the Assets or any Obligor or to actions affecting the Assets or any Obligor. Upon reasonable request by the Collateral Administrator or the Collateral Manager, the Trustee further agrees to provide to the requesting Person from time to time, on a timely basis, any information in its possession and reasonably available to it relating to the Collateral Obligations, the Equity Securities and the Eligible Investments as requested so as to enable the requesting Person to perform its duties hereunder, under the Collateral Administration Agreement or under the Collateral Management Agreement, as applicable.

Section 6.14 Authenticating Agents. Upon the request of the Co-Issuers, the Trustee shall, and if the Trustee so chooses the Trustee may, appoint one or more Authenticating Agents, which shall initially be the Bank, with power to act on its behalf and subject to its direction in the authentication of Notes in connection with issuance, transfers and exchanges under Sections 2.4, 2.5, 2.6 and 8.5, as fully to all intents and purposes as though each such Authenticating Agent had been expressly authorized by such Sections to authenticate such Notes. For all purposes of this Indenture, the authentication of Notes by an Authenticating Agent pursuant to this Section 6.14 shall be deemed to be the authentication of Notes by the Trustee.

Any Person into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, consolidation or conversion to which any Authenticating Agent shall be a party, or any Person succeeding to the corporate trust business of any Authenticating Agent, shall be the successor of such Authenticating Agent hereunder, without the execution or filing of any further act on the part of the parties hereto or such Authenticating Agent or such successor Person.

Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee and the Issuer. The Trustee may at any time terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent and the Co-Issuers. Upon receiving such notice of resignation or upon such a termination, the Trustee shall, upon the written request of the Issuer, promptly appoint a successor Authenticating Agent and shall give written notice of such appointment to the Co-Issuers.

Unless the Authenticating Agent is also the same entity as the Trustee, the Issuer agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services, and reimbursement for its reasonable expenses relating thereto as an Administrative Expense. The provisions of Sections 2.8, 6.4 and 6.5 shall be applicable to any Authenticating Agent.

Section 6.15 Withholding. If any withholding or deduction of Tax is imposed on the Issuer’s payment (or allocations of income) under the Notes, such Tax withholding or deduction shall reduce the amount otherwise distributable to the relevant Holder. The Trustee is hereby authorized and directed to retain from amounts otherwise distributable to any Holder sufficient funds for the payment of any Tax that is legally owed or required to be deducted or withheld by the Issuer (but such authorization shall not prevent the Trustee from contesting any such Tax in appropriate proceedings and withholding payment of such Tax, if permitted by law, pending the outcome of such proceedings) or may be withheld because of a failure by a Holder to provide any information required under FATCA or Sections 1441, 1445 and 1446 of the Code or any other provisions of any applicable law and to timely remit such amounts to the appropriate taxing authority. The amount of any withholding Tax imposed with respect to any Note shall be treated as Cash distributed to the relevant Holder at the time it is withheld by the Trustee. If there is a possibility that withholding Tax is payable with respect to a distribution, the Trustee or the Paying Agent may, in its sole discretion, withhold such amounts in accordance with this Section 6.15. If any Holder or beneficial owner wishes to apply for a refund of any such withholding tax, the Trustee shall reasonably cooperate with such Person in providing readily available information so long as such Person agrees to reimburse the Trustee for any out-of-pocket expenses incurred. Nothing herein shall impose an obligation on the part of the Trustee to determine the amount of any tax or withholding obligation on the part of the Issuer or in respect of the Notes.

Section 6.16 Representative for Noteholders Only; Agent for each other Secured Party. With respect to the security interest created hereunder, the delivery of any item of Asset to the Trustee is to the Trustee as representative of the Noteholders and agent for each other Secured Party. In furtherance of the foregoing, the possession by the Trustee of any Asset, and the endorsement to or registration in the name of the Trustee of any Asset (including without limitation as entitlement holder of the Custodial Account) are all undertaken by the Trustee in its capacity as representative of the Noteholders, and agent for each other Secured Party.

Section 6.17 Representations and Warranties of the Bank. The Bank (and any Person that becomes a successor trustee pursuant to Sections 6.9, 6.10, or 6.11 or a co-trustee pursuant to Section 6.12, or a successor Paying Agent, Note Registrar, Transfer Agent, Custodian, Calculation Agent or Securities Intermediary pursuant to Sections 2.5, 3.3, 7.2, or 7.16, as applicable) represents and warrants as follows:

(a) Organization. The Bank has been duly organized and is validly existing as a national banking association with trust powers under the laws of the United States and has the power to conduct its business and affairs as a trustee, paying agent, registrar, transfer agent, custodian, calculation agent, collateral administrator and securities intermediary, as applicable.

(b) Authorization; Binding Obligations. The Bank has the corporate power and authority to perform the duties and obligations of Trustee, Paying Agent, Collateral Agent, Loan Agent, Note Registrar, Transfer Agent, Custodian, Calculation Agent and Securities Intermediary, as applicable, under this Indenture. The Bank has taken all necessary corporate action to authorize the execution, delivery and performance of this Indenture and the Credit Agreement, and all of the documents required to be executed by it pursuant hereto. This Indenture and the Credit Agreement have been duly authorized, executed and delivered by the Bank and the Co-Issuers and constitutes the legal, valid and binding obligation of each such Person enforceable in accordance with its terms subject, as to enforcement, (i) to the effect of bankruptcy, insolvency, fraudulent conveyance, liquidation or similar laws affecting generally the enforcement of creditors' rights as such laws would apply in the event of any bankruptcy, receivership, insolvency or similar event applicable to such Person and (ii) to general equitable principles (whether enforcement is sought in a proceeding at law or in equity) and except that certain of such obligations may be enforceable solely against the Assets.

(c) Eligibility. The Bank is eligible under Section 6.8 to serve as Trustee hereunder.

(d) No Conflict. Neither the execution, delivery and performance of this Indenture or the Credit Agreement, nor the consummation of the transactions contemplated by this Indenture and the Credit Agreement, (i) is prohibited by, or requires the Bank to obtain any consent, authorization, approval or registration under, any law, statute, rule, regulation, judgment, order, writ, injunction or decree that is binding upon the Bank or any of its properties or assets, or (ii) will violate any provision of, result in any default or acceleration of any obligations under, result in the creation or imposition of any lien pursuant to, or require any consent under, any material agreement to which the Bank is a party or by which it or any of its property is bound.

Section 6.18 Certain Duties and Responsibilities of Collateral Agent.

(a) The Collateral Agent undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and the Credit Agreement, and no implied covenants or obligations shall be read into this Indenture against the Collateral Agent and, in the absence of bad faith on its part, the Collateral Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) No provision of this Indenture shall be construed to relieve the Collateral Agent from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this subsection shall not be construed to limit the effect of subsection (a) of this Section 6.18;

(ii) the Collateral Agent shall not be liable for any error of judgment made in good faith by a Trust Officer, unless it shall be proven that the Collateral Agent was negligent in ascertaining the pertinent facts;

(iii) the Collateral Agent shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Co-Issuers or the Collateral Manager in accordance with this Indenture and/or a Majority (or such other percentage or Class as may be required by the terms hereof) of the Controlling Class (or other Class if required or permitted by the terms hereof), relating to the time, method and place of conducting any Proceeding for any remedy available to the Collateral Agent, or exercising any trust or power conferred upon the Collateral Agent, under this Indenture;

(iv) no provision of this Indenture or the Credit Agreement shall require the Collateral Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or under the Credit Agreement, or in the exercise of any of its rights or powers contemplated hereunder or under the Credit Agreement, if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it unless such risk or liability relates to the performance of its ordinary services, including mailing of notices under this Indenture; and

(v) in no event shall the Collateral Agent be liable for special, indirect, punitive or consequential loss or damage (including lost profits) even if the Collateral Agent has been advised of the likelihood of such damages and regardless of such action.

(c) For all purposes under this Indenture and the Credit Agreement, the Collateral Agent shall not be deemed to have notice or knowledge of any Default or Event of Default described in Sections 5.1(c), (d), (e) or (f) unless a Trust Officer of the Collateral Agent assigned to and working in the Corporate Trust Office has actual knowledge thereof or unless written notice of any event which is in fact such an Event of Default or Default is received by the Collateral Agent at the Corporate Trust Office, and such notice references the Secured Debt generally, the Issuer, the Co-Issuer or this Indenture. For purposes of determining the Collateral Agent's responsibility and liability hereunder, whenever reference is made in this Indenture to such an Event of Default or a Default, such reference shall be construed to refer only to such an Event of Default or Default of which the Collateral Agent is deemed to have notice as described in this Section 6.18.

(d) Whether or not therein expressly so provided, every provision of this Indenture and the Credit Agreement relating to the conduct or affecting the liability of or affording protection to the Collateral Agent shall be subject to the provisions of this Section 6.18.

(e) In addition to its other obligations set forth herein, the Collateral Agent shall provide any information actually in its possession and readily available to it by reason of acting as Collateral Agent hereunder to the Collateral Manager related to the Assets or the Secured Debt, promptly after the Collateral Manager's reasonable request therefor; provided that, the Collateral Agent shall not be obligated to provide any information that it may be restricted from doing so by legal, regulatory or contractual reasons, or attorney-client privilege, or that may only be available to the Collateral Agent at undue burden or expense. The Collateral Agent shall have no liability for such disclosure or, subject to its duties herein, the accuracy thereof.

(f) The Collateral Agent shall, upon reasonable (but no less than three Business Days') prior written notice to the Collateral Agent, permit any representative of a Holder, during the Collateral Agent's normal business hours, to examine all books of account, records, reports and other papers of the Collateral Agent (other than items protected by attorney-client privilege or information contained in documents received from Independent accountants subject to restrictions on disclosure pursuant to an engagement letter entered into in accordance with Section 10.8) relating to the Secured Debt, to make copies and extracts therefrom (the reasonable out-of-pocket expenses incurred in making any such copies or extracts to be reimbursed to the Collateral Agent by such Holder) and to discuss the Collateral Agent's actions, as such actions relate to the Collateral Agent's duties with respect to the Secured Debt, with the Collateral Agent's Officers and employees responsible for carrying out the Collateral Agent's duties with respect to the Secured Debt. The Collateral Agent shall have no liability for such disclosure or, subject to its duties herein, the accuracy thereof.

(g) The Collateral Agent shall, upon reasonable request, provide the Issuer (and any applicable intermediary or agent thereof) with (a) the identity of any Holder listed in the Note Register or the Loan Register and (b) any available information as may be necessary or helpful (in the sole determination of the Issuer or its agents) to assist the Issuer to achieve FATCA Compliance that the Collateral Agent has received from or on behalf of any beneficial owner; provided that, the Collateral Agent shall not be obligated to provide any information that it may be restricted from doing so by legal, regulatory or contractual reasons, or attorney-client privilege.

(h) The Collateral Agent is hereby authorized and directed to execute and deliver the Credit Agreement.

(i) The Collateral Agent shall have no duty to monitor or verify whether any Holder (or beneficial owner) is a Section 13 Banking Entity.

Section 6.19 Notice of Event of Default by the Collateral Agent. Promptly (and in no event later than three Business Days) after the occurrence of any Event of Default actually known to a Trust Officer of the Collateral Agent or after any declaration of acceleration has been made or delivered to the Collateral Agent pursuant to Section 5.2, the Collateral Agent shall give notice to the Co-Issuers, the Trustee, the Collateral Manager, DTC, each Rating Agency, each Paying Agent and each Holder, as their names and addresses appear on the Note Register, the Loan Register or the Share Register, as applicable, of all Events of Defaults hereunder actually known to the Trust Officer of the Collateral Agent, unless such Event of Default shall have been cured or waived. Upon the Collateral Agent receiving written notice from the Collateral Manager that an event constituting "cause" as defined in the Collateral Management Agreement has occurred, the Collateral Agent shall, not later than two Business Days thereafter, forward such notice to each Holder (as their names appear in the Note Register, the Loan Register or the Share Register, as applicable).

Notwithstanding anything to the contrary contained herein, (i) until so notified or until a Trust Officer of the Collateral Agent obtains actual knowledge that a Collateral Obligation has become a Defaulted Obligation, the Collateral Agent shall not be deemed to have any notice or knowledge that a Collateral Obligation has become a Defaulted Obligation and (ii) the Collateral Agent shall not be responsible for determining or overseeing compliance with the definition of "Eligible Investments".

Section 6.20 Certain Rights of Collateral Agent. Except as otherwise provided in Section 6.18:

(a) the Collateral Agent may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Issuer or the Co-Issuer mentioned herein shall be sufficiently evidenced by an Issuer Request or Issuer Order, as the case may be;

(c) whenever in the administration of this Indenture or the Credit Agreement the Collateral Agent shall (i) deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Collateral Agent (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's certificate or Issuer Order, or (ii) be required to determine the value of any Assets or funds hereunder or the cash flows projected to be received therefrom, the Collateral Agent may, in the absence of bad faith on its part, rely on reports of nationally recognized accountants (which may or may not be the Independent accountants appointed by the Issuer pursuant to Section 10.9), investment bankers or other Persons qualified to provide the information required to make such determination, including nationally recognized dealers in securities of the type being valued, securities quotation services, loan pricing services and loan valuation agents;

(d) as a condition to the taking or omitting of any action by it hereunder or under the Credit Agreement, the Collateral Agent may consult with counsel and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in reliance thereon;

(e) the Collateral Agent shall be under no obligation to exercise, enforce or to honor any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have provided to the Collateral Agent security or indemnity reasonably satisfactory to it against the costs, expenses (including reasonable attorneys' fees and expenses) and liabilities which might reasonably be incurred by it in compliance with such request or direction;

(f) the Collateral Agent shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report (including any Accountants' Certificate), notice, request, direction, consent, order, note or other paper or document, but the Collateral Agent, in its discretion, may, and upon the written direction of a Majority of the Controlling Class or of a Rating Agency shall (subject to the right hereunder to be indemnified to its reasonable satisfaction for associated expense and liability), make such further inquiry or investigation into such facts or matters as it may see fit or as it shall be directed, and the Collateral Agent shall be entitled, on reasonable prior notice to the Co-Issuers and the Collateral Manager, to examine the books and records relating to the Secured Debt and the Assets, personally or by agent or attorney, during the Co-Issuers' or the Collateral Manager's normal business hours; provided that, the Collateral Agent shall, and shall cause its agents to, hold in confidence all such information, except (i) to the extent disclosure may be required by law or by any regulatory, administrative or governmental authority and (ii) to the extent that the Collateral Agent, in its sole discretion, may determine that such disclosure is consistent with its obligations hereunder; provided further, that the Collateral Agent may disclose on a confidential basis any such information to its agents, attorneys and auditors in connection with the performance of its responsibilities hereunder;

(g) the Collateral Agent may execute any of the trusts or powers hereunder or perform any duties hereunder or under the Credit Agreement either directly or by or through agents or attorneys; provided that, the Collateral Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(h) the Collateral Agent shall not be liable for any action it takes or omits to take in good faith that it reasonably believes to be authorized or within its rights or powers hereunder, including actions or omissions to act at the direction of the Collateral Manager;

(i) nothing herein shall be construed to impose an obligation on the part of the Collateral Agent to monitor, recalculate, evaluate, verify or independently determine the accuracy of any report, certificate or information received from the Issuer, the Co-Issuers, the Collateral Manager, the Transferor or any other Person (unless and except to the extent otherwise expressly set forth herein);

(j) to the extent any defined term hereunder, or any calculation required to be made or determined by the Collateral Agent hereunder, is dependent upon or defined by reference to GAAP, the Collateral Agent shall be entitled to request and receive (and conclusively rely upon) instruction from the Issuer or the accountants, which may or may not be the Independent accountants appointed by the Issuer pursuant to Section 10.8, (and in the absence of its receipt of timely instruction therefrom, shall be entitled to obtain from an Independent accountant at the expense of the Issuer) as to the application of GAAP in such connection, in any instance;

(k) the permissive rights of the Collateral Agent to take or refrain from taking any actions enumerated in this Indenture or under the Credit Agreement shall not be construed as a duty;

(l) to the extent permitted by applicable law, the Collateral Agent shall not be required to give any bond or surety in respect of the execution of this Indenture or otherwise;

(m) the Collateral Agent shall not be deemed to have notice or knowledge of any matter unless a Responsible Officer of the Bank has actual knowledge thereof or unless written notice thereof is received by the Collateral Agent at the Corporate Trust Office and such notice references the Secured Debt generally, the Issuer, the Co-Issuer or this Indenture; whenever reference is made herein to a Default or an Event of Default such reference shall, insofar as determining any liability on the part of the Collateral Agent is concerned, be construed to refer only to a Default or an Event of Default of which the Collateral Agent is deemed to have knowledge in accordance with this paragraph;

(n) the Collateral Agent shall not be responsible for delays or failures in performance resulting from acts beyond its control and shall not be responsible or liable for any inaccuracies in the records of the Collateral Manager, any Clearing Agency, Euroclear, Clearstream or any other intermediary (other than the Bank in its individual or other capacities hereunder), or for the actions or omissions of any such Person hereunder (including compliance with the procedures relating to compliance with Rule 17g-5 in accordance with and to the extent set forth in Section 14.17) or under any document executed in connection herewith;

(o) unless the Collateral Agent receives written notice of an error or omission related to financial information or disbursements provided to Holders within 90 days of Holders' receipt of the same, the Collateral Agent shall have no liability in connection with such and, absent direction by the requisite percentage of Holders entitled to direct the Collateral Agent, no further obligations in connection therewith;

(p) the Collateral Agent or its Affiliates are permitted to receive additional compensation that could be deemed to be in the Collateral Agent's economic self-interest for (i) serving as investment adviser, administrator, shareholder, servicing agent, custodian or sub-custodian with respect to certain of the Eligible Investments, (ii) using Affiliates to effect transactions in certain Eligible Investments and (iii) effecting transactions in certain Eligible Investments. Such compensation is not payable or reimbursable under Section 6.24;

(q) the Collateral Agent shall not be liable for the actions or omissions of the Collateral Manager, the Issuer, the Co-Issuer, any Paying Agent (other than the Collateral Agent), DTC, Euroclear, Clearstream, or any other clearing agency or depository, or any Authenticating Agent (other than the Trustee) and without limiting the foregoing, the Collateral Agent shall not be under any obligation to monitor, evaluate or verify compliance by the Collateral Manager with the terms hereof or the Collateral Management Agreement or any other Transaction Document to which it is a party, or by the Transferor with the terms hereof or the Master Loan Sale Agreement, or to verify or independently determine the accuracy of information received by it from the Collateral Manager (or from any selling institution, agent bank, trustee or similar source), Transferor or any other Person with respect to the Assets;

(r) notwithstanding any term hereof (or any term of the UCC that might otherwise be construed to be applicable to a Securities Intermediary) to the contrary, the Collateral Agent shall not be under a duty or obligation in connection with the acquisition or Grant by the Issuer to the Collateral Agent of any item constituting the Assets, or to evaluate the sufficiency of the documents or instruments delivered to it by or on behalf of the Issuer in connection with its Grant or otherwise, or in that regard to examine any Underlying Document, in each case, in order to determine compliance with applicable requirements of and restrictions on transfer in respect of such Assets;

(s) the Collateral Agent shall have no obligation to determine, verify or monitor whether a Retention Deficiency has occurred or whether the EU Securitization Laws, the U.S. Risk Retention Rules or the risk retention regulations of any other jurisdiction have been or will be complied with;

(t) the Collateral Agent shall be entitled to conclusively rely on the Collateral Manager with respect to whether or not a Collateral Obligation meets the criteria specified in the definition thereof and for the characterization, classification, designation or categorization of each Collateral Obligation;

(u) in the event the Bank is also acting in the capacity of Paying Agent, Note Registrar, Transfer Agent, Authenticating Agent, Custodian, Calculation Agent, Loan Agent, Trustee or Securities Intermediary, the rights, protections, benefits, immunities and indemnities afforded to the Collateral Agent pursuant to this Article VI shall also be afforded to the Bank acting in such capacities; provided that such rights, protections, benefits, immunities and indemnities are in addition to such rights, protections, benefits, immunities and indemnities otherwise provided;

(v) in making or disposing of any investment permitted by this Indenture, the Collateral Agent is authorized to deal with itself (in its individual capacity) or with any one or more of its Affiliates, in each case on an arm's length basis, whether it or such Affiliate is acting as a subagent of the Collateral Agent or for any third person or dealing as principal for its own account. If otherwise qualified, obligations of the Bank or any of its Affiliates shall qualify as Eligible Investments hereunder;

(w) the Collateral Agent shall have no duty (i) to see to any recording, filing relating to the perfection of any security interest in the Assets, or depositing of this Indenture or any supplemental indenture or any financing statement or continuation statement evidencing a security interest, or to see to the maintenance of any such recording, filing or depositing or to any rerecording, refiling or redepositing of any thereof or (ii) to maintain any insurance;

(x) the Collateral Administrator shall have the same rights, privileges and indemnities afforded to the Collateral Agent in Sections 6.20, 6.21 and 6.22; provided that, such rights, immunities and indemnities shall be in addition to, and not in limitation of, any rights, immunities and indemnities provided in the Collateral Administration Agreement;

(y) the Collateral Agent shall not be responsible for delays or failures in performance resulting from circumstances beyond its control (such circumstances include but are not limited to acts of God, strikes, lockouts, riots, acts of war, loss or malfunctions of utilities, computer (hardware or software) or communications services);

(z) to help fight the funding of terrorism and money laundering activities, the Collateral Agent shall request, verify and record information that identifies individuals or entities that establish a relationship or open an account with the Collateral Agent. The Collateral Agent shall ask for the name, address, tax identification number and other information that will allow the Collateral Agent to identify the individual or entity who is establishing the relationship or opening the account. The Collateral Agent may also ask for formation documents such as organizational documents, an offering memorandum, or other identifying documents to be provided by the Issuer. Nothing herein shall be construed to impose any liability or obligation on the part of the Collateral Agent to monitor AML Compliance by any person;

(aa) the Collateral Agent will be under no obligation to (i) confirm or verify whether the conditions to the Delivery of the Assets have been satisfied or to determine whether or not a Collateral Obligation is eligible for purchase hereunder or meets the criteria in the definition thereof or whether the conditions for an Exchange Transaction as provided in Section 12.5 have been satisfied or (ii) evaluate the sufficiency of the documents or instruments delivered to it by or on behalf of the Issuer in connection with the Grant by the Issuer to the Collateral Agent of any item constituting an Asset or otherwise, or in that regard to examine any Underlying Documents, in order to determine compliance with applicable requirements of and restrictions on transfer of an Asset and neither the Collateral Agent nor the Collateral Administrator shall have any obligation to determine: (x) if a Collateral Obligation meets the criteria specified in the definition of "Collateral Obligation," or the eligibility restrictions herein or (y) whether a Tax Event has occurred;

(bb) notwithstanding anything to the contrary herein, any and all email communications (both text and attachments) by or from the Collateral Agent that the Collateral Agent deems to contain confidential, proprietary, and/or sensitive information may be encrypted. The recipient of the encrypted email communication will be required to complete a registration process. Instructions on how to register and/or retrieve an encrypted message will be included in the first secure email sent by the Collateral Agent to such recipient; and

(cc) if within 80 calendar days of delivery of financial information or disbursements (which delivery may be via posting to the Collateral Agent's website) the Bank receives written notice of an error or omission related thereto and within ten calendar days of the Bank's receipt of such notice the Collateral Manager and Issuer confirm such error or omission, the Bank agrees to use reasonable efforts to correct such error or omission and such use of reasonable efforts shall be the only obligation of the Bank in connection therewith. The Bank shall not be required to take any action beyond such period and shall have no responsibility for the same. In no event shall the Bank be obligated to take any action at any time at the request or direction of any Person unless such Person shall have offered to the Bank indemnity reasonably satisfactory to it.

Section 6.21 Collateral Agent Not Responsible for Recitals or Issuance of Secured Debt. The recitals contained herein and in the Secured Debt, other than the Certificate of Authentication thereon, shall be taken as the statements of the Issuer or the Co-Issuers, as applicable, and the Collateral Agent assumes no responsibility for their correctness. The Collateral Agent makes no representation as to the validity or sufficiency of this Indenture (except as may be made with respect to the validity of the Collateral Agent's obligations hereunder), the Credit Agreement, the Assets or the Secured Debt. The Collateral Agent shall not be accountable for the use or application by the Co-Issuers of the Secured Debt or the proceeds thereof or any Money paid to the Co-Issuers pursuant to the provisions hereof.

Section 6.22 Collateral Agent May Hold Secured Debt. The Collateral Agent, any Paying Agent, Registrar or any other agent of the Co-Issuers, in its individual or any other capacity, may become the owner or pledgee of Secured Debt and may otherwise deal with the Co-Issuers or any of their Affiliates with the same rights it would have if it were not Collateral Agent, Paying Agent, Registrar or such other agent.

Section 6.23 Money Held in Trust by the Collateral Agent. Money held by the Collateral Agent hereunder shall be held in trust to the extent required herein. The Collateral Agent shall be under no liability for interest on any Money received by it hereunder, except in its capacity as the Bank to the extent of income or other gain on investments which are deposits in or certificates of deposit of the Bank in its commercial capacity and income or other gain actually received by the Collateral Agent on Eligible Investments.

Section 6.24 Compensation and Reimbursement of the Collateral Agent

(a) The Issuer agrees:

(i) to pay the Collateral Agent on each Payment Date reasonable compensation as set forth in a separate fee schedule dated on or before the Closing Date between the Collateral Agent and the Issuer for all services rendered by it hereunder;

(ii) except as otherwise expressly provided herein, to reimburse the Collateral Agent in a timely manner upon its request for all reasonable expenses, disbursements and advances incurred or made by the Collateral Agent in accordance with any provision of this Indenture or other Transaction Document (including, without limitation, expenses in connection with FATCA Compliance and securities transaction charges and the reasonable compensation and expenses and disbursements of its agents and legal counsel and of any accounting firm or investment banking firm employed by the Collateral Agent pursuant to Sections 5.4, 5.5, 6.20(c), 10.7 or any other term of this Indenture, except any such expense, disbursement or advance as may be attributable to its gross negligence, willful misconduct or bad faith) but with respect to securities transaction charges, only to the extent any such charges have not been waived during a Collection Period due to the Collateral Agent's receipt of a payment from a financial institution with respect to certain Eligible Investments, as specified by the Collateral Manager in writing;

(iii) to indemnify the Collateral Agent and its officers, directors, employees and agents for, and to hold them harmless against, any loss, liability or expense (including reasonable fees and expenses of its agents, experts and attorneys) incurred without gross negligence, willful misconduct or bad faith on their part, and arising out of or in connection with acting or serving as Collateral Agent under this Indenture and the other Transaction Documents to which it is a party, including the costs and expenses of defending themselves (including reasonable attorney's fees and costs) against any claim (whether brought by the Issuer or any third party) or liability in connection with the administration, exercise or performance of any of their powers or duties hereunder and under any other agreement or instrument related hereto and of enforcing this Indenture, such other Transaction Documents and/or any indemnification rights hereunder or thereunder; and

(iv) to pay the Collateral Agent reasonable additional compensation together with its expenses (including reasonable counsel fees) for any collection action taken pursuant to Section 6.30 or the exercise or enforcement of remedies pursuant to Article V.

(b) The Collateral Agent shall receive amounts pursuant to this Section 6.24 and any other amounts payable to it under this Indenture or in any of the Transaction Documents to which the Collateral Agent is a party in accordance with the Priority of Payments but only to the extent that funds are available for the payment thereof. Subject to Section 6.26, the Collateral Agent shall continue to serve as Collateral Agent under this Indenture notwithstanding the fact that the Collateral Agent shall not have received amounts due it hereunder; provided that, nothing herein shall impair or affect the Collateral Agent's rights under Section 6.26. No direction by the Holders shall affect the right of the Collateral Agent to collect amounts owed to it under this Indenture. If on any date when a fee or expense shall be payable to the Collateral Agent pursuant to this Indenture insufficient funds are available for the payment thereof, any portion of a fee or expense not so paid shall be deferred and payable on such later date on which a fee or expense shall be payable and sufficient funds are available therefor. The Issuer's obligations under this Section 6.24 shall survive the termination of this Indenture and the resignation or removal of the Collateral Agent pursuant to Section 6.26.

(c) The Collateral Agent hereby agrees not to cause the filing against the Issuer, the Co-Issuer or any of their subsidiaries of a petition in bankruptcy for the non-payment to the Collateral Agent of any amounts provided by this Section 6.24 until at least one year and one day, or if longer the applicable preference period then in effect and one day, after the payment in full of all Secured Debt issued under this Indenture or incurred under the Credit Agreement. The Issuer's payment obligations to the Trustee under this Section 6.24 shall be secured by the lien of this Indenture payable in accordance with the Priority of Payments, and shall survive the discharge of this Indenture and the resignation or removal of the Trustee. When the Trustee incurs expenses after the occurrence of a Default or an Event of Default under Section 5.1(e) or Section 5.1(f), the expenses are intended to constitute expenses of administration under the Bankruptcy Code or any other applicable federal or state bankruptcy, insolvency or similar law.

(d) To the extent that the entity acting as Collateral Agent is acting as Registrar, Calculation Agent, Paying Agent, Authenticating Agent, Securities Intermediary or Custodian, the rights, privileges, immunities and indemnities set forth in this Article VI shall also apply to it acting in each such capacity.

Section 6.25 Corporate Collateral Agent Required; Eligibility. There shall at all times be a Collateral Agent hereunder which shall be an organization or entity organized and doing business under the laws of the United States of America or of any state thereof, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least U.S.$200,000,000, subject to supervision or examination by federal or state authority, having a counterparty risk assessment of at least "BBB+" by S&P and having an office within the United States. If such organization or entity publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 6.25, the combined capital and surplus of such organization or entity shall be deemed to be its combined capital and surplus as set forth in its most recent published report of condition. If at any time the Collateral Agent shall cease to be eligible in accordance with the provisions of this Section 6.25, it shall resign immediately in the manner and with the effect hereinafter specified in this Article VI.

Section 6.26 Resignation and Removal of the Collateral Agent; Appointment of Successor Collateral Agent.

(a) No resignation or removal of the Collateral Agent and no appointment of a successor Collateral Agent pursuant to this Article VI shall become effective until the acceptance of appointment by the successor Collateral Agent under Section 6.27.

(b) The Collateral Agent may resign at any time by giving written notice thereof to the Co-Issuers, the Collateral Manager, the Trustee, the Loan Agent, the Holders of the Secured Debt and the Rating Agency not less than 30 days prior to such resignation. Upon receiving such notice of resignation, the Co-Issuers shall promptly appoint a successor collateral agent or collateral agents satisfying the requirements of Section 6.25 by written instrument, in duplicate, executed by a Responsible Officer of the Issuer and a Responsible Officer of the Co-Issuer, one copy of which shall be delivered to the Collateral Agent so resigning and one copy to the successor collateral agent or collateral agents, together with a copy to each Holder and the Collateral Manager; provided that, the Issuer shall provide prior written notice to the Rating Agency of any such appointment; provided, further, that the Issuer shall not appoint such successor collateral agent or collateral agents without the consent of a Majority of the Secured Debt of each Class (or, at any time when an Event of Default shall have occurred and be continuing or when a successor Collateral Agent has been appointed pursuant to Section 6.26(e), by an Act of a Majority of the Controlling Class). If no successor Collateral Agent shall have been appointed and an instrument of acceptance by a successor Collateral Agent shall not have been delivered to the Collateral Agent within 30 days after the giving of such notice of resignation, the resigning Collateral Agent or any Holder, on behalf of himself and all others similarly situated, may petition any court of competent jurisdiction for the appointment of a successor Collateral Agent satisfying the requirements of Section 6.25.

(c) The Collateral Agent may be removed at any time upon 30 days' written notice by Act of a Majority of each Class of Secured Debt voting separately or, at any time when an Event of Default shall have occurred and be continuing, by an Act of a Majority of the Controlling Class, delivered to the Collateral Agent, the Trustee, the Loan Agent and to the Co-Issuers.

(d) If at any time:

(i) the Collateral Agent shall cease to be eligible under Section 6.25 and shall fail to resign after written request therefor by the Co-Issuers or any Holder; or

(ii) the Collateral Agent shall become incapable of acting or shall be adjudged as bankrupt or insolvent or a receiver or liquidator of the Collateral Agent or of its property shall be appointed or any public officer shall take charge or control of the Collateral Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation;

then, in any such case (subject to Section 6.26(i)), (A) the Co-Issuers, by Issuer Order, may remove the Collateral Agent, or (B) subject to Section 5.15, any Holder may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Collateral Agent and the appointment of a successor Collateral Agent.

(e) If the Collateral Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Collateral Agent for any reason (other than resignation), the Co-Issuers, by Issuer Order, shall promptly appoint a successor Collateral Agent. If the Co-Issuers shall fail to appoint a successor Collateral Agent within 30 days after such resignation, removal or incapability or the occurrence of such vacancy, a successor Collateral Agent may be appointed by a Majority of the Controlling Class by written instrument delivered to the Issuer and the retiring Collateral Agent. The successor Collateral Agent so appointed shall, forthwith upon its acceptance of such appointment, become the successor Collateral Agent and supersede any successor Collateral Agent proposed by the Co-Issuers. If no successor Collateral Agent shall have been so appointed by the Co-Issuers or a Majority of the Controlling Class and shall have accepted appointment in the manner hereinafter provided, subject to Section 5.15, the retiring Collateral Agent may, or any Holder may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Collateral Agent.

(f) The Co-Issuers shall give prompt notice of each resignation and each removal of the Collateral Agent and each appointment of a successor Collateral Agent by providing written notice of such event to the Collateral Manager, the Trustee, the Loan Agent, to the Holders of the Secured Debt as their names and addresses appear in the Note Register or the Loan Register, as applicable, and to each Rating Agency. Each notice shall include the name of the successor Collateral Agent and the address of its Corporate Trust Office. If the Co-Issuers fail to provide such notice within 10 days after acceptance of appointment by the successor Collateral Agent, the successor Collateral Agent shall cause such notice to be given at the expense of the Co-Issuers.

(g) Any resignation or removal of the Collateral Agent under this Section 6.26 shall be an effective resignation or removal of the Bank in all capacities under this Indenture.

Section 6.27 Acceptance of Appointment by Successor Collateral Agent. Every successor Collateral Agent appointed hereunder shall meet the requirements of Section 6.25 and shall execute, acknowledge and deliver to the Co-Issuers and the retiring Collateral Agent an instrument accepting such appointment. Upon delivery of the required instruments, the resignation or removal of the retiring Collateral Agent shall become effective and such successor Collateral Agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of the retiring Collateral Agent; but, on request of the Co-Issuers or a Majority of any Class of Secured Debt or the successor Collateral Agent, such retiring Collateral Agent shall, upon payment of its charges then unpaid, execute and deliver an instrument transferring to such successor Collateral Agent all the rights, powers and trusts of the retiring Collateral Agent, and shall duly assign, transfer and deliver to such successor Collateral Agent all property and Money held by such retiring Collateral Agent hereunder. Upon request of any such successor Collateral Agent, the Co- Issuers shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Collateral Agent all such rights, powers and trusts.

Section 6.28 Merger, Conversion, Consolidation or Succession to Business of Collateral Agent. Any organization or entity into which the Collateral Agent may be merged or converted or with which it may be consolidated, or any organization or entity resulting from any merger, conversion or consolidation to which the Collateral Agent shall be a party, or any organization or entity succeeding to all or substantially all of the corporate trust business of the Collateral Agent, shall be the successor of the Collateral Agent hereunder; provided that, such organization or entity shall be otherwise qualified and eligible under this Article VI, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any of the Secured Debt has been authenticated, but not delivered, by the Collateral Agent then in office, any successor by merger, conversion or consolidation to such authenticating Collateral Agent may adopt such authentication and deliver the Secured Debt so authenticated with the same effect as if such successor Collateral Agent had itself authenticated such Secured Debt.

Section 6.29 Certain Duties of Collateral Agent Related to Delayed Payment of Proceeds. In the event that in any month the Collateral Agent receives notice from the Collateral Manager or the Collateral Administrator that a payment has not been received with respect to any Asset on its Due Date, (a) the Collateral Agent shall promptly notify the Issuer, the Trustee and the Collateral Manager in writing or electronically and (b) unless within three Business Days (or the end of the applicable grace period for such payment, if longer) after such notice such payment shall have been received by the Collateral Agent, or the Issuer, in its absolute discretion (but only to the extent permitted by Section 10.2(a)), shall have made provision for such payment satisfactory to the Collateral Agent in accordance with Section 10.2(a), the Collateral Agent shall request the issuer of such Asset, the trustee under the related Underlying Document or paying agent designated by either of them, as the case may be, to make such payment as soon as practicable after such request but in no event later than three Business Days after the date of such request. In the event that such payment is not made within such time period, the Collateral Agent, subject to the provisions of clause (iv) of Section 6.18(c), shall take such reasonable action as the Collateral Manager shall direct in writing. Any such action shall be without prejudice to any right

to claim a Default or Event of Default under this Indenture. In the event that the Issuer or the Collateral Manager requests a release of an Asset and/or delivers an additional Collateral Obligation in connection with any such action under the Collateral Management Agreement or under this Indenture, such release and/or substitution shall be subject to Section 10.7 and Article XII of this Indenture, as the case may be. Notwithstanding any other provision hereof, the Collateral Agent shall deliver to the Issuer or its designee any payment with respect to any Asset or any additional Collateral Obligation received after the Due Date thereof to the extent the Issuer previously made provisions for such payment satisfactory to the Collateral Agent in accordance with this Section 6.29 and such payment shall not be deemed part of the Assets.

Section 6.30 Withholding. If any withholding tax is imposed on the Issuer's payment (or allocations of income) under the Notes to any Holder, such tax shall reduce the amount otherwise distributable to such Holder. The Collateral Agent or any Paying Agent is hereby authorized and directed to retain from amounts otherwise distributable to any Holder sufficient funds for the payment of any tax that is legally owed by the Issuer (but such authorization shall not prevent the Collateral Agent or such Paying Agent from contesting any such tax in appropriate proceedings and withholding payment of such tax, if permitted by law, pending the outcome of such proceedings). The amount of any withholding tax imposed with respect to any Holder shall be treated as cash distributed to such Holder at the time it is withheld by the Collateral Agent or any Paying Agent and remitted to the appropriate taxing authority. If there is a possibility that withholding tax is payable with respect to a distribution and the Collateral Agent or any Paying Agent has not received documentation from such Holder showing an exemption from withholding, the Collateral Agent or such Paying Agent shall withhold such amounts in accordance with this Section 6.30. If any Holder wishes to apply for a refund of any such withholding tax, the Collateral Agent or such Paying Agent shall reasonably cooperate with such Holder in making such claim so long as such Holder agrees to reimburse the Collateral Agent or such Paying Agent for any out-of-pocket expenses incurred. Nothing herein shall impose an obligation on the part of the Collateral Agent or any Paying Agent to determine the amount of any tax or withholding obligation on the part of the Issuer or in respect of the Secured Debt.

Section 6.31 Collateral Agent as Representative for Secured Holders Only; Collateral Agent as Agent for each other Secured Party. With respect to the security interest created hereunder, the delivery of any Asset to the Collateral Agent is to the Collateral Agent as representative of the Holders of Secured Debt and agent for each other Secured Party. In furtherance of the foregoing, the possession by the Collateral Agent of any Asset, the endorsement to or registration in the name of the Collateral Agent of any Asset are all undertaken by the Collateral Agent in its capacity as representative of the Holders of Secured Debt and agent for each other Secured Party.

Section 6.32 Communication with the Rating Agency. Subject to Section 14.18, any written communication, including any confirmation, from a Rating Agency provided for or required to be obtained by the Collateral Agent or the Trustee hereunder shall be sufficient in each case when such communication or confirmation is received by the Collateral Agent or the Trustee, as applicable, including by electronic message, facsimile, press release, posting to such Rating Agency's website, or other written communication.

ARTICLE VII

COVENANTS

Section 7.1 Payment of Principal and Interest. The Co-Issuers will duly and punctually pay the principal of and interest on the Secured Debt, in accordance with the terms of such Class of Secured Debt and this Indenture and the Credit Agreement pursuant to the Priority of Payments. The Issuer will, to the extent funds are available pursuant to the Priority of Payments, duly and punctually pay all required distributions on the Preferred Shares to the Fiscal Agent, in accordance with the Fiscal Agency Agreement and this Indenture.

Amounts properly withheld under the Code or other applicable law by any Person from a payment under a Note shall be considered as having been paid by the Issuer to the relevant Holder for all purposes of this Indenture.

Section 7.2 Maintenance of Office or Agency. The Co-Issuers hereby appoint the Collateral Agent as a Paying Agent for payments on the Notes, and appoint the Bank as Transfer Agent at its applicable Corporate Trust Office or its agent designated for purposes of surrender, transfer or exchange as the Co-Issuers' agent where Notes may be surrendered for registration of transfer or exchange. The Co-Issuers hereby appoint The Corporation Trust Company, as their agent upon whom process or demands may be served in any action arising out of or based on this Indenture or the transactions contemplated hereby.

The Co-Issuers may at any time and from time to time vary or terminate the appointment of any such agent or appoint any additional agents for any or all of such purposes and no paying agent shall be appointed in a jurisdiction which subjects payments on the Notes to withholding tax solely as a result of such Paying Agent's activities. The Co-Issuers shall at all times maintain a duplicate copy of the Note Register and the Loan Register at the Corporate Trust Office of the Trustee. The Co-Issuers shall give prompt written notice to the Trustee, the Collateral Agent, the Loan Agent, each Rating Agency then rating a Class of Secured Debt and the Holders of the appointment or termination of any such agent and of the location and any change in the location of any such office or agency.

If at any time the Co-Issuers shall fail to maintain any such required office or agency, or shall fail to furnish the Trustee with the address thereof, presentations and surrenders may be made (subject to the limitations described in the preceding paragraph) at, notices and demands may be served on the Co-Issuers, and Notes may be presented and surrendered for payment to the appropriate Paying Agent at its main office, and the Co-Issuers hereby appoints the same as their agent to receive such respective presentations, surrenders, notices and demands.

Section 7.3 Money for Note Payments to be Held in Trust. All payments of amounts due and payable with respect to any Secured Debt that are to be made from amounts withdrawn from the Payment Account shall be made on behalf of the Co-Issuers by the Collateral Agent or a Paying Agent with respect to payments on the Secured Debt.

When the Co-Issuers shall have a Paying Agent that is not also the Note Registrar, the Issuer shall furnish, or cause the Note Registrar to furnish, no later than the fifth calendar day after each Record Date a list, if necessary, in such form as such Paying Agent may reasonably request, of the names and addresses of the Holders and of the certificate numbers of individual Notes held by each such Holder.

Whenever the Co-Issuers shall have a Paying Agent other than the Collateral Agent, the Issuer shall, on or before the Business Day next preceding each Payment Date and on any Redemption Date, as the case may be, direct the Collateral Agent to deposit on such Payment Date or such Redemption Date, as the case may be, with such Paying Agent, if necessary, an aggregate sum sufficient to pay the amounts then becoming due (to the extent funds are then available for such purpose in the Payment Account), such sum to be held in trust for the benefit of the Persons entitled thereto and (unless such Paying Agent is the Collateral Agent) the Co-Issuers shall promptly notify the Collateral Agent of its action or failure so to act. Any Monies deposited with a Paying Agent (other than the Collateral Agent) in excess of an amount sufficient to pay the amounts then becoming due on the Notes with respect to which such deposit was made shall be paid over by such Paying Agent to the Collateral Agent for application in accordance with Article XI.

The initial Paying Agent shall be as set forth in Section 7.2. Any additional or successor Paying Agents shall be appointed by Issuer Order with written notice thereof to the Trustee; provided that so long as the Notes of any Class are rated by a Rating Agency, with respect to any additional or successor Paying Agent, either (i) such Paying Agent has a long-term debt rating of "A+" or higher by S&P or a short-term debt rating of "A-1" by S&P and (to the extent that Fitch is rating any Secured Debt then Outstanding) a short-term credit rating of at least "F1" or a long-term rating of at least "A" by Fitch or (ii) the Global Rating Agency Condition is satisfied. If such successor Paying Agent ceases to have a long-term debt rating of "A+" or higher by S&P or a short-term debt rating of "A-1" by S&P and (to the extent that Fitch is rating any Secured Debt then Outstanding) a short-term credit rating of at least "F1" or a long-term rating of at least "A" by Fitch, the Co-Issuers shall promptly remove such Paying Agent and appoint a successor Paying Agent. The Co-Issuers shall not appoint any Paying Agent that is not, at the time of such appointment, a depository institution or trust company subject to supervision and examination by federal and/or state and/or national banking authorities. The Co-Issuers shall cause each Paying Agent other than the Collateral Agent to execute and deliver to the Collateral Agent an instrument in which such Paying Agent shall agree with the Collateral Agent and if the Collateral Agent acts as Paying Agent, it hereby so agrees, subject to the provisions of this Section 7.3, that such Paying Agent will:

(a) allocate all sums received for payment to the Holders of Notes for which it acts as Paying Agent on each Payment Date and any Redemption Date among such Persons in the proportion specified in the applicable Distribution Report to the extent permitted by applicable law;

(b) hold all sums held by it for the payment of amounts due with respect to the Notes in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided and pay such sums to such Persons as herein provided;

(c) if such Paying Agent is not the Collateral Agent, immediately resign as a Paying Agent and forthwith pay to the Collateral Agent all sums held by it in trust for the payment of Notes if at any time it ceases to meet the standards set forth above required to be met by a Paying Agent at the time of its appointment;

(d) if such Paying Agent is not the Collateral Agent, immediately give the Collateral Agent notice of any default by the Issuer or the Co-Issuer (or any other obligor upon the Notes) in the making of any payment required to be made; and

(e) if such Paying Agent is not the Collateral Agent, during the continuance of any such default, upon the written request of the Collateral Agent, forthwith pay to the Collateral Agent all sums so held in trust by such Paying Agent.

The Co-Issuers may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Issuer Order direct any Paying Agent to pay, to the Collateral Agent all sums held in trust by the Co-Issuers or such Paying Agent, such sums to be held by the Collateral Agent upon the same trusts as those upon which such sums were held by the Co-Issuers or such Paying Agent; and, upon such payment by any Paying Agent to the Collateral Agent, such Paying Agent shall be released from all further liability with respect to such Money.

Except as otherwise required by applicable law, any Money deposited with the Trustee or any Paying Agent in trust for any payment on any Note and remaining unclaimed for two years after such amount has become due and payable shall be paid to the Issuer on Issuer Order; and the Holder of such Note shall thereafter, as an unsecured general creditor, look only to the Issuer for payment of such amounts (but only to the extent of the amounts so paid to the Issuer) and all liability of the Trustee or such Paying Agent with respect to such trust Money shall thereupon cease. The Trustee or such Paying Agent, before being required to make any such release of payment, may, but shall not be required to, adopt and employ, at the expense of the Issuer any reasonable means of notification of such release of payment, including, but not limited to, mailing notice of such release to Holders whose Notes have been called but have not been surrendered for redemption or whose right to or interest in Monies due and payable but not claimed is determinable from the records of any Paying Agent, at the last address of record of each such Holder.

Section 7.4 Existence of Co-Issuers. (a) The Issuer and the Co-Issuer each shall, to the maximum extent permitted by applicable law, maintain in full force and effect its existence and rights, in the case of the Issuer, as an exempted company incorporated with limited liability under the laws of the Cayman Islands and, in the case of the Co-Issuer, as a limited liability company organized under the laws of the State of Delaware, and in each case shall obtain and preserve its qualification to do business as a company, in each jurisdiction in which such qualifications are or shall be necessary to protect the validity and enforceability of this Indenture, the Credit Agreement, the Secured Debt, or any of the Assets; provided that the Issuer shall be entitled to change its jurisdiction of organization from the Cayman Islands to any other jurisdiction reasonably selected by the Issuer at the direction of a Majority of the Preferred Shares so long as (i) the Issuer has received a legal opinion (upon which the Trustee, the Collateral Agent and the Loan Agent may conclusively rely) to the effect that such change is not disadvantageous in any

material respect to the Holders, (ii) written notice of such change shall have been given to the Trustee, the Collateral Agent and the Loan Agent by the Issuer, which notice shall be promptly forwarded by the Trustee to the Holders, the Collateral Manager and each Rating Agency, (iii) the S&P Rating Condition is satisfied and (iv) on or prior to the 15th Business Day following receipt of such notice the Collateral Agent shall not have received written notice from a Majority of the Controlling Class objecting to such change.

(b) Each of the Issuer and the Co-Issuer (i) shall ensure that all limited liability company or other formalities regarding its existence are followed, except where the failure to do so could not reasonably be expected to have a material adverse effect on the validity and enforceability of this Indenture, the Notes, or any of the Assets, and (ii) shall not have any employees (other than its directors or managers to the extent they are employees). Neither the Issuer nor the Co-Issuer shall take any action, or conduct its affairs in a manner, that is likely to result in its separate existence being ignored or in its assets and liabilities being substantively consolidated with any other Person in a bankruptcy, reorganization or other insolvency proceeding. Without limiting the foregoing, (i) the Issuer shall not have any subsidiaries other than the Co-Issuer and any Equity Holder Subsidiary, and (ii) except to the extent contemplated in the Administration Agreement (x) the Issuer and the Co-Issuer shall not (A) except as contemplated by the Offering Circular, any Transaction Document, the Memorandum and Articles or the Administration Agreement, engage in any transaction with any affiliate that would constitute a conflict of interest or (B) the Issuer shall not make distributions other than in accordance with the applicable terms of this Indenture, the Fiscal Agency Agreement and the Memorandum and Articles, and (y) the Issuer shall, except when otherwise required for consolidated accounting purposes or tax purposes, (A) maintain books and records separate from any other Person, (B) maintain its accounts separate from those of any other Person, (C) not commingle its assets with those of any other Person, (D) conduct its own business in its own name, (E) maintain separate financial statements, (F) pay its own liabilities out of its own funds, (G) maintain an arm's length relationship with its Affiliates, (H) use separate stationery, invoices and checks, (I) hold itself out as a separate Person and (J) correct any known misunderstanding regarding its separate identity.

Section 7.5 Protection of Assets. (a) The Collateral Manager on behalf of the Issuer will cause the taking of such action within the Collateral Manager's control as is reasonably necessary in order to maintain the perfection and priority of the security interest of the Collateral Agent in the Assets; provided that the Collateral Manager shall be entitled to rely on any Opinion of Counsel delivered pursuant to Section 7.6 and any Opinion of Counsel with respect to the same subject matter delivered pursuant to Section 3.1(c) to determine what actions are reasonably necessary, and shall be fully protected in so relying on such an Opinion of Counsel, unless the Collateral Manager has actual knowledge that the procedures described in any such Opinion of Counsel are no longer adequate to maintain such perfection and priority. The Issuer shall from time to time execute and deliver all such supplements and amendments hereto and file or authorize the filing of all such Financing Statements, continuation statements, instruments of further assurance and other instruments, and shall take such other action as may be necessary or advisable or desirable to secure the rights and remedies of the Holders of Secured Debt hereunder and to:

(i) Grant more effectively all or any portion of the Assets;

(ii) maintain, preserve and perfect any Grant made or to be made by this Indenture including, without limitation, the first priority nature of the lien or carry out more effectively the purposes hereof;

(iii) perfect, publish notice of or protect the validity of any Grant made or to be made by this Indenture (including, without limitation, any and all actions necessary or desirable as a result of changes in law or regulations);

(iv) enforce any of the Assets or other instruments or property included in the Assets;

(v) preserve and defend title to the Assets and the rights therein of the Collateral Agent, for the benefit of the Secured Parties, in the Assets against the claims of all Persons and parties; or

(vi) pay or cause to be paid any and all taxes levied or assessed upon all or any part of the Assets.

The Issuer hereby designates the Collateral Agent as its agent and attorney in fact to prepare and file and hereby authorizes the filing of any Financing Statement, continuation statement and all other instruments, and take all other actions, required pursuant to this Section 7.5. Such designation shall not impose upon the Collateral Agent, or release or diminish, the Issuer's and the Collateral Manager's obligations under this Section 7.5. The Issuer further authorizes and shall cause the Issuer's counsel to file an initial Financing Statement on the Closing Date that names the Issuer as debtor and U.S. Bank National Association, on behalf of the Secured Parties, as secured party and that describes "all personal property of the Debtor now owned or hereafter acquired" as the Assets in which the Collateral Agent has a Grant.

(b) The Collateral Agent shall not, except in accordance with Section 5.5 or Section 10.8(a), (b) and (c), as applicable, permit the removal of any portion of the Assets or transfer any such Assets from the Account to which it is credited, or cause or permit any change in the Delivery made pursuant to Section 3.3 with respect to any Assets, if, after giving effect thereto, the jurisdiction governing the perfection of the Collateral Agent's security interest in such Assets is different from the jurisdiction governing the perfection at the time of delivery of the most recent Opinion of Counsel pursuant to Section 7.6 (or, if no Opinion of Counsel has yet been delivered pursuant to Section 7.6, the Opinion of Counsel delivered at the Closing Date pursuant to Section 3.1(c)) unless the Collateral Agent shall have received an Opinion of Counsel to the effect that the lien and security interest created by this Indenture with respect to such property and the priority thereof will continue to be maintained after giving effect to such action or actions.

(c) The Issuer shall make an entry with respect to the security interest created under this Indenture in the Issuer's register of mortgages and charges maintained at the Issuer's registered office in the Cayman Islands.

Section 7.6 Opinions as to Assets. At least 30 days prior to each five- year anniversary of the Closing Date, the Issuer shall furnish to the Trustee, the Collateral Agent and each Rating Agency an Opinion of Counsel relating to the continued perfection of the security interest granted by the Issuer to the Collateral Agent, stating that, as of the date of such opinion, the lien and security interest created by this Indenture with respect to the Assets remain perfected and that no further action (other than as specified in such opinion) needs to be taken to ensure the continued perfection of such lien over the next five years.

Section 7.7 Performance of Obligations. (a) The Co-Issuers, each as to itself, shall not take any action, and will use its best efforts not to permit any action to be taken by others, that would release any Person from any of such Person's covenants or obligations under any instrument included in the Assets, except in the case of enforcement action taken with respect to any Defaulted Obligation in accordance with the provisions hereof and actions by the Collateral Manager under the Collateral Management Agreement and in conformity therewith or with this Indenture, as applicable, or as otherwise required hereby or deemed necessary or advisable by the Collateral Manager in accordance with the Collateral Management Agreement.

(b) The Co-Issuers shall notify S&P and Fitch within 10 Business Days after it has received notice from any Noteholder or the Trustee of any material breach of any Transaction Document, following any applicable cure period for such breach.

Section 7.8 Negative Covenants. (a) The Issuer will not and, with respect to clauses (i), (ii), (iii), (iv), (vi), (vii), (viii), (ix) and (x) below, the Co-Issuer will not, in each case from and after the Closing Date:

(i) sell, transfer, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (or permit such to occur or suffer such to exist), any part of the Assets, except as expressly permitted by this Indenture and the Collateral Management Agreement;

(ii) claim any credit on, make any deduction from, or dispute the enforceability of payment of the principal or interest payable (or any other amount) in respect of the Notes (other than amounts withheld or deducted in accordance with the Code or any applicable laws of the Cayman Islands or any jurisdiction);

(iii) (A) incur or assume or guarantee any indebtedness, other than the Secured Debt, this Indenture, the Credit Agreement and the transactions contemplated hereby or (B)(1) issue any additional class of Notes except in compliance with Section 2.13 and 3.2 or (2) issue any additional Preferred Shares, except in compliance with Section 2.13 and 3.2 and in accordance with the Memorandum and Articles and the Fiscal Agency Agreement, other than in connection with a Refinancing;

(iv) (A) permit the validity or effectiveness of this Indenture, the Credit Agreement or any Grant hereunder to be impaired, or permit the lien of this Indenture to be amended, hypothecated, subordinated, terminated or discharged, or permit any Person to be released from any covenants or obligations with respect to this Indenture, the Credit Agreement or the Secured Debt except as may be permitted hereby or by the Collateral Management Agreement, (B) except as permitted by this Indenture, permit any lien, charge, adverse claim, security interest, mortgage or other encumbrance (other than the lien of this Indenture) to be created on or extend to or otherwise arise upon or burden any part of the Assets, any interest therein or the proceeds thereof, or (C) except as permitted by this Indenture, take any action that would permit the lien of this Indenture not to constitute a valid first priority security interest in the Assets;

(v) amend the Collateral Management Agreement except pursuant to the terms thereof and Article XV of this Indenture;

(vi) dissolve or liquidate in whole or in part, except as permitted hereunder or required by applicable law;

(vii) pay any Cash distributions other than in accordance with the Priority of Payments or as a Permitted RIC Distribution;

(viii) permit the formation of any subsidiaries other than the Co-Issuer and any Equity Holder Subsidiary;

(ix) conduct business under any name other than its own;

(x) have any employees (other than its directors or managers to the extent they are employees);

(xi) sell, transfer, exchange or otherwise dispose of Assets, or enter into an agreement or commitment to do so or enter into or engage in any business with respect to any part of the Assets, except as expressly permitted by both this Indenture and the Collateral Management Agreement;

(xii) enter into any hedging transactions or derivatives including, without limitation, any interest rate swap transactions; or

(xiii) amend the Credit Agreement except pursuant to the terms thereof and Article VIII hereof.

(b) The Issuer and the Co-Issuer shall not be party to any agreements without including customary "non-petition" and "limited recourse" provisions therein (and shall not amend or eliminate such provisions in any agreement to which it is party), except for any agreements related to the purchase and sale of any Assets which contain customary (as determined by the Collateral Manager in its sole discretion) purchase or sale terms or which are documented using customary (as determined by the Collateral Manager in its sole discretion) loan trading documentation.

(c) The Co-Issuer shall not invest any of its assets in "securities" as such term is defined in the 1940 Act, and shall keep all of its assets in Cash.

(d) So long as any Secured Debt is Outstanding, the Co-Issuer shall not elect to be taxable for U.S. federal income tax purposes as other than a disregarded entity without the unanimous consent of all Holders.

(e) The Co-Issuer shall not fail to maintain an independent manager under its limited liability company agreement.

(f) Notwithstanding anything contained herein to the contrary, the Issuer may not acquire any of Secured Debt; provided that this Section 7.8(c) shall not be deemed to limit the Issuer's rights or obligations relating to any redemption or Re-Pricing pursuant to the terms of this Indenture.

Section 7.9 Statement as to Compliance. On or before December 31 in each year commencing in 2020, or promptly after a Responsible Officer of the Issuer becomes aware thereof if there has been a Default under this Indenture and prior to the issuance of any additional Notes pursuant to Section 2.13, the Issuer shall deliver to the Trustee, the Collateral Agent and the Administrator (to be forwarded by the Trustee, the Collateral Agent or the Administrator, as applicable, to the Collateral Manager, the Loan Agent, each Noteholder making a written request therefor and each Rating Agency) an Officer's certificate of the Issuer that, having made reasonable inquiries of the Collateral Manager, and to the best of the knowledge, information and belief of the Issuer, there did not exist, as at a date not more than five days prior to the date of the certificate, nor had there existed at any time prior thereto since the date of the last certificate (if any), any Default hereunder or, if such Default did then exist or had existed, specifying the same and the nature and status thereof, including actions undertaken to remedy the same, and that the Issuer has complied with all of its obligations under this Indenture or, if such is not the case, specifying those obligations with which it has not complied.

Section 7.10 The Co-Issuers May Consolidate, etc. Neither the Issuer nor the Co-Issuer (the "Merging Entity") shall consolidate or merge with or into any other Person or, except as permitted under this Indenture, transfer or convey all or substantially all of its assets to any Person, unless permitted by Cayman Islands law (in the case of the Issuer) or United States and Delaware law (in the case of the Co-Issuer) and unless:

(a) the Merging Entity shall be the surviving entity, or the Person (if other than the Merging Entity) formed by such consolidation or into which the Merging Entity is merged or to which all or substantially all of the assets of the Merging Entity are transferred (the "Successor Entity") (A) if the Merging Entity is the Issuer, shall be a company organized and existing under the laws of the Cayman Islands or such other jurisdiction approved by a Majority of the Controlling Class; provided that no such approval shall be required in connection with any such transaction undertaken solely to effect a change in the jurisdiction of incorporation pursuant to Section 7.4, and (B) shall expressly assume, by an indenture supplemental hereto and an omnibus assumption agreement, executed and delivered to the Trustee, the Collateral Agent, the Loan Agent each Holder, the Collateral Manager and the Collateral Administrator, the due and punctual payment of the principal of and interest on all Secured Debt, the payments on the Preferred Shares and the performance and observance of every covenant of this Indenture and of each other Transaction Document on its part to be performed or observed, all as provided herein or therein, as applicable;

(b) the Global Rating Agency Condition shall have been satisfied;

(c) if the Merging Entity is not the Successor Entity, the Successor Entity shall have agreed with the Trustee, the Collateral Agent and the Loan Agent (i) to observe the same legal requirements for the recognition of such formed or surviving entity as a legal entity separate and apart from any of its Affiliates as are applicable to the Merging Entity with respect to its Affiliates and (ii) not to consolidate or merge with or into any other Person or, except as permitted by this Indenture, transfer or convey the Assets or all or substantially all of its assets to any other Person except in accordance with the provisions of this Section 7.10;

(d) if the Merging Entity is not the Successor Entity, the Successor Entity shall have delivered to the Trustee, the Collateral Agent, the Loan Agent and each Rating Agency an Officer's certificate and an Opinion of Counsel each stating that such Person is duly organized, validly existing and in good standing in the jurisdiction in which such Person is organized; that such Person has sufficient power and authority to assume the obligations set forth in subsection (a) of this Section 7.10 and to execute and deliver an indenture supplemental hereto and an omnibus assumption agreement for the purpose of assuming such obligations; that such Person has duly authorized the execution, delivery and performance of a supplemental indenture hereto and an omnibus assumption agreement for the purpose of assuming such obligations and that such supplemental indenture is a valid, legal and binding obligation of such Person, enforceable in accordance with its terms, subject only to bankruptcy, reorganization, insolvency, moratorium and other laws affecting the enforcement of creditors' rights generally and to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);

(e) if the Merging Entity is the Issuer, immediately following the event which causes such Successor Entity to become the successor to the Issuer, (i) such Successor Entity has title, free and clear of any lien, security interest or charge, other than the lien and security interest of this Indenture and any other Permitted Liens, to the Assets securing all of the Secured Debt and (ii) the Collateral Agent continues to have a valid perfected first priority security interest in the Assets securing all of the Secured Debt; and in each case as to such other matters as the Collateral Agent or any Holder of the Secured Debt may reasonably require; provided that nothing in this clause shall imply or impose a duty on the Collateral Agent to require such other documents;

(f) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing;

(g) the Merging Entity shall have notified each Rating Agency of such consolidation, merger, transfer or conveyance and shall have delivered to the Trustee, the Collateral Agent and each Noteholder an Officer's certificate and an Opinion of Counsel each stating that such consolidation, merger, transfer or conveyance and such supplemental indenture comply with this Article VII and that all conditions precedent in this Article VII relating to such transaction have been complied with and that such transaction will not (1) result in the Successor Entity becoming subject to U.S. federal income taxation with respect to its net income or to any withholding tax liability under Section 1446 of the Code or (2) result in the Successor Entity being treated as a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes; and

(h) the Merging Entity shall have delivered to the Trustee, the Collateral Agent and the Loan Agent an Opinion of Counsel stating that after giving effect to such transaction, the Co-Issuers (or, if applicable, the Successor Entity) will not be required to register as an investment company under the 1940 Act.

Section 7.11 Successor Substituted. Upon any consolidation or merger, or transfer or conveyance of all or substantially all of the assets of the Issuer or the Co-Issuer in accordance with Section 7.10 in which the Merging Entity is not the surviving entity, the Successor Entity shall succeed to, and be substituted for, and may exercise every right and power of, the Merging Entity under this Indenture with the same effect as if such Person had been named as the Issuer or the Co-Issuer, as the case may be, herein. In the event of any such consolidation, merger, transfer or conveyance, the Person named as the "Issuer" or the "Co-Issuer" in the first paragraph of this Indenture or any successor which shall theretofore have become such in the manner prescribed in this Article VII may be dissolved, wound up and liquidated at any time thereafter, and such Person thereafter shall be released, without further action by any Person, from its liabilities as obligor and maker on all the Notes and from its obligations under this Indenture and the other Transaction Documents to which it is a party.

Section 7.12 No Other Business. The Issuer shall not have any employees (other than its directors to the extent they are employees) and shall not engage in any business or activity other than issuing or co-issuing and selling the Notes, incurring the Class A-1 Loans pursuant to the Credit Agreement, paying, redeeming and refinancing the Notes, any additional Notes and the Class A-1 Loans, pursuant to this Indenture, issuing, selling, paying and redeeming the Preferred Shares and any additional Preferred Shares pursuant to the Memorandum and Articles and in accordance with the Fiscal Agency Agreement, acquiring, holding, selling, exchanging, redeeming and pledging, solely for its own account, the Assets, including entering into the Transaction Documents to which it is a party. The Co-Issuer shall not engage in any business or activity other than co-issuing and selling the Notes pursuant to this Indenture, incurring the Class A-1 Loans pursuant to the Credit Agreement and other incidental activities thereto. The Issuer and the Co- Issuer may amend, or permit the amendment of, the Memorandum and Articles of the Issuer and the certificate of formation and operating agreement of the Co-Issuer, respectively only upon satisfaction of the Global Rating Agency Condition.

Section 7.13 [Reserved].

Section 7.14 Annual Rating Review. (a) So long as any Secured Debt remains Outstanding (or in the case of Fitch, the Class A-1 Debt remains Outstanding), on or before December 31 in each year commencing in 2020, the Co-Issuers shall request and pay for an annual review of the rating of each such Class of Secured Debt from each Rating Agency, as applicable. The Co-Issuers shall promptly notify the Trustee, the Collateral Agent and the Loan Agent and the Collateral Manager in writing (and the Trustee or the Loan Agent, as applicable, shall promptly provide the Holders with a copy of such notice) if at any time the Issuer is notified or has actual knowledge that the then-current rating of any such Class of Secured Debt has been, or is known will be, changed or withdrawn.

(b) The Issuer shall obtain and pay for an annual review of (i) any Collateral Obligation that has a S&P Rating derived as set forth in clause (iii)(b) of the part of the definition of the term "S&P Rating" and (ii) to the extent that Fitch is rating any Class of Secured Debt then Outstanding, any middle market loan that has a Fitch Rating determined pursuant to clause (e) under the heading "Fitch Rating" in Schedule 6.

Section 7.15 Reporting. At any time when the Co-Issuers are not subject to Section 13 or 15(d) of the Exchange Act and is not exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, upon the request of a Holder or beneficial owner of a Note, the Co-Issuers shall promptly furnish or cause to be furnished Rule 144A Information to such Holder or beneficial owner, to a prospective purchaser of such Note designated by such Holder or beneficial owner, or to the Collateral Agent for delivery upon an Issuer Order to such Holder or beneficial owner or a prospective purchaser designated by such Holder or beneficial owner, as the case may be, in order to permit compliance by such Holder or beneficial owner with Rule 144A under the Securities Act in connection with the resale of such Note. "Rule 144A Information" shall be such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto).

Section 7.16 Calculation Agent. (a) The Issuer hereby agrees that for so long as any Secured Debt remains Outstanding there will at all times be an agent appointed (which does not control or is not controlled or under common control with the Issuer or its Affiliates or the Collateral Manager or its Affiliates) to calculate LIBOR (or after the election of an Alternative Rate, such Alternative Rate) in respect of each Interest Accrual Period in accordance with the terms hereto (the "Calculation Agent"). The Issuer hereby appoints the Collateral Administrator as Calculation Agent. The Calculation Agent may be removed by the Issuer or the Collateral Manager, on behalf of the Issuer, at any time. If the Calculation Agent is unable or unwilling to act as such or is removed by the Issuer or the Collateral Manager, on behalf of the Issuer, the Issuer or the Collateral Manager, on behalf of the Issuer, will promptly appoint a replacement Calculation Agent which does not control or is not controlled by or under common control with the Issuer or its Affiliates or the Collateral Manager or its Affiliates and provide notice thereof to the Trustee and the Collateral Administrator. The Calculation Agent may not resign its duties or be removed without a successor having been duly appointed.

(b) (i) The Calculation Agent shall be required to agree (and the Collateral Administrator as Calculation Agent does hereby agree) that, as soon as possible after 11:00 a.m. London time on each Interest Determination Date, but in no event later than 11:00 a.m. New York time on the London Banking Day immediately following each Interest Determination Date, the Calculation Agent will calculate the Interest Rate applicable to each Class of Secured Debt (other than the Fixed Rate Notes) during the related Interest Accrual Period and the Debt Interest Amount (in each case, *rounded* to the nearest cent, with half a cent being *rounded* upward) payable in respect of each Class of Secured Debt on the related Payment Date in respect of the related Interest Accrual Period. At such time, the Calculation Agent will communicate such rates and amounts to the Co-Issuers, the Trustee, the Collateral Agent, the Loan Agent, the Paying Agent, the Collateral Manager, the Collateral Administrator, DTC, Euroclear and Clearstream. The Calculation Agent will also specify to the Co-Issuers the quotations upon which the foregoing rates and amounts are based, and in any event the Calculation Agent shall notify the Co-Issuers before 5:00 p.m. (New York time) on every Interest Determination Date if it has not determined and is not in the process of determining any such Interest Rate or Debt Interest Amount together with its reasons therefor. The Calculation Agent's determination of the foregoing rates and amounts for any Interest Accrual Period will (in the absence of manifest error) be final and binding upon all parties.

(ii) The Calculation Agent, the Trustee and the Collateral Agent shall have no (A) responsibility or liability for the selection of an alternate or replacement reference rate (including an Alternative Rate selected by the Collateral Manager or any modifier thereto) as a successor or replacement benchmark to LIBOR or the determination of whether any such rate is an Alternative Rate or whether the conditions to the designation or selection of

such rate or the adoption of any amendment relating thereto have been satisfied, and shall be entitled to rely upon any such designation of such a rate (and any modifier) by the Collateral Manager and (B) liability for any failure or delay in performing its duties hereunder solely as a result of the unavailability of "LIBOR", the Interest Rate or other reference rate as described herein.

(iii) From and after the effectiveness of any supplemental indenture entered into in connection with the selection of an Alternative Rate, the obligations of the Calculation Agent shall be as set forth in this Indenture as amended by such supplemental indenture; provided that the Calculation Agent shall not be bound to follow any amendment or supplement to this Indenture that would (A) increase the duties, obligations or liabilities of or reduce or eliminate any right or privilege of the Calculation Agent, (B) expand the Calculation Agent's discretion under this Indenture or the Transaction Documents (including with respect to, but not limited to, the Interest Rate or any Alternative Rate), or (C) adversely affect the Calculation Agent, in each case without the prior written consent of the Calculation Agent.

Section 7.17 Certain Tax Matters. (a) The Co-Issuers will treat the Co-Issuers and the Notes as described in the final Offering Circular under the heading "Certain U.S. Federal Income Tax Considerations" for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

(b) The Issuer and Co Issuer will prepare and file, or shall hire accountants and the accountants shall cause to be prepared and filed (and, where applicable, delivered to the Issuer or Holders) for each taxable year of the Issuer and the Co-Issuer the federal, state and local income tax returns and reports as required under the Code, or any tax returns or information tax returns required by any Governmental Authority which the Issuer and the Co-Issuer are required to file (and, where applicable, deliver), and shall provide to each Holder any information that such Holder reasonably requests in order for such Holder to comply with its U.S. federal, state or local tax and information return and reporting obligations.

(c) Notwithstanding any provision herein to the contrary, the Issuer shall take, any and all reasonable actions that may be necessary or appropriate to ensure that the Issuer satisfies any and all withholding and tax payment obligations under Sections 1441, 1442, 1445, 1446, 1471, 1472 of the Code, as well as and any other provision of the Code or other applicable law. Without limiting the generality of the foregoing, (i) Issuer may withhold any amount that it or any advisor retained by the Trustee on its behalf determines is required to be withheld from any amounts otherwise distributable to any Person, (ii) if reasonably able to do so, the Issuer shall deliver or cause to be delivered an applicable IRS Form W-8 or successor applicable form and other properly completed and executed documentation, as it determines is necessary to permit the Issuer to receive payments without withholding or deduction or at a reduced rate of withholding or deduction, and (iii) the Issuer shall take commercially reasonable efforts to timely obtain a Global Intermediary Identification Number from the IRS and comply with any requirements necessary to establish and maintain its status as a "reporting Model 1 FFI" within the meaning of Treasury Regulations section 1.1471-1(b)(114).

(d) Upon written request, the Trustee and the Registrar shall provide to the Issuer, the Collateral Manager or any agent thereof in accordance with Section 14.3 any information specified by such parties regarding the Holders of the Notes and payments on the Notes that is reasonably available to the Trustee or the Registrar, as the case may be, and may reasonably be necessary for the Issuer to comply with FATCA and the Cayman FATCA Legislation.

(e) Upon the Issuer's or the Trustee's receipt of a written request of a Holder or written request of a Person certifying that it is an owner of a beneficial interest in a Note, delivered in accordance with the notice procedures of Section 14.3, for the information described in United States Treasury Regulations section 1.1275-3(b)(1)(i) that is applicable to such Holder or beneficial owner, the Issuer shall promptly cause its Independent accountants to provide such information to the Trustee, and the Trustee shall promptly provide such information to the requesting Holder or beneficial owner.

(f) No more than 50% of the debt obligations (as determined for U.S. federal income tax purposes) held by the Issuer may at any time consist of real estate mortgages as determined for purposes of section 7701(i) of the Code unless, based on an opinion or advice from Cadwalader, Wickersham & Taft LLP or Dechert LLP, or an opinion of other nationally recognized U.S. tax counsel experienced in such matters, the ownership or such debt obligations will not cause the Issuer to be treated as a taxable mortgage pool for U.S. federal income tax purposes.

(g) In connection with a Re-Pricing, the Issuer will cause its Independent accountants to assist the Issuer in complying with any requirements under Treasury Regulations Section 1.1273-2(f)(9) (or any successor provision), including, (i) determining whether Notes subject to such Re-Pricing are traded on an established market, (ii) if so traded, to cause its Independent accountants to determine the fair market value of such Notes, and (iii) to make available such fair market value determination to Holders and beneficial owners of Notes in a commercially reasonable fashion, including by electronic publication, within 90 days after the effective date of such Re-Pricing.

(h) Each Holder and each beneficial owner of Notes agrees that the Issuer and its agents may (1) provide any such information and documentation concerning to the Cayman Islands Tax Information Authority, the IRS and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer achieves AML Compliance.

Section 7.18 Effective Date; Purchase of Additional Collateral Obligations.

(a) The Issuer will use commercially reasonable efforts to purchase, on or before the Effective Date, Collateral Obligations (i) such that the Target Initial Par Condition is satisfied and (ii) that satisfy, as of the Effective Date, the Concentration Limitations, the Collateral Quality Test and the Coverage Tests.

(b) During the period from the Closing Date to and including the Effective Date, the Issuer will use funds to purchase additional Collateral Obligations in the following order: (i) to pay for the principal portion of any Collateral Obligation, first, any amounts on deposit in the Ramp-Up Account, and second, any Principal Proceeds on deposit in the Collection Account and (ii) to pay for accrued interest on any such Collateral Obligation, first, any amounts on deposit in the Ramp-Up Account and second, any Principal Proceeds on deposit in the Collection Account. In addition, the Issuer will use commercially reasonable efforts to acquire such Collateral Obligations that will satisfy, on the Effective Date, the Concentration Limitations, the Collateral Quality Test and each Overcollateralization Ratio Test.

(c) Within 10 Business Days after the Effective Date, the Issuer shall provide, or cause the Collateral Manager to provide, to S&P a Microsoft Excel file ("Excel Default Model Input File") that provides all of the inputs required to determine whether the S&P CDO Monitor Test has been satisfied and the Collateral Manager shall provide a Microsoft Excel file including, at a minimum, the following data with respect to each Collateral Obligation: CUSIP number (if any), name of Obligor, spread/coupon, Libor floor (if applicable), LoanX identification number (if applicable), purchase price for any unsettled assets, legal final maturity date, average life, Principal Balance, identification as a Cov-Lite Loan or otherwise, settlement date, S&P Industry Classification, S&P Recovery Rate and identification of any First-Lien Last-Out Loans.

(d) Unless clause (e) below is applicable, within 30 Business Days after the Effective Date (but in no event later than the Determination Date immediately prior to the first Payment Date), the Issuer shall provide, or cause the Collateral Manager (or, in the case of clause (ii), the Collateral Administrator) to provide, the following documents: (i) to each Rating Agency, the Trustee, the Collateral Agent and the Loan Agent, a report identifying the Collateral Obligations; (ii) to each Rating Agency, the Effective Date Report and (iii) to the Trustee, the Collateral Agent and the Loan Agent, an accountants' certificate (the "Accountants' Certificate") (A) recalculating and comparing the Obligor, Principal Balance, spread/coupon, stated maturity, country of Domicile and S&P Rating with respect to each Collateral Obligation as of the Effective Date and the information provided by the Issuer with respect to every other asset included in the Assets, by reference to such sources as shall be specified therein, (B) calculating as of the Effective Date the level of compliance with, or satisfaction or non-satisfaction of (1) the Target Initial Par Condition, (2) each Overcollateralization Ratio Test, (3) the Concentration Limitations and (4) the Collateral Quality Test (excluding the S&P CDO Monitor Test); and (C) specifying the procedures undertaken by them to review data and computations relating to such Accountants' Certificate.

(e) If neither the Effective Date Condition nor the S&P Rating Condition is satisfied prior to the date 30 Business Days after the Effective Date (but in no event later than the Determination Date immediately preceding the first Payment Date), then (A) the Issuer (or the Collateral Manager on the Issuer's behalf) shall either (i) cause the S&P Deemed Rating Confirmation to occur or (ii) request S&P to confirm, on or before the first Determination Date, that it will not reduce or withdraw its Initial Rating of the Secured Debt and (B) if, by the first Determination Date, the Issuer (or the Collateral Manager on the Issuer's behalf) has not caused the S&P Deemed Rating Confirmation to occur or obtained the confirmation from S&P, each as described in the preceding clause (A) of this paragraph, the Issuer (or the Collateral Manager on the Issuer's behalf) shall instruct the Collateral Agent to transfer amounts from the Interest Collection Subaccount to the Principal Collection Subaccount and may, prior to the first Payment Date, purchase additional Collateral Obligations in an amount sufficient to enable the Co-Issuers (or the Collateral Manager on the Co-Issuers' behalf) to (i) cause the S&P Deemed Rating Confirmation to occur or (ii) obtain from S&P written confirmation of its Initial Ratings of the

Secured Debt; provided that, in lieu of complying with the preceding clauses (A) and (B), the Issuer (or the Collateral Manager on the Issuer's behalf) may take such action, including but not limited to, a Special Redemption and/or transferring amounts from the Interest Collection Subaccount to the Principal Collection Subaccount as Principal Proceeds (for use in a Special Redemption), sufficient to enable the Issuer (or the Collateral Manager on the Issuer's behalf) to (1) cause the S&P Deemed Rating Confirmation to occur or (2) obtain from S&P written confirmation of its Initial Ratings of the Secured Debt.

(f) An S&P Deemed Rating Confirmation ("S&P Deemed Rating Confirmation") shall occur, and a written confirmation from S&P of its initial ratings of the Secured Debt will be deemed to have been provided, if (x) the Issuer causes the Collateral Manager to provide to S&P the Effective Date Report and the Effective Date Report confirms satisfaction of the S&P CDO Monitor Test as of the Effective Date, (y) the Collateral Manager certifies to S&P (which confirmation may be in the form of an email) that as of the Effective Date the S&P CDO Monitor Test is satisfied (testing as though the S&P CDO Monitor Switchover Date has occurred and taking into account the S&P CDO Monitor Non-Model Adjustments described below) and (z) the Collateral Manager provides to S&P a report identifying the Collateral Obligations used to generate the passing test result; provided that, for purposes of determining compliance with the S&P CDO Monitor Test in connection with such Effective Date Report, the Aggregate Funded Spread will be calculated without giving effect to the proviso to clause (a) of the definition of "Aggregate Funded Spread" and by assuming that any Collateral Obligation subject to a LIBOR floor bears interest at a rate equal to the stated interest rate spread over the LIBOR-based index for such Collateral Obligation (the "S&P CDO Monitor Non-Model Adjustments").

Notwithstanding anything in this Indenture to the contrary, if the Issuer (or the Collateral Manager on the Issuer's behalf) elects to direct a Special Redemption of the Secured Debt pursuant to clause (e) above, the Issuer may use amounts on deposit in the Principal Collection Subaccount to make such Special Redemption on any Business Day (other than a Payment Date) to the extent necessary to obtain from S&P its written confirmation of its Initial Ratings of the Secured Debt. Payments made in respect of the Notes in connection with such Special Redemption shall be paid in accordance with the Debt Payment Sequence. For the avoidance of doubt, such payments will be made without regard to the Priority of Payments.

Amounts may not be transferred from the Interest Collection Subaccount to the Principal Collection Subaccount pursuant to clause (e) above if, after giving effect to such transfer the amounts available pursuant to the Priority of Payments on the next succeeding Payment Date would be insufficient to pay the full amount of the accrued and unpaid interest on any Class of Secured Debt on such next succeeding Payment Date.

(g) The amount specified in Section 3.1(k)(i) will be deposited in the Ramp-Up Account on the Closing Date. At the direction of the Issuer (or the Collateral Manager on behalf of the Issuer), the Collateral Agent shall apply the remaining amounts held in the Ramp-Up Account to purchase additional Collateral Obligations from the Closing Date to and including the Effective Date as described in clause (b) above. If on the Effective Date, any amounts on deposit in the Ramp-Up Account have not been applied to purchase Collateral Obligations, such amounts shall be applied as described in Section 10.3(c).

(h) [Reserved].

(i) Weighted Average S&P Recovery Rate. On or prior to the Effective Date, the Collateral Manager shall elect the Weighted Average S&P Recovery Rate that shall apply on and after the Effective Date but prior to the S&P CDO Monitor Switchover Date to the Collateral Obligations for purposes of determining compliance with the Minimum Weighted Average S&P Recovery Rate Test, and the Collateral Manager will so notify the Trustee, the Collateral Agent, the Loan Agent and the Collateral Administrator. Thereafter, at any time prior to the S&P CDO Monitor Switchover Date, on written notice to the Trustee and the Collateral Administrator in the form of Exhibit E attached hereto, and S&P, the Collateral Manager may elect a different Weighted Average S&P Recovery Rate to apply to the Collateral Obligations; provided that if (i) the Collateral Obligations are currently in compliance with the Weighted Average S&P Recovery Rate case then applicable to the Collateral Obligations but the Collateral Obligations would not be in compliance with the Weighted Average S&P Recovery Rate case to which the Collateral Manager desires to change, then such changed case shall not apply, or (ii) the Collateral Obligations are not currently in compliance with the Weighted Average S&P Recovery Rate case then applicable to the Collateral Obligations and would not be in compliance with any other Weighted Average S&P Recovery Rate case, the Weighted Average S&P Recovery Rate to apply to the Collateral Obligations shall be the lowest Weighted Average S&P Recovery Rate in Section 2 of Schedule 5. If the Collateral Manager does not notify the Trustee, the Collateral Agent, the Loan Agent and the Collateral Administrator that it will alter the Weighted Average S&P Recovery Rate chosen on or prior to the Effective Date in the manner set forth above, the Weighted Average S&P Recovery Rate chosen on or prior to the Effective Date shall continue to apply. After the S&P CDO Monitor Switchover Date, the Collateral Manager may not elect to use the S&P CDO Monitor in determining compliance with the S&P CDO Monitor Test.

(j) The failure of the Issuer to satisfy the requirements of this Section 7.18 will not constitute an Event of Default unless such failure constitutes an Event of Default under Section 5.1(d) hereof and the Issuer, or the Collateral Manager acting on behalf of the Issuer, has acted in bad faith.

Section 7.19 Representations Relating to Security Interests in the Assets. (a) The Issuer hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of this Indenture and be deemed to be repeated on each date on which an Asset is Granted to the Collateral Agent hereunder):

(i) The Issuer owns each Asset free and clear of any lien, claim or encumbrance of any Person, other than such as are being released on the Closing Date contemporaneously with the sale of the Notes on the Closing Date or on the related Cut-Off Date contemporaneously with the purchase of such Asset on the Cut-Off Date, created under, or permitted by, this Indenture and any other Permitted Liens.

(ii) Other than the security interest Granted to the Collateral Agent for the benefit of the Secured Parties pursuant to this Indenture, except as permitted by this Indenture, the Issuer has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Assets. The Issuer has not authorized the filing of and is not aware of any Financing Statements against the Issuer that include a description of collateral covering the Assets other than any Financing Statement relating to the security interest granted to the Collateral Agent hereunder or that has been terminated; the Issuer is not aware of any judgment, PBGC liens or tax lien filings against the Issuer.

(iii) All Assets constitute Cash, accounts (as defined in Section 9-102(a)(2) of the UCC), Instruments, general intangibles (as defined in Section 9-102(a)(42) of the UCC), uncertificated securities (as defined in Section 8-102(a)(18) of the UCC), Certificated Securities or security entitlements to financial assets resulting from the crediting of financial assets to a "securities account" (as defined in Section 8-501(a) of the UCC).

(iv) All Accounts constitute "securities accounts" under Section 8-501(a) of the UCC.

(v) This Indenture creates a valid and continuing security interest (as defined in Section 1-201(37) of the UCC) in such Assets in favor of the Collateral Agent, for the benefit and security of the Secured Parties, which security interest is prior to all other liens, claims and encumbrances (except as permitted otherwise herein), and is enforceable as such against creditors of and purchasers from the Issuer.

(b) The Issuer hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of this Indenture and be deemed to be repeated on each date on which an Asset is Granted to the Collateral Agent hereunder), with respect to Assets that constitute Instruments:

(i) Either (x) the Issuer has caused or will have caused, within ten days after the Closing Date, the filing of all appropriate Financing Statements in the proper office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Instruments granted to the Collateral Agent, for the benefit and security of the Secured Parties or (y) (A) all original executed copies of each promissory note or mortgage note that constitutes or evidences the Instruments have been delivered to the Collateral Agent or the Issuer has received written acknowledgement from a custodian that such custodian is holding the mortgage notes or promissory notes that constitute evidence of the Instruments solely on behalf of the Collateral Agent and for the benefit of the Secured Parties and (B) none of the Instruments that constitute or evidence the Assets has any marks or notations indicating that they are pledged, assigned or otherwise conveyed to any Person other than the Collateral Agent, for the benefit of the Secured Parties.

(ii) The Issuer has received all consents and approvals required by the terms of the Assets to the pledge hereunder to the Collateral Agent of its interest and rights in the Assets.

(c) The Issuer hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of this Indenture and be deemed to be repeated on each date on which an Asset is Granted to the Collateral Agent hereunder), with respect to the Assets that constitute Security Entitlements:

(i) All of such Assets have been and will have been credited to one of the Accounts which are securities accounts within the meaning of Section 8-501(a) of the UCC. The Securities Intermediary for each Account has agreed to treat all assets credited to such Accounts as "financial assets" within the meaning of Section 8-102(a)(9) of the UCC.

(ii) The Issuer has received all consents and approvals required by the terms of the Assets to the pledge hereunder to the Collateral Agent of its interest and rights in the Assets.

(iii) (x) The Issuer has caused or will have caused, within ten days after the Closing Date, the filing of all appropriate Financing Statements in the proper office in the appropriate jurisdictions under applicable law in order to perfect the security interest granted to the Collateral Agent, for the benefit and security of the Secured Parties, hereunder and (y) (A) the Issuer has delivered to the Collateral Agent a fully executed Securities Account Control Agreement pursuant to which the Custodian has agreed to comply with all instructions and Entitlement Orders originated by the Collateral Agent relating to the Accounts without further consent by the Issuer or (B) the Issuer has taken all steps necessary to cause the Custodian to identify in its records the Collateral Agent as the Person having a security entitlement against the Custodian in each of the Accounts.

(iv) The Accounts are not in the name of any Person other than the Issuer or the Collateral Agent. The Issuer has not consented to the Custodian to comply with the Entitlement Order of any Person other than the Collateral Agent (and the Issuer prior to a notice of exclusive control being provided by the Collateral Agent, which notice the Collateral Agent agrees it shall not deliver except after the occurrence and during the continuance of an Event of Default).

(d) The Issuer hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of this Indenture and be deemed to be repeated on each date on which an Asset is Granted to the Collateral Agent hereunder), with respect to Assets that constitute general intangibles:

(i) The Issuer has caused or will have caused, within ten days after the Closing Date, the filing of all appropriate Financing Statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Assets granted to the Collateral Agent, for the benefit and security of the Secured Parties, hereunder.

(ii) The Issuer has received, or will receive, all consents and approvals required by the terms of the Assets to the pledge hereunder to the Collateral Agent of its interest and rights in the Assets.

(e) The Issuer agrees to notify the Collateral Manager and Rating Agencies promptly if it becomes aware of the breach of any of the representations and warranties contained in this Section 7.19 and shall not, without satisfaction of the S&P Rating Condition, waive any of the representations and warranties in this Section 7.19 or any breach thereof.

Section 7.20 Limitation on Certain Maturity Amendments. The Issuer (or the Collateral Manager on the Issuer's behalf) may agree to any amendment, waiver or other modification to any Collateral Obligation that would extend the stated maturity date thereof (a "Maturity Amendment"); provided, that neither the Issuer nor the Collateral Manager on the Issuer's behalf may agree to any Maturity Amendment unless both (x) as determined by the Collateral Manager after giving effect to any Trading Plan then in effect, (1) the Weighted Average Life Test will be satisfied after giving effect to such Maturity Amendment or (2) if the Weighted Average Life Test was not satisfied immediately prior to giving effect to such Maturity Amendment, the level of compliance with the Weighted Average Life Test will be improved or maintained after giving effect to such Maturity Amendment, and (y) the stated maturity of the related Collateral Obligation is not extended beyond the earliest Stated Maturity.

Notwithstanding the foregoing, the Issuer may enter into any Maturity Amendment that does not meet the requirements of such clause (x) or (y) above if, in the Collateral Manager's reasonable judgment, such Maturity Amendment is a Credit Amendment and so long as, immediately following such amendment or modification, (A) not more than 5.0% of the Collateral Principal Amount consists of Collateral Obligations subject to a Credit Amendment that does not meet the requirement described in the paragraph above and (B) the Aggregate Principal Balance of all Collateral Obligations that have been subject to a Credit Amendment that does not meet the requirement described in the paragraph above, measured cumulatively since the Closing Date, is not more than 10% Target Initial Par Amount.

Section 7.21 [Reserved].

Section 7.22 Mandatory Sales of Assets under the Volcker Rule. In the event that the Collateral Manager and the Issuer receive an opinion of counsel of national reputation experienced in such matters that the Issuer's ownership of any specific asset included in the Assets would cause the Issuer to be unable to comply with the loan securitization exemption or any other exclusion or exemption from the definition of "covered fund" under the Volcker Rule, then the Collateral Manager, on behalf of the Issuer, will be required to take commercially reasonable efforts to sell such asset and will not purchase or otherwise receive any additional asset of the type identified in such opinion.

ARTICLE VIII

SUPPLEMENTAL INDENTURES

Section 8.1 Supplemental Indentures Without Consent of Holders of Secured Debt or Preferred Shares. (a) Without the consent or direction of the Holders of any Secured Debt or Preferred Shares (except any consent or direction specifically required below), but with the written consent of the Collateral Manager and the Depositor, at any time and from time to time, subject to Section 8.3, and without an Opinion of Counsel being provided to the Issuer, the Trustee or the Collateral Agent as to whether any Class of Secured Debt or the Preferred Shares would be materially and adversely affected thereby (except in connection with any supplemental indenture under Section 8.1(a)(xii), if applicable), the Co-Issuers, the Trustee and the Collateral Agent may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee and the Collateral Agent, for any of the following purposes:

(i) to evidence the succession of another Person to the Issuer or the Co-Issuer and the assumption by any such successor Person of the covenants of the Issuer or the Co-Issuer herein and in the Secured Debt;

(ii) to add to the covenants of the Co-Issuers, the Trustee or the Collateral Agent for the benefit of the Secured Parties;

(iii) to convey, transfer, assign, mortgage or pledge any property to or with the Collateral Agent or add to the conditions, limitations or restrictions on the authorized amount, terms and purposes of the issue, authentication and delivery of the Secured Debt;

(iv) to evidence and provide for the acceptance of appointment hereunder by a successor trustee or collateral agent and to add to or change any of the provisions of this Indenture as shall be necessary to facilitate the administration of the trusts hereunder by more than one Trustee or Collateral Agent, pursuant to the requirements of Sections 6.9, 6.10 and 6.12 hereof;

(v) to correct or amplify the description of any property at any time subject to the lien of this Indenture, or to better assure, convey and confirm unto the Collateral Agent any property subject or required to be subjected to the lien of this Indenture (including, without limitation, any and all actions necessary or desirable as a result of changes in law or regulations, whether pursuant to Section 7.5 or otherwise) or to subject to the lien of this Indenture any additional property;

(vi) to modify the restrictions on and procedures for resales and other transfers of Notes to reflect any changes in ERISA or other applicable law or regulation (or the interpretation thereof) or to enable the Co-Issuers to rely upon any exemption from registration under the Securities Act or the 1940 Act or otherwise comply with any applicable securities law;

(vii) to remove restrictions on resale and transfer of Notes to the extent not required under clause (vi) of this Section 8.1(a);

(viii) to make such changes as shall be necessary or advisable (as determined by the Issuer or the Collateral Manager on its behalf) in order for any Class of Secured Debt to become or remain listed on any securities exchange, including without limitation changes to authorize the appointment of any listing agent, transfer agent, paying agent or additional registrar for any Class of Secured Debt in connection therewith and changes to incorporate any requirements or requests of any Governmental Authority, securities exchange authority, listing agent, transfer agent, paying agent or additional registrar for any Class of Secured Debt in connection therewith;

(ix) to correct or supplement any inconsistent or defective provisions herein or to cure any ambiguity, omission or errors herein; provided that, notwithstanding anything in this Indenture to the contrary and without regard to any other consent requirement specified in this Indenture, any supplemental indenture to be entered into pursuant this clause (ix) may also provide for any corrective measures or ancillary amendments (as determined by the Issuer or the Collateral Manager on its behalf) to this Indenture to give effect to such supplemental indenture as if it had been effective as of the Closing Date;

(x) to conform the provisions of this Indenture to the Offering Circular;

(xi) to take any action necessary, advisable or helpful to prevent the Issuer, any Equity Holder Subsidiary, the Holders of Secured Debt, the Trustee, the Collateral Agent or the Loan Agent from becoming subject to (or otherwise to minimize) any withholding or other taxes or assessments;

(xii) (A) with the consent of a Majority of the Preferred Shares, to permit the Co-Issuers or the Issuer, as applicable, to issue additional notes in accordance with Section 2.13 and 3.2 or additional preferred shares in accordance with Section 2.13 and 3.2 and the Fiscal Agency Agreement; (B) at the written direction of a Majority of the Preferred Shares to permit the Co-Issuers to issue replacement securities in connection with a Refinancing or to reduce the spread over LIBOR (or stated interest rate, in the case of Fixed Rate Notes) in connection with a Re-Pricing, in each case in accordance with this Indenture; or (C) in connection with an additional issuance of Notes, a Refinancing or a Re-Pricing, to make modifications that do not materially and adversely affect the rights or interests of Holders of any Class and are determined by the Collateral Manager to be necessary in order for such additional issuance of Notes, Refinancing or Re-Pricing not to be subject to the U.S. Risk Retention Rules; provided that, no amendment or modification under this clause (xii) may modify the definitions of the terms “Redemption Price” or “Non-Call Period”;

(xiii) to modify the procedures herein relating to compliance with Rule 17g-5 under the Exchange Act;

(xiv) to conform to ratings criteria and other guidelines (including, without limitation, any alternative methodology published by either of the Rating Agencies or any use of the Rating Agencies’ credit models or guidelines for ratings determination) relating to collateral debt obligations in general published or otherwise communicated by the applicable Rating Agency;

(xv) to amend, modify or otherwise accommodate changes to this Indenture to comply with any statute, rule, regulation, or technical or interpretive guidance enacted, effective, or issued by regulatory agencies of the United States federal government or any Member State of the European Economic Area or otherwise under European law after the Closing Date that are applicable to the Co-Issuers, the Secured Debt, the Preferred Shares or the transactions contemplated hereunder or by the final offering circular, including without limitation, the applicable EU Securitization Laws, U.S. Risk Retention Rules, securities laws or Dodd Frank and all rules, regulations, and technical or interpretive guidance thereunder, or as may otherwise be required so that the Issuer is not a “covered fund” as defined in the Volcker Rule (any amendment or other modification required so the Issuer is not a “covered fund”, a “Volcker Rule Amendment”); provided that, if written notice has been received by the Issuer, the Collateral Agent and the Trustee from one or more Section 13 Banking Entities at least one (1) Business Day prior to the execution of

any supplemental indenture that includes a Volcker Rule Amendment that such Section 13 Banking Entity would be materially and adversely affected thereby, then, without the written consent of each such Section 13 Banking Entity, either (A) the Trustee and Collateral Agent shall not enter into such supplemental indenture or (B) such supplemental indenture will not include such Volcker Rule Amendment;

(xvi) to amend the name of the Issuer or the Co-Issuer;

(xvii) to modify any provision to facilitate an exchange of one Note for another Note that has substantially identical terms except transfer restrictions, including to effect any serial designation relating to the exchange;

(xviii) to evidence any waiver or modification by any Rating Agency as to any requirement or condition, as applicable, of such Rating Agency set forth herein;

(xix) to accommodate the settlement of the Notes in book-entry form through the facilities of DTC or otherwise;

(xx) to change the date within the month on which reports are required to be delivered hereunder;

(xxi) to make any modification determined by the Collateral Manager, in consultation with and upon advice of legal counsel experienced in such matters, to be necessary or advisable to comply with the U.S. Risk Retention Rules or the EU Securitization Laws, including (without limitation) in connection with a Refinancing, Optional Redemption, Re-Pricing, additional issuance of Notes or material amendment to any of the Transaction Document;

(xxii) to make any necessary or advisable changes to this Indenture in connection with the adoption of an Alternative Rate; or

(xxiii) to take any action necessary, advisable, or helpful to prevent the Issuer, or the holders of Secured Debt from being subject to (or to otherwise reduce) withholding or other taxes, fees or assessments, including by complying with FATCA and the Cayman FATCA Legislation, or to reduce the risk that the Issuer may be treated as publicly traded partnership taxable as a corporation for U.S. federal income tax purposes or otherwise being subject to U.S. federal, state or local tax on a net income or entity level basis including any tax liability imposed under Section 1446 of the Code or any similar provision of law.

For the avoidance of doubt, except as set forth under the definition of “Reset Amendment”, Reset Amendments are not subject to any consent requirements that would otherwise apply to supplemental indentures described herein.

Notwithstanding the foregoing, without the prior written consent of a Majority of the Controlling Class, no supplemental indenture may modify the definition of “Assets,” the definition of “Collateral Obligations,” the definition of “Concentration Limitations,” the definition of “Eligible Investments,” the definition of “Participation Interests,” the prohibition on the Issuer entering into hedging transactions or the definition of “Weighted Average Life Test”.

(b) To the extent the Co-Issuers execute a supplemental indenture for purposes of conforming this Indenture to the Offering Circular pursuant to Section 8.1(a)(x) and one or more other amendment provisions described above also applies, such supplemental indenture will be deemed to be a supplemental indenture to conform this Indenture to the Offering Circular pursuant to Section 8.1(a)(x) regardless of the applicability of any other provision regarding supplemental indentures set forth in this Indenture.

(c) In no case shall a supplemental indenture that becomes effective on or after the Redemption Date of any Class of Secured Debt be considered to have a material adverse effect on any Holder of such Class. Any non-consenting Holders of a Re-Priced Class shall be deemed not to be materially and adversely affected by any terms of the supplemental indenture related to, in connection with or to become effective on or immediately after the Re-Pricing Date with respect to such Class. In addition, in the case of a partial redemption, Holders of Classes not subject to such Refinancing or Optional Redemption shall be deemed not to be materially and adversely affected by any terms of the supplemental indenture executed in accordance with the terms under Section 9.2 that does not change any terms of any Class not subject to such Refinancing they are holding. In each case, Holders of any redeemed Classes, any non-consenting Holders of a Re-Priced Class and Holders of any non-redeemed Classes in a partial redemption shall have no objection or consent rights to such supplemental indenture.

Section 8.2 Supplemental Indentures With Consent of Holders of Secured Debt and Preferred Shares. (a) With the written consent of the Collateral Manager and the Depositor, a Majority of each Class of Secured Debt materially and adversely affected thereby, if any, and a Majority of the Preferred Shares if materially and adversely affected thereby, the Trustee, the Collateral Agent and the Co-Issuers may, subject to Section 8.3, execute one or more indentures supplemental hereto to add provisions to, or change in any manner or eliminate any of the provisions of, this Indenture or modify in any manner the rights of the Holders of any Class of Secured Debt or the Preferred Shares under this Indenture; provided that notwithstanding anything herein to the contrary, no such supplemental indenture shall, without the consent of each Holder of Secured Debt and each Holder of Preferred Shares:

(i) change the Stated Maturity of the principal of or the due date of any installment of interest on any Note, reduce the principal amount thereof or the rate of interest thereon (except in connection with a Re-Pricing or in connection with any change in the interest rate to the Alternative Rate) or, except as otherwise expressly permitted by this Indenture, the Redemption Price with respect to any Class of Secured Debt or the Preferred Shares, or change the earliest date on which any Class of Secured Debt or the Preferred Shares may be redeemed or re-priced, change the provisions of this Indenture relating to the application of proceeds of any Assets to the payment of principal of or interest on Secured Debt, or distributions on the Preferred Shares or change any place where, or the coin or currency in which, Secured Debt (or the Preferred Shares) or the principal thereof or interest or any distribution thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the applicable Redemption Date);

(ii) reduce the percentage of the Aggregate Outstanding Amount of Holders of each Class whose consent is required for the authorization of any such supplemental indenture or for any waiver of compliance with certain provisions of this Indenture or certain defaults hereunder or their consequences provided for herein;

(iii) impair or adversely affect the Assets except as otherwise permitted herein;

(iv) except as otherwise permitted by this Indenture, permit the creation of any lien ranking prior to or on a parity with the lien of this Indenture with respect to any part of the Assets or terminate such lien on any property at any time subject hereto or deprive the Holder of Secured Debt of the security afforded by the lien of this Indenture;

(v) reduce the percentage of the Aggregate Outstanding Amount of Holders of any Class of Secured Debt whose consent is required to request the Collateral Agent to preserve the Assets or rescind the Collateral Agent's election to preserve the Assets pursuant to Section 5.5 or to sell or liquidate the Assets pursuant to Section 5.4 or 5.5;

(vi) modify any of the provisions of (A) this Section 8.2, except to increase the percentage of Outstanding Secured Debt or Preferred Shares, the consent of the holders of which is required for any such action or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of each Holder of Outstanding Secured Debt or Outstanding Preferred Shares affected thereby or (B) Section 8.1 or Section 8.3;

(vii) modify the definition of the term "Outstanding" or the Priority of Payments set forth in Section 11.1(a); or

(viii) modify any of the provisions of this Indenture in such a manner as to affect the calculation of the amount of any payment of interest or principal on any Secured Debt or any amount available for distribution to the Preferred Shares, or to affect the rights of the Holders of Secured Debt to the benefit of any provisions for the redemption of such Secured Debt contained herein;

provided that, with respect to any supplemental indenture which, by its terms, (x) provides for a Refinancing of all, but not less than all, Classes of Secured Debt in whole, but not in part, and (y) is consented to by the Holders of at least a Majority of the Preferred Shares, notwithstanding anything to the contrary contained or implied elsewhere in this Indenture, the Collateral Manager may, without regard to any other consent requirement specified above or elsewhere in this Indenture, cause such supplemental indenture to be entered into, and the Trustee, the Collateral Agent and the Co-Issuers shall enter into such supplemental indenture, which supplemental indenture may (A) effect an extension of the end of the Reinvestment Period, (B) establish a non-call period for the replacement notes or loans issued to replace such Secured Debt or prohibit a future refinancing of such replacement notes or loans, (C) modify the Weighted Average Life Test, (D) provide for a stated maturity of such replacement notes or loans that is later than the Stated Maturity of the Secured Debt and/or (E) make any other supplements or amendments to this Indenture that would otherwise be subject to the consent rights set forth above (a "Reset Amendment").

Notwithstanding any other provision relating to supplemental indentures herein, at any time after the expiration of the Non-Call Period, if any Class of Secured Debt has been or contemporaneously with the effectiveness of any supplemental indenture will be paid in full in accordance with this Indenture as so supplemented or amended, the written consent of any Holder of such Class will not be required with respect to such supplemental indenture.

Section 8.3 Execution of Supplemental Indentures. (a) The Collateral Manager shall not be bound to follow any amendment or supplement to this Indenture unless it has consented thereto in accordance with this Article VIII. No amendment to this Indenture will be effective against the Collateral Administrator if such amendment would adversely affect the Collateral Administrator, including, without limitation, any amendment or supplement that would increase the duties or liabilities of, or adversely change the economic consequences to, the Collateral Administrator, unless the Collateral Administrator otherwise consents in writing.

(b) [Reserved].

(c) The Trustee and the Collateral Agent shall join in the execution of any such supplemental indenture and shall make any further appropriate agreements and stipulations which may be therein contained, but the Trustee and the Collateral Agent shall not be obligated to enter into any such supplemental indenture which adversely affects, as applicable, the Trustee's or the Collateral Agent's own rights, duties, liabilities or immunities under this Indenture or otherwise, except to the extent required by law. No supplemental indenture will be effective against the Collateral Administrator if such amendment would adversely affect the Collateral Administrator, including, without limitation, any amendment or supplement that would increase the duties or liabilities of, or adversely change the economic consequences to, the Collateral Administrator, unless the Collateral Administrator otherwise consents in writing.

(d) The Trustee and Collateral Agent may conclusively rely on an Opinion of Counsel (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering the opinion) or a Responsible Officer's certificate of the Collateral Manager as to whether the interests of any Holder of Secured Debt or Preferred Shares would be materially and adversely affected by the modifications set forth in any supplemental indenture, it being expressly understood and agreed that neither the Trustee nor the Collateral Agent shall have any obligation to make any determination as to the satisfaction of the requirements related to any supplemental indenture which may form the basis of such Opinion of Counsel or such Responsible Officer's certificate; provided that if written notice has been received by the Issuer, the Collateral Agent and the Trustee from a Majority of the Holders of any Class of Secured Debt or a Majority of the Preferred Shares at least one (1) Business Day prior to the execution of such supplemental indenture that such Class would be materially and adversely affected thereby, the Trustee and Collateral Agent shall not be entitled to rely upon an Opinion of Counsel or Responsible Officer's certificate of the Collateral Manager as to whether or not the Holders of such Class of Secured Debt or the Preferred Shares would be materially and adversely affected by such supplemental indenture and the Trustee and Collateral Agent shall not enter into such supplemental indenture without the consent of a Majority of such Class of Secured Debt or a Majority of the Preferred Shares, as applicable. Such determination by such Class as to whether the interests of any Holder have been materially and adversely affected shall be conclusive and binding on all present and

future holders. Neither the Trustee nor the Collateral Agent shall be liable for any such determination made in good faith and in reliance upon an Opinion of Counsel or such a Responsible Officer's certificate delivered to the Trustee and Collateral Agent as described herein. For the avoidance of doubt, no Holder of Secured Debt who would not constitute a Holder of Secured Debt after giving effect to a Refinancing or Re-Pricing shall be materially and adversely affected by any provision of any supplemental indenture that becomes effective after such Refinancing or Re-Pricing or otherwise have any right to object to any such Refinancing or Re-Pricing.

(e) In executing or accepting the additional trusts created by any supplemental indenture permitted by this Article VIII or the modifications thereby of the trusts created by this Indenture, the Trustee and the Collateral Agent shall be entitled to receive, and (subject to Sections 6.1 and 6.3) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture and that all conditions precedent thereto have been satisfied. Neither the Trustee nor the Collateral Agent shall be liable for any reliance made in good faith upon such an Opinion of Counsel.

(f) At the cost of the Co-Issuers, for so long as any Secured Debt remains Outstanding, not later than 15 Business Days prior to the execution of any proposed supplemental indenture pursuant to Section 8.1 and not later than 10 Business Days prior to the execution of any proposed supplemental indenture pursuant to Section 8.2, the Collateral Agent shall provide to the Collateral Manager, the Collateral Administrator, the Noteholders, the Loan Agent (for delivery to the Class A-1 Lenders) and the Fiscal Agent (for delivery to each Holder of Preferred Shares) a copy of such supplemental indenture. At the cost of the Co-Issuers, for so long as any Class of Secured Debt remains Outstanding and such Class is rated by a Rating Agency, the Collateral Agent shall provide to such Rating Agency a copy of any proposed supplemental indenture at least 10 Business Days prior to the execution thereof by the Trustee and Collateral Agent (unless such period is waived by the applicable Rating Agency) and, as soon as practicable after the execution of any such supplemental indenture, provide to such Rating Agency a copy of the executed supplemental indenture. The Collateral Agent shall, at the expense of the Co-Issuers, notify the Holders if the Collateral Agent receives written notice or a Trust Officer has actual knowledge that any Rating Agency has determined that such supplemental indenture will affect its rating of any Class rated by such Rating Agency. At the cost of the Co-Issuers, the Collateral Agent shall deliver to the Holders (in the manner described in Section 14.4) a copy of the executed supplemental indenture after its execution. Any failure of the Collateral Agent to publish or deliver such notice, or any defect therein, shall not in any way impair or affect the validity of any such supplemental indenture.

(g) It shall not be necessary for any Act of Holders to approve the particular form of any proposed supplemental indenture, but it shall be sufficient, if the consent of any Holders to such proposed supplemental indenture is required, that such Act shall approve the substance thereof.

(h) Any consent given by Holders of any Class pursuant to this Section 8.3 shall be binding upon all future Holders of such Class.

Section 8.4 Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article VIII, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Secured Debt theretofore and thereafter authenticated and delivered hereunder shall be bound thereby.

Section 8.5 Reference in Notes to Supplemental Indentures. Notes authenticated and delivered as part of a transfer, exchange or replacement pursuant to Article II of Notes originally issued hereunder after the execution of any supplemental indenture pursuant to this Article VIII may, and if required by the Issuer shall, bear a notice in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Co-Issuers shall so determine, new Notes, so modified as to conform in the opinion of the Co-Issuers to any such supplemental indenture, may be prepared and executed by the Co-Issuers and authenticated and delivered by the Trustee or the Authenticating Agent in exchange for Outstanding Notes.

Section 8.6 Amendments to Master Loan Sale Agreement. Subject to and in accordance with Section 5.01 of the Master Loan Sale Agreement, prior to the execution of any amendment or waiver to the Master Loan Sale Agreement:

(a) The Issuer shall furnish to the Collateral Manager, the Trustee and the Collateral Agent (and the Collateral Agent shall furnish to each Rating Agency and each Holder at least five (5) Business Days prior to the execution thereof) written notification of the substance of such proposed amendment or waiver, together with a copy thereof; and

(b) the Issuer, the Trustee and the Collateral Agent shall be entitled to receive and rely upon an Opinion of Counsel (which Opinion of Counsel may rely upon one or more certificates from an authorized Officer of the Transferor, the Depositor, the Issuer and/or the Collateral Manager with respect to factual matters and of the Issuer and/or the Collateral Manager with respect to the effect of any such amendment or waiver on the economic interests of the Issuer or the Holders) stating that the execution of such amendment is authorized or permitted by the Master Loan Sale Agreement and that all conditions precedent thereto have been satisfied. Neither the Trustee nor the Collateral Agent shall be liable for any reliance made in good faith upon such an Opinion of Counsel.

Promptly after the execution of any such amendment or waiver, the Issuer shall furnish (or cause the Collateral Agent to furnish at the expense of the Issuer) a copy of such amendment or waiver to the Trustee (if applicable), the Collateral Manager, each Rating Agency and to each Holder.

ARTICLE IX

REDEMPTION OF NOTES

Section 9.1 Mandatory Redemption. If a Coverage Test is not met on any Determination Date on which such Coverage Test is applicable, the Issuer shall apply available amounts in the Payment Account to make payments on the Secured Debt on the applicable Payment Date pursuant to the Priority of Payments.

Section 9.2 Optional Redemption. (a) The Secured Debt shall be redeemable by the Co-Issuers at the written direction of a Majority of the Preferred Shares with the consent of the Depositor and the Collateral Manager as follows: (i) the Secured Debt shall be redeemed in whole (with respect to all Classes of Secured Debt) but not in part on any Business Day after the end of the Non-Call Period from Sale Proceeds, Refinancing Proceeds and/or Cash Contributions or (ii) the Secured Debt shall be redeemed in part by Class from Refinancing Proceeds, Partial Refinancing Interest Proceeds and/or Cash Contributions on any Business Day after the end of the Non-Call Period as long as the Secured Debt to be redeemed represents not less than the entire Class of such Secured Debt. In connection with any such redemption, each Class of Secured Debt shall be redeemed at the applicable Redemption Price thereof and a Majority of the Preferred Shares must provide the above described written direction to the Issuer, the Trustee, the Collateral Agent and the Loan Agent not later than 45 days (or such shorter period of time (not to be less than 15 days) as the Trustee, the Collateral Agent, the Loan Agent and the Collateral Manager find reasonably acceptable) prior to the Business Day on which such redemption is to be made; provided that all Secured Debt to be redeemed must be redeemed simultaneously.

(b) Upon receipt of a written direction for a redemption of Secured Debt in whole using Sale Proceeds from a Majority of the Preferred Shares pursuant to Section 9.2(a)(i), the Collateral Manager in its sole discretion shall direct the sale (and the manner thereof) of all or part of the Collateral Obligations and other Assets in an amount sufficient that the proceeds from such sale and all other funds available for such purpose in the Collection Account and the Payment Account will be at least sufficient to pay the Redemption Prices of the Secured Debt to be redeemed and to pay all Administrative Expenses (without regard to the Administrative Expense Cap) and Aggregate Collateral Management Fee due and payable under the Priority of Payments. If such proceeds of such sale and all other funds available for such purpose in the Collection Account and the Payment Account would not be sufficient to redeem all Secured Debt and to pay such fees and expenses, the Secured Debt may not be redeemed. The Collateral Manager, in its sole discretion, may effect the sale of all or any part of the Collateral Obligations or other Assets through the direct sale of such Collateral Obligations or other Assets or by participation or other arrangement.

(c) In addition to (or in lieu of) a sale of Collateral Obligations and/or Eligible Investments in the manner provided in Section 9.2(b), if directed in writing by a Majority of the Preferred Shares, with the consent of the Depositor and the Collateral Manager, the Secured Debt may be redeemed in whole from Refinancing Proceeds, Sale Proceeds and/or Cash Contributions or in part by Class from Refinancing Proceeds, Partial Refinancing Interest Proceeds and/or Cash Contributions as provided in Section 9.2(a)(ii) by a Refinancing; provided that the terms of such Refinancing and any financial institutions acting as lenders thereunder or purchasers thereof must be acceptable to the Collateral Manager and a Majority of the Preferred Shares and such Refinancing otherwise satisfies the conditions described below.

(d) In the case of a Refinancing upon a redemption of the Secured Debt in whole but not in part pursuant to Section 9.2(a)(i), such Refinancing will be effective only if: (i) the Refinancing Proceeds, all Sale Proceeds from the sale of Collateral Obligations and Eligible Investments in accordance with the procedures set forth herein, and all other available funds (including, without limitation, Cash Contributions) will be at least sufficient to redeem simultaneously the Secured Debt then required to be redeemed at the respective Redemption Prices

thereof, in whole but not in part, and to pay all accrued and unpaid Administrative Expenses (without regard to the Administrative Expense Cap), including, without limitation, the reasonable fees, costs, charges and expenses incurred by the Trustee, the Collateral Agent, the Loan Agent, the Collateral Administrator, the Fiscal Agent and the Collateral Manager (including reasonable attorneys' fees and expenses) in connection with such Refinancing, (ii) the Sale Proceeds, Refinancing Proceeds and other available funds (including, without limitation, Cash Contributions) are used (to the extent necessary) to make such redemption, and (iii) the agreements relating to the Refinancing contain limited recourse and non-petition provisions equivalent (*mutatis mutandis*) to those contained in Section 13.1(b) and Section 2.7(i).

(e) In the case of a Refinancing upon a redemption of the Secured Debt in part by Class pursuant to Section 9.2(a)(ii), such Refinancing will be effective only if: (i) the Collateral Agent (at the direction of the Issuer or the Collateral Manager on behalf of the Issuer) shall have provided written notice of the Refinancing to each of the Rating Agencies prior to the proposed Redemption Date of such Refinancing, (ii) the Refinancing Proceeds, Partial Refinancing Interest Proceeds and/or Cash Contributions received by the Issuer, together with all other amounts available for such purpose, will be at least sufficient to pay in full the aggregate Redemption Prices of the entire Class or Classes of Secured Debt subject to Refinancing, (iii) the Refinancing Proceeds, Partial Refinancing Interest Proceeds and any such Cash Contributions are used (to the extent necessary) to make such redemption, (iv) the agreements relating to the Refinancing contain limited recourse and non-petition provisions equivalent (*mutatis mutandis*) to those contained in Section 13.1(b) and Section 2.7(i), (v) the aggregate principal amount of any obligations providing the Refinancing is no greater than the Aggregate Outstanding Amount of the Secured Debt being redeemed with the proceeds of such obligations *plus* (subject to the satisfaction of the S&P Rating Condition) an amount equal to the reasonable fees, costs, charges and expenses incurred in connection with such Refinancing, (vi) the stated maturity of each class of obligations providing the Refinancing is no earlier than the corresponding Stated Maturity of each Class of Secured Debt being refinanced, (vii) the reasonable fees, costs, charges and expenses incurred in connection with such Refinancing have been paid or will be adequately provided for from the Refinancing Proceeds and such Cash Contributions (except for expenses owed to Persons that the Collateral Manager informs the Trustee will be paid solely as Administrative Expenses payable in accordance with the Priority of Payments; provided that any such fees due to the Trustee, the Collateral Agent and the Loan Agent and determined by the Collateral Manager to be paid in accordance with the Priority of Payments shall not be subject to the Administrative Expense Cap), (viii) in the case of a Refinancing of a Class of Secured Debt that (1) is not a Class of Fixed Rate Notes, the spread over LIBOR of any obligations providing the Refinancing will not be greater than the spread over LIBOR of the corresponding Class of Secured Debt subject to such Refinancing or (2) is a Class of Fixed Rate Notes (which may be refinanced as either Fixed Rate Notes or Floating Rate Notes), the interest rate of any obligations providing the Refinancing (which may have a fixed or a floating interest rate) will not be greater on the date of such Refinancing than the Interest Rate of the Class of Fixed Rate Notes subject to such Refinancing, (ix) the obligations providing the Refinancing are subject to the Priority of Payments and do not rank higher in priority pursuant to the Priority of Payments than the Class of Secured Debt being refinanced, (x) the voting rights, consent rights, redemption rights and all other rights of the obligations providing the Refinancing are the same in all material respects as the rights of the corresponding Class of Secured Debt being refinanced, (xi) the Issuer has received an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters to the effect that such Refinancing will not (A) result in

the Issuer becoming subject to U.S. federal income tax with respect to its net income or subject to tax liability under Section 1446 of the Code, or (B) result in the Issuer being treated as a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes, and (xii) the Majority of the Preferred Shares, with the consent of the Depositor and the Collateral Manager, directs the Issuer to effect such Refinancing.

(f) The holders of the Preferred Shares will not have any cause of action against the Issuer, the Co-Issuer, the Collateral Manager, the Collateral Administrator, the Fiscal Agent, the Trustee, the Collateral Agent or the Loan Agent for any failure to obtain a Refinancing. If a Refinancing is obtained meeting the requirements specified above in clause (d) or clause (e) (as applicable) as certified by the Collateral Manager, the Co-Issuers (with the consent of the Majority of the Preferred Shares directing the redemption) and, at the direction of the Collateral Manager, the Trustee, the Collateral Agent (in the case of the Indenture) and the Loan Agent (in the case of the Credit Agreement) shall amend this Indenture and the Credit Agreement (which amendments shall be prepared by or on behalf of the Issuer), in each case to the extent necessary to reflect the terms of the Refinancing and no consent for such amendments shall be required from the Holders of any Class of Secured Debt. None of the Trustee, the Collateral Agent or the Loan Agent shall be obligated to enter into any amendment that, in its view, adversely affects its duties, obligations, liabilities or protections hereunder, and the Trustee, the Collateral Agent and the Loan Agent shall be entitled to conclusively rely upon an Opinion of Counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such Opinion of Counsel) provided by the Issuer to the effect that such amendment meets the requirements specified above and is permitted under this Indenture (except that such officer or counsel shall have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds, or the sufficiency of the Accountants' Certificate or other accountants' certificates or information required hereunder).

(g) In connection with a Refinancing of all, but not less than all, Classes of Secured Debt in whole, but not in part, the parties hereto may enter into a Reset Amendment as provided in Section 8.2.

(h) The Collateral Manager may, in its sole discretion, designate any amount of Cash Contributions as Refinancing Proceeds for use in connection with a Refinancing. To the extent that Refinancing Proceeds are not applied to redeem the Class or Classes of Secured Debt subject to a Refinancing or to pay expenses in connection with the Refinancing, such proceeds will be treated as Principal Proceeds. If a Class or Classes of Secured Debt is redeemed in connection with a Refinancing upon a redemption of the Secured Debt in part by Class, Refinancing Proceeds, together with Partial Refinancing Interest Proceeds, will be applied on the related Redemption Date to pay the Redemption Price(s) of such Class or Classes of Secured Debt in accordance with Section 11.1(a)(iv).

(i) In the event of any redemption pursuant to this Section 9.2, the Issuer shall, at least 30 days (or such shorter period of time as the Trustee, the Collateral Agent, the Loan Agent and the Collateral Manager find reasonably acceptable) prior to the Redemption Date, notify the Trustee, the Collateral Agent and the Loan Agent in writing of such Redemption Date, the applicable Record Date, the principal amount of Secured Debt to be redeemed on such Redemption

Date and the applicable Redemption Prices; provided that, failure to effect any Optional Redemption which is withdrawn by the Co-Issuers in accordance with this Indenture or with respect to which a Refinancing fails to occur shall not constitute an Event of Default or a Failed Optional Redemption. If there is a Failed Optional Redemption, an Enforcement Event shall occur and distributions and proceeds in respect of the Assets will be applied at the date or dates fixed by the Collateral Agent in accordance with Section 11.1(a)(iii).

(j) In connection with any Optional Redemption of the Secured Debt in whole or of any Class of the Secured Debt in connection with a Refinancing of such Class, Holders of 100% of the Aggregate Outstanding Amount of any Class of Notes to be redeemed may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class of Secured Debt.

(k) The Issuer may redeem the Preferred Shares at their Redemption Price, in whole but not in part, on any Business Day upon five Business Days' written notice to the Trustee on or after the Optional Redemption or repayment in full of the Secured Debt, at the direction of a Majority of the Preferred Shares.

Section 9.3 Tax Redemption. (a) Each Class of Secured Debt shall be redeemed in whole but not in part (any such redemption, a "Tax Redemption") on any Payment Date at the applicable Redemption Prices therefor at the written direction (delivered to the Issuer, the Collateral Manager, the Trustee, the Collateral Agent and the Loan Agent) of (x) a Majority of any Affected Class or (y) a Majority of the Preferred Shares, in either case following the occurrence and continuation of a Tax Event.

(b) In connection with any Tax Redemption, Holders of 100% of the Aggregate Outstanding Amount of any Class of Notes to be redeemed may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class.

(c) Upon its receipt of such written direction directing a Tax Redemption, the Collateral Agent shall promptly notify the Collateral Manager, the Holders and each Rating Agency thereof.

(d) If an Officer of the Collateral Manager obtains actual knowledge of the occurrence of a Tax Event, the Collateral Manager shall promptly notify the Issuer, the Trustee, the Collateral Agent and the Loan Agent thereof, and upon receipt of such notice the Collateral Agent shall promptly forward such notice to the Holders and each Rating Agency thereof.

Section 9.4 Redemption Procedures. (a) In the event of any redemption pursuant to Section 9.2, the written direction of a Majority of the Preferred Shares with the consent of the Depositor and the Collateral Manager shall be provided to the Issuer, the Trustee, the Collateral Agent and the Loan Agent not later than 45 days (or such shorter period of time (not to be less than 15 days) as the Trustee, the Collateral Agent, the Loan Agent and the Collateral Manager find reasonably acceptable) prior to the Payment Date on which such redemption is to be made (which date shall be designated in such direction). In the event of any redemption pursuant to Section 9.2 or 9.3, a notice of redemption shall be given by the Collateral Agent in accordance with Section 14.4 not later than nine Business Days prior to the applicable Redemption Date, to each Holder of Secured Debt, at such Holder's address as it appears on the Note Register or the Loan Register, as applicable, each Rating Agency and to each Holder of Preferred Shares as provided in the Fiscal Agency Agreement.

(b) All notices of redemption delivered pursuant to Section 9.4(a) shall state:

(i) the applicable Redemption Date;

(ii) the Redemption Prices of the Notes to be redeemed and, if applicable, the estimated Redemption Price of the Preferred Shares;

(iii) all of the Secured Debt that is to be redeemed is to be redeemed in full and that interest on such Secured Debt shall cease to accrue on the Redemption Date specified in the notice;

(iv) the place or places where Secured Debt is to be surrendered for payment of the Redemption Prices, which shall be the Corporate Trust Office of the Collateral Agent; and

(v) if all of the Secured Debt is being redeemed, whether the Preferred Shares are to be redeemed in full on such Redemption Date and, if so, the place or places where the Preferred Shares are to be surrendered for payment of the Redemption Prices, which shall be the office or agency of the Fiscal Agent, unless otherwise specified by the Issuer.

(c) The Co-Issuers may (or, if directed by a Majority of the Preferred Shares, shall) withdraw any such notice of redemption delivered pursuant to Section 9.2 on any day up to 10:00 a.m., New York time, on the Business Day before the proposed Redemption Date, by written notice to the Trustee and the Collateral Manager. The Co-Issuers may withdraw a notice of Tax Redemption if the conditions required under this Indenture for such redemption are not satisfied at any time prior to 10:00 a.m., New York time, on the scheduled Redemption Date, by written notice to the Trustee, the Collateral Manager and each of the Rating Agencies. The failure to effect any Optional Redemption which is withdrawn by the Co-Issuers in accordance with this Indenture or with respect to which a Refinancing fails will not constitute an Event of Default or a Failed Optional Redemption.

(d) Notice of redemption pursuant to Section 9.2 or 9.3 shall be given by the Co-Issuers or, upon an Issuer Order, by the Collateral Agent in the name and at the expense of the Co-Issuers. Failure to give notice of redemption, or any defect therein, to any Holder of Secured Debt selected for redemption shall not impair or affect the validity of the redemption of any other Secured Debt.

(e) Unless Refinancing Proceeds are being used to redeem the Secured Debt in whole or in part, in the event of any redemption pursuant to Section 9.2 or 9.3, no Class of Secured Debt may be optionally redeemed unless (i) at least one Business Day before the scheduled Redemption Date the Collateral Manager shall have furnished to the Collateral Agent evidence, in a form reasonably satisfactory to the Collateral Agent, that the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements with (A) a financial or other institution or institutions whose short-term unsecured debt obligations (other than such obligations whose

rating is based on the credit of a Person other than such institution) are rated, or guaranteed by a Person whose short-term unsecured debt obligations are rated, at least "A-1" by S&P or (B) a special purpose entity that satisfies all then-current bankruptcy remoteness criteria of any Rating Agency then rating any Class of Secured Debt, in either case, on the applicable trade or trade dates, to purchase (directly or by participation or other arrangement), not later than the scheduled Redemption Date in immediately available funds, all or part of the Assets at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date, to pay all Administrative Expenses (without regard to the Administrative Expense Cap) and Aggregate Collateral Management Fees payable in connection with such Optional Redemption or Tax Redemption, in each case, as applicable and in accordance with the Priority of Payments, and redeem the applicable Class or Classes of Secured Debt on the scheduled Redemption Date at the applicable Redemption Prices (including, without limitation, any such amount that the Holders of such Class or Classes have elected to receive, where Holders of such Class or Classes have elected to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class or Classes), or (ii) prior to selling any Collateral Obligations and/or Eligible Investments, the Collateral Manager shall certify to the Collateral Agent that, in its judgment (which may be based on the Issuer having entered into an agreement to sell such Assets to another special purpose entity that has committed financing or has priced but has not yet closed its securities offering), the aggregate sum of (A) expected proceeds from the sale of Eligible Investments, and (B) for each Collateral Obligation, its Market Value, shall exceed the sum of (x) the aggregate Redemption Prices of the applicable Class of Secured Debt (including, without limitation, any such amount that the Holders of such Class have elected to receive, where Holders of such Class have elected to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class) and (y) all Administrative Expenses (without regard to the Administrative Expense Cap) and Aggregate Collateral Management Fees payable in connection with such Optional Redemption or Tax Redemption, in each case, as applicable and in accordance with the Priority of Payments. Any certification delivered by the Collateral Manager pursuant to this Section 9.4(e) shall include (1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Obligations and/or Eligible Investments and (2) all calculations required by this Section 9.4(e). Any holder of Secured Debt, the Transferor, the Collateral Manager or any of their respective affiliates or accounts managed thereby or by any of their respective affiliates may, subject to the same terms and conditions afforded to other bidders and compliance with applicable law (including, without limitation, the Advisers Act and, where applicable, the 1940 Act), bid on Assets to be sold as part of an Optional Redemption or Tax Redemption.

(f) The reasonable fees, costs, charges and expenses incurred in connection with the failure of any such redemption shall be paid by the Issuer as Administrative Expenses payable in accordance with the Priority of Payments.

Section 9.5 Secured Debt Payable on Redemption Date. (a) Notice of redemption pursuant to Section 9.4 having been given as aforesaid, the Secured Debt to be redeemed shall, on the Redemption Date, subject to Section 9.4(e) and the Issuer's right to withdraw any notice of redemption pursuant to Section 9.4(c), become due and payable at the Redemption Prices therein specified, and from and after the Redemption Date (unless the Issuer shall default in the payment of the Redemption Prices and accrued interest) all such Secured Debt

shall cease to bear interest on the Redemption Date. Upon final payment on any Note to be so redeemed, the Holder shall present and surrender such Note at the place specified in the notice of redemption on or prior to such Redemption Date; provided that if there is delivered to the Co-Issuers and the Trustee such security or indemnity as may be required by them to save such party harmless and an undertaking thereafter to surrender such Note, then, in the absence of notice to the Co-Issuers, the Trustee or the Collateral Agent that the applicable Note has been acquired by a protected purchaser, such final payment shall be made without presentation or surrender. Payments of interest on Secured Debt so to be redeemed that are payable on or prior to the Redemption Date shall be payable to the Holders of such Secured Debt (or in the case of Notes, one or more predecessor Notes), registered as such at the close of business on the relevant Record Date according to the terms and provisions of Section 2.7(e).

(b) If any Note called for redemption shall not be paid upon surrender thereof for redemption, the principal thereof shall, until paid, bear interest from the Redemption Date at the applicable Interest Rate for each successive Interest Accrual Period such Note remains Outstanding; provided that the reason for such non-payment is not the fault of such Noteholder.

Section 9.6 Special Redemption. Principal payments on the Secured Debt shall be made in part in accordance with the Priority of Payments on any Payment Date or, with respect to a redemption pursuant to clause (ii), as otherwise described in Section 7.18, (i) during the Reinvestment Period, if the Collateral Manager in its sole discretion notifies the Collateral Agent at least five Business Days prior to the applicable Special Redemption Date that it has been unable, for a period of at least 20 consecutive Business Days, to identify additional Collateral Obligations that are deemed appropriate by the Collateral Manager in its sole discretion and which would satisfy the Investment Criteria in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Collection Account that are to be invested in additional Collateral Obligations, (ii) if the Collateral Manager elects to direct a Special Redemption to the extent necessary to enable the Co-Issuers (or the Collateral Manager on the Issuer's behalf) to obtain from S&P its written confirmation of its initial ratings of the Secured Debt (provided such confirmation is not required if the S&P Deemed Rating Confirmation has occurred or the Effective Date Condition has been satisfied) to the extent necessary to satisfy such condition, or (iii) if a Retention Deficiency exists, to the extent necessary to reduce such Retention Deficiency to zero (each of (i), (ii) and (iii) a " Special Redemption"). On the first Payment Date (and all subsequent Payment Dates) following the Collection Period in which such notice is given (a "Special Redemption Date"), the amount in the Collection Account representing, as applicable, either (i) Principal Proceeds which the Collateral Manager has determined cannot be reinvested in additional Collateral Obligations, (ii) Interest Proceeds and Principal Proceeds available therefor in accordance with the Priority of Payments on each Payment Date until the Issuer obtains confirmation from S&P of the Initial Ratings of the Secured Debt (provided such confirmation is not required if the S&P Deemed Rating Confirmation has occurred or the Effective Date Condition has been satisfied), or (iii) Principal Proceeds necessary to reduce any outstanding Retention Deficiency to zero (such amount, a "Special Redemption Amount") will be applied in accordance with the Priority of Payments. Notice of payments pursuant to this Section 9.6 shall be given by the Collateral Agent not less than three Business Days prior to the applicable Special Redemption Date by facsimile, email transmission or first class mail, postage prepaid, to each Holder affected thereby at such Holder's facsimile number, email address or mailing address as it appears on the Note Register or Loan Register, as applicable, and to each Rating Agency.

Section 9.7 Optional Re- Pricing. (a) On any Business Day after the Non-Call Period, at the direction of a Majority of the Preferred Shares with the consent of the Depositor and the Collateral Manager, the Co-Issuers shall reduce the spread over LIBOR or the stated interest rate, as applicable, with respect to any Class of Secured Debt (other than the Class A-1 Debt) (such reduction with respect to any such Class of Secured Debt, a "Re-Pricing" and any Class of Secured Debt to be subject to a Re-Pricing, a "Re-Priced Class"); provided that the Co-Issuers shall not effect any Re-Pricing unless each condition specified in this Section 9.7 is satisfied with respect thereto. For the avoidance of doubt, no terms of any Class of Secured Debt other than the Interest Rate applicable thereto may be modified or supplemented in connection with a Re-Pricing. In connection with any Re-Pricing, the Issuer may engage a broker-dealer (the "Re-Pricing Intermediary") upon the recommendation and subject to the approval of a Majority of the Preferred Shares and such Re-Pricing Intermediary shall assist the Issuer in effecting the Re-Pricing.

(b) At least 30 days prior to the Business Day fixed by a Majority of the Preferred Shares for any proposed Re-Pricing (the "Re-Pricing Date"), the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall deliver a notice in writing to the Trustee, the Collateral Agent (who shall promptly deliver a copy of such notice to each Holder of the proposed Re-Priced Class, the Collateral Manager and each Rating Agency) and the Loan Agent, which notice shall:

(i) specify the proposed Re-Pricing Date and the revised spread over LIBOR or the stated interest rate, as applicable, to be applied with respect to such Class (the "Re-Pricing Rate");

(ii) request each Holder of the Re-Priced Class to approve the proposed Re-Pricing; and

(iii) specify the price at which Secured Debt of any Holder of the Re-Priced Class which does not approve the Re-Pricing may be sold and transferred pursuant to Section 9.7(c), which, for purposes of such Re-Pricing, shall be the Redemption Price after giving effect on a *pro forma* basis to all payments to be made pursuant to the Priority of Payments on the Re-Pricing Date if such date is a Payment Date.

(c) In the event any Holders of the Re-Priced Class do not deliver written consent to the proposed Re-Pricing on or before the date that is 10 Business Days prior to the proposed Re-Pricing Date, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall deliver written notice thereof to the Trustee, the Collateral Agent (who shall promptly deliver a copy of such notice to the consenting Holders of the Re-Priced Class) and the Loan Agent, specifying the Aggregate Outstanding Amount of the Secured Debt of the Re-Priced Class held by such non-consenting Holders, and shall request each such consenting Holder provide written notice to the Issuer, the Trustee, the Collateral Manager and the Re-Pricing Intermediary if such Holder would like to purchase all or any portion of the Secured Debt of the Re-Priced Class held by the non-consenting Holders (each such notice, an "Exercise Notice") within 5 Business Days after receipt of such notice. In the event the Issuer shall receive Exercise Notices with respect to more than the Aggregate Outstanding Amount of the Secured Debt of the Re-Priced Class held by non-consenting Holders, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall cause the sale and transfer of such Secured Debt, without further notice to the non-consenting Holders thereof (for settlement on the Re-Pricing Date) to the Holders delivering Exercise Notices

with respect thereto, *pro rata* based on the Aggregate Outstanding Amount of such Holders indicated an interest in purchasing pursuant to their Exercise Notices. In the event the Issuer shall receive Exercise Notices with respect to less than the Aggregate Outstanding Amount of the Re-Priced Class held by non-consenting Holders, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall cause the sale and transfer of such Secured Debt, without further notice to the non-consenting Holders thereof (for settlement on the Re-Pricing Date) to the Holders delivering Exercise Notices with respect thereto, and any excess Secured Debt of the Re-Priced Class held by non-consenting Holders shall be sold (for settlement on the Re-Pricing Date) to one or more transferees designated by the Re-Pricing Intermediary on behalf of the Issuer. All sales of Secured Debt to be effected pursuant to this clause (c) shall be made at the Redemption Price after giving effect on a *pro forma* basis to all payments to be made pursuant to the Priority of Payments on the Re- Pricing Date if such date is a Payment Date, and shall be effected only if the related Re-Pricing is effected in accordance with the provisions hereof. The Holder of each Note, by its acceptance of an interest in the Secured Debt, agrees that the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, may enter into binding commitments to sell and transfer all Secured Debt of a Re-Priced Class held by non-consenting Holders in accordance with this Section 9.7 and, if it is a non-consenting Holder, hereby irrevocably appoints the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, as its true and lawful agent and attorney-in-fact (with full power of substitution) in its name, place and stead and at its expense, in connection with such sale and transfer, and agrees to sell and transfer its Secured Debt in accordance with this Section 9.7 and to cooperate with the Issuer, the Re-Pricing Intermediary and the Collateral Agent to effect such sale and transfers. The Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall deliver written notice to the Trustee, the Collateral Agent, the Loan Agent and the Collateral Manager not later than 5 Business Days prior to the proposed Re-Pricing Date confirming that the Issuer has received written commitments to purchase all Secured Debt of the Re-Priced Class held by non-consenting Holders. For the avoidance of doubt, such Re-Pricing will apply to all the Secured Debt of the Re-Priced Class, including the Secured Debt of the Re-Priced Class held by non-consenting Holders.

(d) The Issuer shall not effect any proposed Re-Pricing unless: (i) the Co-Issuers, the Trustee, and the Collateral Agent shall have entered into a supplemental indenture (prepared by or on behalf of the Issuer), dated as of the Re-Pricing Date to decrease the spread over LIBOR or the stated interest rate, as applicable, applicable to the Re-Priced Class in accordance with Section 8.1; (ii) the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, has received written commitments to purchase all Secured Debt of the Re-Priced Class held by non-consenting Holders; (iii) the Rating Agencies shall have been notified of such Re-Pricing; (iv) the Issuer has received an opinion of tax counsel of nationally-recognized standing in the United States experienced in such matters to the effect that such Re-Pricing will not result in the Issuer becoming subject to U.S. federal income tax with respect to its net income or subject to tax liability under Section 1446 of the Code; (v) the written consent of the Depositor and the Collateral Manager shall have been obtained; and (vi) all expenses of the Co-Issuers, the Trustee, the Collateral Agent and the Loan Agent (including the fees of the Re-Pricing Intermediary and fees of counsel) incurred in connection with the Re-Pricing shall not exceed the amount of Interest Proceeds available after taking into account all amounts required to be paid pursuant to the Priority of Payments on the subsequent Payment Date prior to distributions to the holders of the Preferred Shares, unless such expenses shall have been paid (including from proceeds of any additional issuance of Preferred Shares and any Cash Contribution) or shall be adequately provided for by an entity other than the Issuer.

(e) If notice has been received by the Collateral Agent from the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, confirming that the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, has received written commitments to purchase all Secured Debt of the Re-Priced Class held by non-consenting Holders, notice of a Re-Pricing shall be provided by the Collateral Agent (at the expense of the Issuer) by first class mail, postage prepaid, mailed not less than 3 Business Days prior to the proposed Re-Pricing Date, to each Holder of Secured Debt of the Re-Priced Class at its address as it appears on the Note Register (with a copy to the Collateral Manager), specifying the applicable Re-Pricing Date and Re-Pricing Rate. Notice of Re-Pricing shall be given by the Collateral Agent at the expense of the Issuer. Failure to give a notice of Re-Pricing, or any defect therein, to any Holder of any Re-Priced Class shall not impair or affect the validity of the Re-Pricing or give rise to any claim based upon such failure or defect. Any notice of a Re-Pricing may be withdrawn by a Majority of the Preferred Shares on or prior to the fourth Business Day prior to the scheduled Re-Pricing Date by written notice to the Issuer, the Trustee, the Collateral Agent, the Loan Agent and the Collateral Manager for any reason. Upon receipt of such notice of withdrawal, the Collateral Agent, at the expense of the Issuer, shall send such notice to the Holders of Secured Debt and the Rating Agencies.

(f) The Issuer shall direct the Collateral Agent to segregate payments and take other reasonable steps to effect the Re-Pricing and the Collateral Agent shall have the authority to take such actions as may be directed by the Issuer or the Collateral Manager as the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, or the Collateral Manager shall deem necessary or desirable to effect a Re-Pricing. In order to give effect to the Re-Pricing, the Issuer may, to the extent necessary or desirable, obtain and assign a separate CUSIP or CUSIPs to the Secured Debt of each Class held by such consenting or non-consenting Holder(s). The Trustee and Collateral Agent shall be entitled to receive, and shall be fully protected in relying upon an Opinion of Counsel stating that the Re-Pricing is authorized or permitted by this Indenture and that all conditions precedent thereto have been complied with. The Trustee and Collateral Agent may request and rely on an Issuer Order providing direction and any additional information requested in order to effect a Re-Pricing and shall have no liability for relying on the same.

Section 9.8 Clean-Up Call Redemption.

(a) At the written direction of a Majority of the Preferred Shares, with the consent of the Depositor and the Collateral Manager, to the Co-Issuers, the Trustee, the Collateral Agent and the Loan Agent, with copies to each Rating Agency, at least 20 Business Days prior to the proposed Redemption Date, the Secured Debt shall be subject to redemption by the Co-Issuers, in whole but not in part, at the applicable Redemption Prices, on any Business Day after the Non-Call Period on which the Collateral Principal Amount is less than 20% of the Target Initial Par Amount.

(b) Notwithstanding anything to the contrary set forth herein, the Secured Debt shall not be redeemed pursuant to a Clean-Up Call Redemption unless (i) at least five Business Days before the scheduled Redemption Date the Collateral Manager shall have furnished to the Collateral Agent evidence, in form satisfactory to the Collateral Agent, that the Collateral Manager

on behalf of the Issuer has entered into a binding agreement or agreements to sell to a financial or other institution or institutions not later than the Business Day immediately preceding the scheduled Redemption Date, all or part of the Collateral Obligations at a purchase price at least equal to an amount sufficient, together with the Eligible Investments maturing, redeemable (or putable to the issuer thereof at par) on or prior to the scheduled Redemption Date, to pay all Administrative Expenses and other fees and expenses payable in accordance with the Priority of Payments (without regard to the Administrative Expense Cap) prior to the payment of the principal of the Secured Debt to be redeemed and redeem all of the Secured Debt on the scheduled Redemption Date at the applicable Redemption Prices, or (ii) prior to selling any Collateral Obligations and/or Eligible Investments, the Collateral Manager shall certify to the Collateral Agent in a certificate of a Responsible Officer upon which the Collateral Agent can conclusively rely that, in its judgment (which may be based on the Issuer having entered into an agreement to sell such Assets to another special purpose entity that has committed financing or that has priced but has not yet closed its securities offering if such securities offering is expected to close on or prior to the scheduled Redemption Date), the aggregate sum of (A) any expected proceeds from the sale of Eligible Investments and (B) for each Collateral Obligation, the Market Value thereof, shall equal or exceed the Redemption Price of the Secured Debt. Any certification delivered by the Collateral Manager pursuant to this Section 9.8(b) shall include (1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Obligations and/or Eligible Investments and (2) all calculations required by this Section 9.8(b).

(c) Upon receipt from a Majority of the Preferred Shares, with the consent of the Depositor and the Collateral Manager, of a direction in writing to effect a Clean-Up Call Redemption, the Issuer will set the related Redemption Date and the Record Date and give written notice thereof to the Trustee, the Collateral Agent, the Loan Agent, the Collateral Administrator, the Collateral Manager and each Rating Agency not later than 15 Business Days prior to such proposed Redemption Date. A notice of redemption will be given by email, if available, and by first-class mail, postage prepaid, mailed not later than 10 Business Days prior to such Redemption Date, to each Holder, at such Holder's address as it appears on the Note Register, the Loan Register or the Share Register, as applicable, (and, in the case of Global Notes, delivered by electronic transmission to DTC), and each Rating Agency.

(d) Any notice of a Clean-Up Call Redemption may (or, if directed by a Majority of the Preferred Shares, shall) be withdrawn by the Co-Issuers up to (and including) the fourth Business Day prior to the related Redemption Date by written notice to the Trustee, the Collateral Agent, each Rating Agency and the Collateral Manager only if the Collateral Manager has not delivered the sale agreement or agreements or certifications as described in Section 9.8(b) in form satisfactory to the Trustee.

(e) The Collateral Agent shall forward notice of any such withdrawal of a Clean-Up Call Redemption, at the expense of the Issuer, to each Holder of Secured Debt that were to be redeemed at such Holder's address as it appears on the Note Loan Register or the Register, as applicable, by overnight courier guaranteeing next day delivery not later than the third Business Day prior to the related scheduled Redemption Date.

(f) On the Redemption Date related to any Clean-Up Call Redemption, the Redemption Price for the Secured Debt will be distributed pursuant to the Priority of Payments.

ARTICLE X

ACCOUNTS, ACCOUNTINGS AND RELEASES

Section 10.1 Collection of Money. Except as otherwise expressly provided herein, the Trustee may demand payment or delivery of, and shall receive and collect, directly and without intervention or assistance of any fiscal agent or other intermediary, all Money and other property payable to or receivable by the Collateral Agent pursuant to this Indenture, including all payments due on the Assets, in accordance with the terms and conditions of such Assets. The Collateral Agent shall segregate and hold all such Money and property received by it in trust for the Holders of the Secured Debt and shall apply it as provided herein. Each Account shall be established and maintained (a) with a federal or state- chartered depository institution (x) rated at least "A" and "A-1" by S&P (or at least "A+" by S&P if such institution has no short-term rating) and (y) which has a short-term credit rating of at least "F1" or a long term credit rating of at least "A" by Fitch or (b) in segregated trust accounts with the corporate trust department of a federal or state-chartered deposit institution rated at least "BBB+" by S&P and which has a short- term credit rating of at least "F1" or a long term credit rating of at least "A" by Fitch and is subject to regulations regarding fiduciary funds on deposit similar to Title 12 of the Code of Federal Regulations Section 9.10(b), and if such institution's rating falls below the ratings required by clause (a) or (b) above, as applicable, the assets held in such Account shall be moved within 30 calendar days to another institution that satisfies such applicable ratings. Such institution shall have a combined capital and surplus of at least U.S.$200,000,000. All Cash deposited in the Accounts shall be invested only in Eligible Investments or Collateral Obligations in accordance with the terms of this Indenture.

Section 10.2 Collection Account. (a) In accordance with this Indenture and the Securities Account Control Agreement, the Issuer shall, prior to the Closing Date, cause the Collateral Agent to establish at the Custodian two segregated accounts, one of which will be designated the "Interest Collection Subaccount" and one of which will be designated the "Principal Collection Subaccount" (and which together will comprise the Collection Account), each held in the name of the Issuer, subject to the lien of this Indenture and each of which shall be maintained with the Custodian in accordance with the Securities Account Control Agreement. The Collateral Agent shall from time to time deposit into the Interest Collection Subaccount, in addition to the deposits required pursuant to Section 10.6(a), immediately upon receipt thereof or upon transfer from the Payment Account or (to the extent directed by the Collateral Manager) the Expense Reserve Account, all Interest Proceeds (unless simultaneously reinvested in additional Collateral Obligations in accordance with Article XII). The Collateral Agent shall deposit immediately upon receipt thereof or upon transfer into the Revolver Funding Account or (to the extent directed by the Collateral Manager) from the Expense Reserve Account all other amounts remitted to the Collection Account into the Principal Collection Subaccount, including in addition to the deposits required pursuant to Section 10.6(a), (i) any funds designated as Principal Proceeds by the Collateral Manager in accordance with this Indenture, (ii) the net proceeds from the issuance of any additional Notes and/or additional Preferred Shares, and (iii) all other Principal Proceeds (unless simultaneously reinvested in additional Collateral Obligations in accordance with Article XII or in Eligible Investments). The Issuer may, but under no circumstances shall be required to, deposit from time to time into the Collection Account, in addition to any amount required hereunder to be deposited therein, such Monies received from external sources for the

benefit of the Secured Parties or the Issuer (other than payments on or in respect of the Collateral Obligations, Eligible Investments or other existing Assets) as the Issuer deems, in its sole discretion, to be advisable and to designate them as Interest Proceeds or Principal Proceeds. All Monies deposited from time to time in the Collection Account pursuant to this Indenture shall be held by the Collateral Agent as part of the Assets and shall be applied to the purposes herein provided. Subject to Section 10.2(d), amounts in the Collection Account shall be reinvested pursuant to Section 10.6(a).

(b) The Trustee, within one Business Day after receipt of any distribution or other proceeds in respect of the Assets which are not Cash, shall so notify the Issuer and the Issuer (or the Collateral Manager on behalf of the Issuer) shall use its commercially reasonable efforts to, within five Business Days after receipt of such notice from the Collateral Agent (or as soon as practicable thereafter), sell such distribution or other proceeds for Cash in an arm's length transaction and deposit the proceeds thereof in the Collection Account; provided that the Issuer (i) need not sell such distributions or other proceeds if it delivers an Issuer Order or an Officer's certificate to the Collateral Agent certifying that such distributions or other proceeds constitute Collateral Obligations, Equity Securities or Eligible Investments or (ii) may otherwise retain such distribution or other proceeds for up to two years from the date of receipt thereof if it delivers an Officer's certificate to the Collateral Agent certifying that (x) it will sell such distribution within such two-year period and (y) retaining such distribution is not otherwise prohibited by this Indenture.

(c) At any time when reinvestment is permitted pursuant to Article XII, the Collateral Manager on behalf of the Issuer may by Issuer Order direct the Collateral Agent to, and upon receipt of and in accordance with such Issuer Order the Collateral Agent shall, withdraw funds on deposit in the Principal Collection Subaccount representing Principal Proceeds (together with any Principal Financed Accrued Interest and Principal Financed Capitalized Interest) and reinvest (or invest, in the case of funds referred to in Section 7.18) such funds in additional Collateral Obligations, in each case in accordance with the requirements of Article XII and such Issuer Order. At any time, the Collateral Manager on behalf of the Issuer may by Issuer Order direct the Collateral Agent to, and upon receipt of such Issuer Order and in accordance therewith, the Collateral Agent shall, withdraw funds on deposit in the Principal Collection Subaccount representing Principal Proceeds and deposit such funds in the Revolver Funding Account to meet funding requirements on Delayed Drawdown Collateral Obligations or Revolving Collateral Obligations.

(d) The Collateral Manager on behalf of the Issuer may by Issuer Order direct the Collateral Agent to, and upon receipt of and in accordance with such Issuer Order the Collateral Agent shall, pay from amounts on deposit in the Collection Account on any Business Day during any Interest Accrual Period (i) any amount required to purchase additional Collateral Obligations and (ii) from Interest Proceeds only, any Administrative Expenses (such payments to be counted against the Administrative Expense Cap for the applicable period and to be subject to the order of priority as stated in the definition of Administrative Expenses); provided that the aggregate Administrative Expenses paid pursuant to this Section 10.2(d) during any Collection Period shall not exceed the Administrative Expense Cap for the related Payment Date; provided further that, the Collateral Agent shall be entitled (but not required) without liability on its part, to refrain from making any such payment of an Administrative Expense pursuant to this Section 10.2 on any day other than a Payment Date if, in its reasonable determination, the payment of such amount is likely to leave insufficient funds available to pay in full each of the items described in Section 11.1(a)(i)(A) as reasonably anticipated to be or become due and payable on the next Payment Date, taking into account the Administrative Expense Cap.

(e) The Collateral Agent shall transfer to the Payment Account, from the Collection Account for application pursuant to Section 11.1(a), on the Business Day immediately preceding each Payment Date, the amount set forth to be so transferred in the Distribution Report for such Payment Date.

Section 10.3 Transaction Accounts.

(a) Payment Account. In accordance with this Indenture and the Securities Account Control Agreement, the Issuer shall, prior to the Closing Date, cause the Collateral Agent to establish at the Custodian a single, segregated non-interest bearing account held in the name of the Issuer, subject to the lien of this Indenture, which shall be designated as the Payment Account, which shall be maintained with the Custodian in accordance with the Securities Account Control Agreement. Except as provided in Section 11.1(a), the only permitted withdrawal from or application of funds on deposit in, or otherwise to the credit of, the Payment Account shall be to pay amounts due and payable on the Secured Debt in accordance with their terms and the provisions of this Indenture and the Preferred Shares in accordance with the provisions of this Indenture and, upon Issuer Order, to pay Administrative Expenses, fees and other amounts due and owing to the Collateral Manager under the Collateral Management Agreement and other amounts specified herein, each in accordance with the Priority of Payments. The Co-Issuers shall not have any legal, equitable or beneficial interest in the Payment Account other than in accordance with this Indenture (including the Priority of Payments) and the Securities Account Control Agreement. Amounts in the Payment Account shall remain uninvested.

(b) Custodial Account. In accordance with this Indenture and the Securities Account Control Agreement, the Issuer shall, prior to the Closing Date, cause the Collateral Agent to establish at the Custodian a single, segregated non-interest bearing account held in the name of the Issuer, subject to the lien of this Indenture, which shall be designated as the Custodial Account, which shall be maintained with the Custodian in accordance with the Securities Account Control Agreement. All Collateral Obligations shall be credited to the Custodial Account. The only permitted withdrawals from the Custodial Account shall be in accordance with the provisions of this Indenture. The Collateral Agent agrees to give the Issuer prompt notice if (to the actual knowledge of a Trust Officer of the Collateral Agent) the Custodial Account or any assets or securities on deposit therein, or otherwise to the credit of the Custodial Account, shall become subject to any writ, order, judgment, warrant of attachment, execution or similar process. The Co-Issuers shall not have any legal, equitable or beneficial interest in the Custodial Account other than in accordance with this Indenture and the Priority of Payments.

(c) Ramp-Up Account. In accordance with this Indenture and the Securities Account Control Agreement, the Issuer shall, prior to the Closing Date, cause the Collateral Agent to establish at the Custodian a single, segregated non-interest bearing account held in the name of the Issuer, subject to the lien of this Indenture, which shall be designated as the Ramp-Up Account, which shall be maintained with the Custodian in accordance with the Securities Account Control

Agreement. The Issuer shall direct the Collateral Agent to deposit the amount specified in Section 3.1(k)(i) to the Ramp-Up Account on the Closing Date. In connection with any purchase of an additional Collateral Obligation, the Collateral Agent will apply amounts held in the Ramp-Up Account as provided by Section 7.18(b) and Section 7.18(g) (as directed by the Collateral Manager). Any income earned on amounts deposited in the Ramp-Up Account will be deposited in the Interest Collection Subaccount. All other amounts on deposit in the Ramp-Up Account will be deemed to represent Principal Proceeds. On the Effective Date or upon the occurrence and during the continuance of an Enforcement Event (and excluding any proceeds that will be used to settle binding commitments entered into prior to such date), the Collateral Agent will deposit any remaining amounts in the Ramp-Up Account into the Principal Collection Subaccount as Principal Proceeds and the Ramp-Up Account will be closed (after all proceeds, if any, used to settle binding commitments have been disbursed from the Ramp-Up Account).

(d) Expense Reserve Account. In accordance with this Indenture and the Securities Account Control Agreement, the Issuer shall, prior to the Closing Date, cause the Collateral Agent to establish at the Custodian a single, segregated non-interest bearing account held in the name of the Issuer, subject to the lien of this Indenture, which shall be designated as the Expense Reserve Account, which shall be maintained with the Custodian in accordance with the Securities Account Control Agreement. The Issuer shall direct the Collateral Agent to deposit to the Expense Reserve Account (i) the amount specified in Section 3.1(k)(ii) and (ii) any amounts designated by the Collateral Manager for deposit into the Expense Reserve Account pursuant to Section 11.1(a)(i)(M), Section 11.1(a)(ii)(N) or Section 11.1(a)(iii)(Q). On any Business Day from and including the Closing Date, the Collateral Agent shall apply funds from the Expense Reserve Account, as directed by the Collateral Manager, (i) to pay expenses of the Co-Issuers incurred in connection with the establishment of the Co-Issuers, the structuring and consummation of the Offering, the issuance of the Notes and the incurrence of the Class A-1 Loans, (ii) from time to time to pay accrued and unpaid Administrative Expenses of the Co-Issuers or (iii) to the Collection Account as Principal Proceeds or Interest Proceeds (as designated by the Collateral Manager). Any income earned on amounts deposited in the Expense Reserve Account will be deposited in the Interest Collection Subaccount as Interest Proceeds as it is received.

(e) Interest Reserve Account. In accordance with this Indenture and the Securities Account Control Agreement, the Issuer shall, prior to the Closing Date, cause the Collateral Agent to establish at the Custodian a single, segregated non-interest bearing account held in the name of the Issuer, subject to the lien of this Indenture, which shall be designated as the Interest Reserve Account, which shall be maintained with the Custodian in accordance with the Securities Account Control Agreement. Pursuant to Section 3.1(k)(iii), the Issuer shall direct the Collateral Agent to deposit the Interest Reserve Amount into the Interest Reserve Account. Such Interest Reserve Amount will be transferred to the Collection Account as Interest Proceeds on the Determination Date relating to the first Payment Date unless the Collateral Manager, in its discretion, provides prior written notice to the Collateral Agent that such Interest Reserve Amount shall not be so transferred and should instead be held in the Interest Reserve Account for application in accordance with this Indenture, including: (i) prior to the second Payment Date, at the discretion of the Collateral Manager, to the Collection Account as Interest Proceeds or to the Collection Account (or, prior to the Effective Date, the Ramp Up Account) as Principal Proceeds (as designated by the Collateral Manager) and (ii) amounts remaining in the Interest Reserve Account after the second Payment Date will be transferred to the Collection Account as Interest Proceeds or Principal Proceeds (as designated by the Collateral Manager).

(f) Contribution Account. In accordance with this Indenture and the Securities Account Control Agreement, the Issuer shall, prior to the Closing Date, cause the Collateral Agent to establish at the Custodian a single, segregated non-interest bearing account held in the name of the Issuer, subject to the lien of this Indenture, which shall be designated as the Contribution Account, which shall be maintained with the Custodian in accordance with the Securities Account Control Agreement. Each Cash Contribution will be received into the Contribution Account, and the Collateral Manager, on behalf of the Issuer, will apply such Contribution to the Permitted Use directed by the applicable Contributor at the time such Contribution is made (or, if no such direction is given by the Contributor, at the direction of the Collateral Manager in its sole discretion). No Contribution or any portion thereof will be returned to the Contributor at any time. Any income earned on amounts deposited in the Contribution Account will be deposited in the Interest Collection Subaccount as Interest Proceeds.

(g) The Preferred Shares Payment Account. Pursuant to the Fiscal Agency Agreement, the Issuer shall cause the Fiscal Agent, prior to the Closing Date, to establish a single, segregated non-interest bearing account held in the name of the Issuer which will be designated as the Preferred Shares Payment Account. Investment of amounts on deposit in the Preferred Shares Payment Account shall be made solely in accordance with the terms of the Fiscal Agency Agreement. The Preferred Shares Payment Account will not be subject to the lien of this Indenture. The Fiscal Agent will promptly credit, with respect to each Payment Date, the amount (if any) of distributions received by the Fiscal Agent from the Issuer or the Collateral Agent under the Priority of Payments for payments on the Preferred Shares. Any income earned on amounts deposited in the Preferred Shares Payment Account will be deposited in the Interest Collection Subaccount as Interest Proceeds.

Section 10.4 The Revolver Funding Account. Upon the purchase or acquisition of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation identified by the Collateral Manager via written notice to the Collateral Agent, funds in an amount equal to the undrawn portion of such obligation shall be withdrawn first from the Principal Collection Subaccount and, if necessary, from the Ramp-Up Account and deposited by the Collateral Agent in a single, segregated account established (in accordance with this Indenture and the Securities Account Control Agreement) at the Custodian and held in the name of the Issuer, subject to the lien of this Indenture (the "Revolver Funding Account"). The Issuer shall direct the Collateral Agent to deposit the amount specified in Section 3.1(k)(iv) to the Revolver Funding Account. Upon initial purchase or acquisition of any such obligations, funds deposited in the Revolver Funding Account in respect of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation will be treated as part of the purchase price therefor. Amounts on deposit in the Revolver Funding Account will be invested in overnight funds that are Eligible Investments selected by the Collateral Manager pursuant to Section 10.6 and earnings from all such investments will be deposited in the Interest Collection Subaccount as Interest Proceeds. All other amounts held in the Revolver Funding Account will be deemed to represent Principal Proceeds.

The Issuer shall, at all times, maintain sufficient funds on deposit in the Revolver Funding Account such that the sum of the amount of funds on deposit in the Revolver Funding Account shall be at least equal to the sum of the unfunded funding obligations under all such Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations then included in the Assets. Funds shall be deposited in the Revolver Funding Account upon the purchase of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation and upon the receipt by the Issuer of any Principal Proceeds with respect to a Revolving Collateral Obligation as directed by the Collateral Manager on behalf of the Issuer. In the event of any shortfall in the Revolver Funding Account, the Collateral Manager (on behalf of the Issuer) may direct the Collateral Agent to, and the Collateral Agent thereafter shall, transfer funds in an amount equal to such shortfall from the Principal Collection Subaccount to the Revolver Funding Account. The Collateral Agent shall not be responsible at any time for determining whether any such shortfall in the Revolving Funding Account exists.

Any funds in the Revolver Funding Account (other than earnings from Eligible Investments therein) will be treated as Principal Proceeds and will be available solely to cover any drawdowns on the Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations; provided that any excess of (A) the amounts on deposit in the Revolver Funding Account over (B) the sum of the unfunded funding obligations under all Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations that are included in the Assets (which excess may occur for any reason, including upon (i) the sale or maturity of a Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, (ii) the occurrence of an event of default with respect to any such Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation or (iii) any other event or circumstance which results in the irrevocable reduction of the undrawn commitments under such Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation) may be transferred by the Trustee (at the written direction of the Collateral Manager on behalf of the Issuer) from time to time as Principal Proceeds to the Principal Collection Subaccount.

Section 10.5 Contributions. At any time during or after the Reinvestment Period, with the consent of the Collateral Manager, any holder of Preferred Shares (each such holder, a "Contributor") may, but shall not be required to, for any Permitted Use, (A) make contributions of cash, Eligible Investments and Collateral Obligations to the Issuer or (B) return to the Collateral Agent (via the Fiscal Agent) any portion of Interest Proceeds or Principal Proceeds that was distributed on such Preferred Shares in accordance with the Priority of Payments (each, a "Contribution" and each Contribution of cash or Eligible Investments, a "Cash Contribution"). For the avoidance of doubt, Contributions shall not include any deemed capital contribution by the Depositor to the Issuer in connection with the acquisition by the Issuer of any Collateral Obligation as provided in the Transaction Documents. Each Contribution of Collateral Obligations accepted by the Collateral Manager shall be received into the Custodial Account. Each Cash Contribution accepted by the Collateral Manager shall be received into the Contribution Account and shall be applied by the Collateral Manager, on behalf of the Issuer, to the Permitted Use directed by the applicable Contributor at the time such Contribution is made (or, if no direction is given by the applicable Contributor, at the direction of the Collateral Manager in its sole discretion). No Contribution or any portion thereof will be returned to the Contributor at any time. Any income earned on amounts on deposit in the Contribution Account will be deposited into the Interest Collection Subaccount as Interest Proceeds.

Section 10.6 Reinvestment of Funds in Accounts; Reports by Collateral Agent. (a) By Issuer Order (which may be in the form of standing instructions), the Issuer (or the Collateral Manager on behalf of the Issuer) shall at all times direct the Collateral Agent to, and, upon receipt of such Issuer Order, the Collateral Agent shall, invest all funds on deposit in the Collection Account, the Ramp-Up Account, the Revolver Funding Account and the Expense Reserve Account, as so directed in Eligible Investments having stated maturities no later than the Business Day preceding the next Payment Date (or such shorter maturities expressly provided herein). If, prior to the occurrence of an Event of Default, the Issuer shall not have given any such investment directions, the Collateral Agent shall seek instructions from the Collateral Manager within three Business Days after transfer of any funds to such accounts. If the Collateral Agent does not thereafter receive written instructions from the Collateral Manager within five Business Days after transfer of such funds to such accounts, it shall invest and reinvest the funds held in such accounts, as fully as practicable, in the Standby Directed Investment. If after the occurrence of an Event of Default, the Issuer shall not have given such investment directions to the Collateral Agent for three consecutive days, the Collateral Agent shall invest and reinvest such Monies as fully as practicable in the Standby Directed Investment unless and until contrary investment instructions as provided in the preceding sentence are received or the Collateral Agent receives a written instruction from the Issuer, or the Collateral Manager on behalf of the Issuer, changing the Standby Directed Investment. Except to the extent expressly provided otherwise herein, all interest and other income from such investments shall be deposited in the Interest Collection Subaccount, any gain realized from such investments shall be credited to the Principal Collection Subaccount upon receipt, and any loss resulting from such investments shall be charged to the Principal Collection Subaccount. The Collateral Agent shall not in any way be held liable by reason of any insufficiency of such accounts which results from any loss relating to any such investment; provided that nothing herein shall relieve the Collateral Agent of (i) its obligations or liabilities under any security or obligation issued by the Collateral Agent or any Affiliate thereof or (ii) liability for any loss resulting from gross negligence, willful misconduct or fraud on the part of the Collateral Agent or any Affiliate thereof.

(b) The Trustee agrees to give the Issuer prompt written notice if any Account or any funds on deposit in any Account, or otherwise to the credit of an Account, shall become subject to any writ, order, judgment, warrant of attachment, execution or similar process.

(c) The Collateral Agent shall supply, in a timely fashion, to the Co-Issuers, each Rating Agency, the Collateral Administrator, the Trustee, the Loan Agent and the Collateral Manager any information regularly maintained by the Collateral Agent that the Co-Issuers, the Rating Agencies, the Collateral Administrator or the Collateral Manager may from time to time reasonably request with respect to the Assets, the Accounts and the other Assets and provide any other requested information reasonably available to the Collateral Agent by reason of its acting as Collateral Agent hereunder and required to be provided by Section 10.7 or to permit the Collateral Manager to perform its obligations under the Collateral Management Agreement or the Issuer's obligations hereunder that have been delegated to the Collateral Manager. The Collateral Agent shall promptly forward to the Collateral Manager copies of notices and other writings received by it from the Obligor or issuer of any Asset or from any Clearing Agency with respect to any Asset which notices or writings advise the holders of such Asset of any rights that the holders might have with respect thereto (including, without limitation, requests to vote with respect to amendments or waivers and notices of prepayments and redemptions) as well as all periodic financial reports received from such Obligor or issuer and Clearing Agencies with respect to such Obligor or issuer.

(d) For U.S. tax reporting purposes, the Issuer (or any person from whom the Issuer is disregarded as a separate entity for U.S. federal income tax purposes as documented in the IRS forms and other documentation described below) shall be treated as the payee of all income earned on the funds invested and allocable to the Accounts. The Issuer will provide to the Collateral Agent (i) an IRS Form W-9 or applicable IRS Form W-8 no later than the date hereof, and (ii) any additional IRS forms (or updated versions of any previously submitted IRS forms) or other documentation at such time or times required by applicable law or upon the reasonable request of the Collateral Agent as may be necessary (a) to reduce or eliminate the imposition of U.S. withholding taxes and (b) to permit the Collateral Agent to fulfill their tax reporting obligations under applicable law with respect to the Accounts or any amounts paid to the Issuer. Neither the Collateral Agent nor the Bank shall have any liability to the Issuer or any other person in connection with any tax withholding amounts paid, or retained for payment, to a Governmental Authority from the Accounts arising from the Issuer's failure to timely provide an accurate, correct and complete IRS Form W-9, applicable IRS Form W-8 or such other documentation contemplated under this paragraph. For the avoidance of doubt, no funds shall be invested with respect to such Accounts absent the Collateral Agent having first received (x) instructions with respect to the investment of such funds, and (y) the forms and other documentation required by this paragraph.

(e) The Collateral Agent shall not in any way be held liable by reason of any insufficiency of funds in any Account resulting from any loss relating to any such investment and will not be liable for the selection of investments.

(f) The accounts established by the Collateral Agent pursuant to this Article X may include any number of sub-accounts for convenience in administering the Assets.

Section 10.7 Accountings.

(a) Monthly. Not later than the 24th day (or, if such day is not a Business Day, on the next succeeding Business Day) of each calendar month (other than a month in which a Payment Date occurs) and commencing in January 2020, the Issuer shall compile and make available (or cause to be compiled and made available) to each Rating Agency, the Trustee, the Collateral Agent, the Loan Agent (for delivery to the Class A-1 Lenders), the Fiscal Agent, the Collateral Manager, the Placement Agent, each Holder listed on the Note Register and any beneficial owner of a Note who has delivered a Beneficial Ownership Certificate to the Trustee, and each Holder of Preferred Shares listed on the Share Register, a monthly report on a settlement date basis (except as otherwise expressly provided in this Indenture) (each such report a "Monthly Report"). As used herein, the "Monthly Report Determination Date" with respect to any calendar month will be the tenth Business Day preceding the date the Monthly Report is made available. The Monthly Report for a calendar month shall contain the following information with respect to the Collateral Obligations and Eligible Investments included in the Assets, and shall be determined as of the close of business on the Monthly Report Determination Date for such calendar month:

(i) Aggregate Principal Balance of Collateral Obligations, the aggregate unfunded commitments of the Collateral Obligations, any capitalized interest on the Collateral Obligations and Eligible Investments representing Principal Proceeds.

(ii) Adjusted Collateral Principal Amount of Collateral Obligations.

(iii) Collateral Principal Amount of Collateral Obligations.

(iv) A list of Collateral Obligations, including, with respect to each such Collateral Obligation, the following information:

(A) The obligor thereon (including the issuer ticker, if any);

(B) The CUSIP or security identifier thereof;

(C) The Principal Balance thereof (other than any accrued interest that was purchased with Principal Proceeds) and any unfunded commitment pertaining thereto;

(D) The percentage of the aggregate Collateral Principal Amount represented by such Collateral Obligation;

(E) (x) The related interest rate or spread (in the case of a Libor Floor Obligation, calculated both with and without regard to the applicable specified "floor" rate *per annum*), (y) if such Collateral Obligation is a Libor Floor Obligation, the related Libor floor and (z) the identity of any Collateral Obligation that is not a Libor Floor Obligation and for which interest is calculated with respect to any index other than Libor;

(F) The stated maturity thereof;

(G) The related S&P Industry Classification;

(H) The S&P Rating, unless such rating is based on a credit estimate or is a private or confidential rating from S&P;

(I) The Fitch Rating, unless such rating is based on a credit estimate or is a private or confidential rating from Fitch;

(J) The country of Domicile;

(K) An indication as to whether each such Collateral Obligation is (1) a Senior Secured Loan, (2) a Second Lien Loan, (3) a Defaulted Obligation, (4) a Delayed Drawdown Collateral Obligation, (5) a Revolving Collateral Obligation, (6) a Participation Interest (indicating the related Selling Institution, if applicable, and its ratings by each Rating Agency), (7) a Permitted Deferrable Obligation, (8) a Current Pay Obligation, (9) a Discount Obligation, (10) a Discount Obligation purchased in the manner described in clause (y) of the proviso to the definition "Discount Obligation," (11) a DIP Collateral Obligation, (12) a Cov-Lite Loan, (13) a First-Lien Last-Out Loan, (14) an Exchanged Defaulted Obligation, (15) a Long-Dated Obligation, (16) a Step-Down Obligation and (17) a Fixed Rate Obligation.

(L) With respect to each Collateral Obligation that is a Discount Obligation purchased in the manner described in clause (y) of the proviso to the definition "Discount Obligation,"

(I) the identity of the Collateral Obligation (including whether such Collateral Obligation was classified as a Discount Obligation at the time of its original purchase) the proceeds of whose sale are used to purchase the purchased Collateral Obligation;

(II) the purchase price (as a percentage of par) of the purchased Collateral Obligation and the sale price (as a percentage of par) of the Collateral Obligation the proceeds of whose sale are used to purchase the purchased Collateral Obligation; and

(III) the Aggregate Principal Balance of Collateral Obligations that have been excluded from the definition of "Discount Obligation" and relevant calculations indicating whether such amount is in compliance with the limitations described in clauses (z)(A) and (z)(B) of the proviso to the definition of "Discount Obligation."

(M) With respect to each obligation that is acquired or received in a Bankruptcy Exchange,

(I) the identity of such obligation; and

(II) the Aggregate Principal Balance of obligations that have been received in a Bankruptcy Exchange and relevant calculations indicating whether such amount is in compliance with the limitations described in the definition of Bankruptcy Exchange;

(N) The Principal Balance of each Cov-Lite Loan and the Aggregate Principal Balance of all Cov-Lite Loans;

(O) The S&P Recovery Rate unless such rate is based on a credit estimate or a private or confidential rating from S&P;

(P) The Fitch Recovery Rate unless such rate is based on a credit estimate or a private or confidential rating from Fitch; and

(Q) The date of the credit estimate of such Collateral Obligation, if applicable.

(v) Based solely on the monthly report of, and as reported by, the Depositor, the holding by the Depositor of the Retention Interest as of the date of its report. The foregoing information shall be provided by the Depositor (or the Issuer or the Collateral Manager on the Depositor's behalf) to the Collateral Agent and the Collateral Administrator.

(vi) If the Monthly Report Determination Date occurs on or after the Effective Date, for each of the limitations and tests specified in the definitions of Concentration Limitations and Collateral Quality Test, (1) the result (including, after any S&P CDO Monitor Switchover Date, calculation of each of the S&P CDO Monitor Benchmarks), (2) the related minimum or maximum test level and (3) if such Monthly Report Determination Date occurs on or prior to the last day of the Reinvestment Period, a determination as to whether such result satisfies the related test.

(vii) The calculation of each of the following:

(A) Each Interest Coverage Ratio (and setting forth the percentage required to satisfy each Interest Coverage Test);

(B) Each Overcollateralization Ratio (and setting forth the percentage required to satisfy each Overcollateralization Ratio Test);

(viii) The calculation specified in Section 5.1(e).

(ix) For each Account, a schedule showing the beginning balance, each credit or debit specifying the nature, source and amount, and the ending balance.

(x) A schedule showing for each of the following the beginning balance, the amount of Interest Proceeds received from the immediately preceding Monthly Report Determination Date, and the ending balance for the current Monthly Report Determination Date:

(A) Interest Proceeds from Collateral Obligations; and

(B) Interest Proceeds from Eligible Investments.

(xi) Purchases, prepayments, and sales:

(A) The identity, Principal Balance (other than any accrued interest that was purchased with Principal Proceeds), unfunded commitment (if any), capitalized interest (if any), Principal Proceeds and Interest Proceeds received, and date for (X) each Collateral Obligation that was released for sale or disposition pursuant to Section 12.1 since the last Monthly Report Determination Date and (Y) each prepayment or redemption of a Collateral Obligation, and in the case of (X), whether such Collateral Obligation was a Credit Risk Obligation or a Credit Improved Obligation, whether the sale of such Collateral Obligation was a discretionary sale;

(B) The identity, Principal Balance (other than any accrued interest that was purchased with Principal Proceeds), unfunded commitment (if any), capitalized interest (if any) and Principal Proceeds and Interest Proceeds expended to acquire each Collateral Obligation acquired pursuant to Section 12.2 or 12.3 since the last Monthly Report Determination Date;

(C) The identity, Principal Balance (other than any accrued interest that was purchased with Principal Proceeds), unfunded commitment (if any), Principal Proceeds and Interest Proceeds received, and date for each Collateral Obligation that was substituted pursuant to Section 12.3(a) or repurchased pursuant to Section 12.3(b) (and, in either case, an indication as to whether each such substitution or repurchase was a mandatory substitution or repurchase) since the last Monthly Report Determination Date, all as reported to the Collateral Agent and the Collateral Administrator by the Collateral Manager at the time of such purchase, repurchase or substitution (or, if no Collateral Obligations were so substituted or repurchased during such period, a statement to that effect); and

(D) the details of any Trading Plan (including, the proposed acquisitions and dispositions identified by the Collateral Manager as part of such Trading Plan).

(xii) The identity of each Defaulted Obligation, the S&P Collateral Value, the Fitch Collateral Value and Market Value of each such Defaulted Obligation and date of default thereof.

(xiii) The identity of each Collateral Obligation with an S&P Rating of "CCC+" or below, a Fitch Rating of "CCC+" or below and the Market Value of each such Collateral Obligation.

(xiv) The identity of each Deferring Obligation, the S&P Collateral Value and Market Value of each Deferring Obligation, and the date on which interest was last paid in full in Cash thereon.

(xv) The identity of each Current Pay Obligation, the Market Value of each such Current Pay Obligation, and the percentage of the Collateral Principal Amount comprised of Current Pay Obligations.

(xvi) The identity, rating and maturity of each Eligible Investment.

(xvii) Calculation of the S&P Equivalent Weighted Average Rating Factor;

(xviii) For each Account, (i) the name of the financial institution that holds such Account; and (ii) the applicable ratings by S&P and Fitch required under Section 10.1(a) for such institution

(xix) Such other information as any Rating Agency or the Collateral Manager may reasonably request.

For each instance in which the Market Value is reported pursuant to the foregoing, the Monthly Report shall also indicate the manner in which such Market Value was determined and the source(s) (if applicable) used in such determination.

Upon receipt of each Monthly Report, the Collateral Agent shall (a) if the relevant Monthly Report Determination Date occurred on or prior to the last day of the Reinvestment Period, notify the Issuer (who shall notify S&P) if such Monthly Report indicates that the S&P CDO Monitor Test has not been satisfied as of the relevant Measurement Date and (b) compare the information contained in such Monthly Report to the information contained in its records with respect to the Assets and shall, within three Business Days after receipt of such Monthly Report, notify the Issuer, the Collateral Administrator, the Rating Agencies and the Collateral Manager if the information contained in the Monthly Report does not conform to the information maintained by the Collateral Agent with respect to the Assets. If any discrepancy exists, the Collateral Administrator and the Issuer, or the Collateral Manager on behalf of the Issuer, shall attempt to resolve the discrepancy. If such discrepancy cannot be promptly resolved, the Collateral Agent shall within ten (10) Business Days notify the Collateral Manager who shall, on behalf of the Issuer, request that the Independent accountants appointed by the Issuer pursuant to Section 10.9 review such Monthly Report and the Collateral Agent's records to assist the Collateral Agent in determining the cause of such discrepancy. If such review reveals an error in the Monthly Report or the Bank's records, the Monthly Report or the Collateral Agent's records shall be revised accordingly and, as so revised, shall be utilized in making all calculations pursuant to this Indenture and notice of any error in the Monthly Report shall be sent as soon as practicable by the Issuer to all recipients of such report which may be accomplished by making a notation of such error in the subsequent Monthly Report.

(b) Payment Date Accounting. The Issuer shall render an accounting (each a "Distribution Report"), determined as of the close of business on each Determination Date preceding a Payment Date, and shall make available such Distribution Report to the Trustee, the Collateral Agent, the Loan Agent (for delivery to the Class A-1 Lenders) the Collateral Manager, the Fiscal Agent, the Placement Agent, each Rating Agency, any Holder listed on the Note Register and any beneficial owner of a Note who has delivered a Beneficial Ownership Certificate to the Collateral Agent, and each Holder of Preferred Shares listed on the Share Register, not later than the Business Day preceding the related Payment Date. The Distribution Report shall contain the following information:

(i) the information required to be in the Monthly Report pursuant to Section 10.7(a);

(ii) (a) the Aggregate Outstanding Amount of each Class of Secured Debt at the beginning of the Interest Accrual Period and such amount as a percentage of the original Aggregate Outstanding Amount of such Class, (b) the amount of principal payments to be made on each Class of Secured Debt on the next Payment Date, the amount of any Deferred Interest on the Deferrable Notes and the Aggregate Outstanding Amount of each Class of Secured Debt after giving effect to the principal payments, if any, on the next Payment Date and such amount as a percentage of the original Aggregate Outstanding Amount of such Class and (c) the Aggregate Outstanding Amount of Preferred Shares at the beginning of the Interest Accrual Period and such amount as a percentage of the original Aggregate Outstanding Amount of the Preferred Shares, the amount of payments, if any, to be made on the Preferred Shares on the next Payment Date and the amount of Permitted RIC Distributions, if any, made since the prior Distribution Report;

(iii) the Interest Rate and accrued interest for each applicable Class of Secured Debt for such Payment Date;

(iv) the amounts payable pursuant to each clause of Section 11.1(a)(i) and each clause of Section 11.1(a)(ii) or each clause of Section 11.1(a)(iii), as applicable, on the related Payment Date;

(v) for the Collection Account:

(A) the Balance on deposit in the Collection Account at the end of the related Collection Period;

(B) the amounts payable from the Collection Account to the Payment Account, in order to make payments pursuant to Section 11.1(a)(i) and Section 11.1(a)(ii) on the next Payment Date (net of amounts which the Collateral Manager intends to re-invest in additional Collateral Obligations pursuant to Article XII); and

(C) the payments and deposits to be made on such Payment Date; and

(vi) such other information as the Collateral Manager may reasonably request.

Each Distribution Report shall constitute instructions to the Collateral Agent to withdraw funds from the Payment Account and pay or transfer such amounts set forth in such Distribution Report in the manner specified and in accordance with the priorities established in Section 11.1 and Article XIII.

(c) Interest Rate Notice. The Monthly Report shall include a notice setting forth the Interest Rate for each Class of Secured Debt for the Interest Accrual Period preceding the next Payment Date.

(d) Failure to Provide Accounting. If the Collateral Agent shall not have received any accounting provided for in this Section 10.7 on the first Business Day after the date on which such accounting is due to the Collateral Agent, the Collateral Agent shall notify the Collateral Manager who shall use all reasonable efforts to obtain such accounting by the applicable Payment Date. To the extent the Collateral Manager is required to provide any information or reports pursuant to this Section 10.7 as a result of the failure of the Issuer to provide such information or reports, the Collateral Manager shall be entitled to retain an Independent certified public accountant in connection therewith and the reasonable costs incurred by the Collateral Manager for such Independent certified public accountant shall be paid by the Issuer.

(e) Required Content of Certain Reports. Each Monthly Report and each Distribution Report sent to any Holder or beneficial owner of an interest in a Note shall contain, or be accompanied by, the following notices:

"The Notes may be beneficially owned only by Persons that are (a) Persons that are not "U.S. persons" (as defined in Regulation S) and are purchasing their beneficial interest outside of the United States in reliance on Regulation S or (b) both (i) Qualified Institutional Buyers or, solely in the case of Notes issued as Certificated Notes, Institutional Accredited Investors and (ii) Qualified Purchasers (or corporations, partnerships, limited liability companies or other entities (other than trusts) of which each shareholder, partner, member or other equity owner is either a Qualified Purchaser). The Issuer has the right to compel any beneficial owner of an interest in Global Notes that does not meet the qualifications set forth in the preceding sentence to sell its interest in such Notes, or may sell such interest on behalf of such owner, pursuant to Section 2.11 of the Indenture."

"Each holder receiving this report agrees to keep all non-public information herein confidential and not to use such information for any purpose other than its evaluation of its investment in the Notes; provided that any holder may provide such information on a confidential basis to any prospective purchaser of such holder's Notes that is permitted by the terms of this Indenture to acquire such holder's Notes and that agrees to keep such information confidential in accordance with the terms of the Indenture."

(f) Placement Agent Information. The Issuer and the Placement Agent, or any successor to the Placement Agent, may post the information contained in a Monthly Report or Distribution Report to a password-protected internet site accessible only to the Holders of the Notes and to the Collateral Manager.

(g) Distribution of Reports. The Collateral Agent will make the Monthly Report and the Distribution Report available via its website. The Collateral Agent's website shall initially be located at https://pivot.usbank.com. The Collateral Agent may change the way such statements are distributed. As a condition to access to the Collateral Agent's website, the Collateral Agent may require registration and the acceptance of a disclaimer. The Collateral Agent shall be entitled to rely on but shall not be responsible for the content or accuracy of any information provided in the Monthly Report and the Distribution Report which the Collateral Agent disseminates in accordance with this Indenture and may affix thereto any disclaimer it deems appropriate in its reasonable discretion.

(h) Investor Information Services. The Collateral Agent shall cause an electronic copy of the information from each Monthly Report and Distribution Report to be delivered to Intex Solutions, Inc., Bloomberg LP and Moody's Analytics, Inc. and shall grant each of them access to the Collateral Agent's website.

(i) Effective Date Report. The Issuer shall compile and make available (or cause to be compiled and made available) to S&P the Effective Date Report based solely on information contained in the Monthly Reports or provided by the Collateral Manager to the Collateral Administrator. The Collateral Manager shall cooperate with the Issuer and the Collateral Administrator in connection with the preparation of the Effective Date Report. Without limiting the generality of the foregoing, the Collateral Manager shall supply in a timely fashion any information maintained by it that the Issuer and the Collateral Administrator may from time to time request with respect to the Assets and reasonably need to complete the Effective Date Report or required to permit the Issuer and the Collateral Administrator to perform their obligations hereunder. The Collateral Manager shall review and verify the contents of the aforesaid reports, instructions, statements and certificates and shall send such reports, instructions, statements and certificates to the Issuer for execution.

Section 10.8 Release of Assets. (a) Subject to Article XII, the Issuer may, by Issuer Order executed by an Officer of the Collateral Manager, delivered to the Collateral Agent at least one Business Day prior to the settlement date for any sale of an Asset certifying that the sale, repurchase or substitution of such Asset is being made in accordance with Section 12.1 or 12.3 hereof or Section 2.07 of the Master Loan Sale Agreement, as applicable, and such sale, repurchase or substitution complies with all applicable requirements of Section 12.1 or 12.3 hereof or Section 2.07 of the Master Loan Sale Agreement, as applicable (which certification shall be deemed to have been provided by the Collateral Manager upon delivery by the Collateral Manager of an Issuer Order or other written instruction of a Responsible Officer of the Collateral Manager to the Collateral Agent to sell any such Asset) (provided that if an Event of Default has occurred and is continuing, neither the Issuer nor the Collateral Manager (on behalf of the Issuer) may direct the Collateral Agent to release or cause to be released such Asset from the lien of this Indenture pursuant to a sale under Section 12.1(e), Section 12.1(f) or Section 12.1(g) unless the sale of such Asset is permitted pursuant to Section 12.4(c)), direct the Collateral Agent to release or cause to be released such Asset from the lien of this Indenture and, upon receipt of such Issuer Order, the Collateral Agent shall deliver any such Asset, if in physical form, duly endorsed to the broker or purchaser designated in such Issuer Order or, if such Asset is a Clearing Corporation Security, cause an appropriate transfer thereof to be made, in each case against receipt of the sales price therefor as specified by the Collateral Manager in such Issuer Order; provided that the Collateral Agent may deliver any such Asset in physical form for examination in accordance with industry custom.

(b) Subject to the terms of this Indenture, the Collateral Agent shall upon an Issuer Order (i) deliver any Asset, and release or cause to be released such Asset from the lien of this Indenture, which is set for any mandatory call or redemption or payment in full to the appropriate payor or paying agent, as applicable, on or before the date set for such call, redemption or payment, in each case against receipt of the call or redemption price or payment in full thereof and (ii) provide notice thereof to the Collateral Manager.

(c) Upon a Trust Officer receiving actual notice of any Offer or any request for a waiver, direction, consent, amendment or other modification or action with respect to any Asset, the Collateral Agent on behalf of the Issuer shall notify the Collateral Manager of any Asset that is subject to a tender offer, voluntary redemption, exchange offer, conversion or other similar action (an "Offer") or such request. Unless the Secured Debt have been accelerated following an Event of Default, the Collateral Manager may, by Issuer Order, direct (x) the Collateral Agent and the Issuer to accept or participate in or decline or refuse to participate in such Offer and, in the case of acceptance or participation, to release from the lien of this Indenture such Asset in accordance with the terms of the Offer against receipt of payment therefor, or (y) the Issuer or the Collateral Agent to agree to or otherwise act with respect to such consent, direction, waiver, amendment, modification or action; provided that in the absence of any such direction, the Collateral Agent shall not respond or react to such Offer or request.

(d) As provided in Section 10.2(a), the Collateral Agent shall deposit any proceeds received by it from the disposition or replacement of an Asset in the applicable subaccount of the Collection Account, unless simultaneously applied to the purchase of additional Collateral Obligations or Eligible Investments as permitted under and in accordance with the requirements of this Article X and Article XII.

(e) The Collateral Agent shall, upon receipt of an Issuer Order at such time as there is no Secured Debt Outstanding and all obligations of the Co-Issuers hereunder have been satisfied, release any remaining Assets from the lien of this Indenture.

(f) Any security, Collateral Obligation or amounts that are released pursuant to Section 10.8(a), (b) or (c) shall be released from the lien of this Indenture.

(g) Any amounts paid to the Preferred Shares Payment Account from the Payment Account or the Interest Collection Subaccount in accordance with the Priority of Payments or in connection with a Permitted RIC Distribution, as applicable, for distribution by the Fiscal Agent to the Holders of the Preferred Shares in accordance with the Fiscal Agency Agreement shall be released from the lien of this Indenture.

Section 10.9 Reports by Independent Accountants. (a) At the Closing Date, the Issuer shall appoint one or more firms of Independent certified public accountants of recognized international reputation for purposes of reviewing and delivering the reports or certificates of such accountants required by this Indenture, which may be the firm of Independent certified public accountants that performs accounting services for the Issuer or the Collateral Manager. The Issuer may remove any firm of Independent certified public accountants at any time without the consent of any Holder. Upon any resignation by such firm or removal of such firm by the Issuer, the Issuer (or the Collateral Manager on behalf of the Issuer) shall promptly appoint by Issuer Order delivered to the Trustee, the Collateral Agent, the Loan Agent and each Rating Agency a successor thereto that shall also be a firm of Independent certified public accountants of recognized international reputation, which may be a firm of Independent certified public accountants that performs accounting services for the Issuer or the Collateral Manager. If the Issuer shall fail to appoint a successor to a firm of Independent certified public accountants which has resigned within 30 days after such resignation, the Issuer shall promptly notify the Collateral Agent of such failure in writing. If the Issuer shall not have appointed a successor within ten days thereafter, the Collateral Agent shall promptly notify the Collateral Manager, who shall appoint a successor firm of Independent certified public accountants of recognized international reputation. The fees of such Independent certified public accountants and its successor shall be payable by the Issuer. In the event such firm requires the Collateral Agent and/or the Collateral Administrator to agree to the procedures performed by such firm or execute an access letter or any agreement in order to access its reports, which may contain a release of any claims, liabilities and expenses arising out of or relating to such accountant's engagement, agreed-upon procedures or any report issued by such accountants under any such agreement, the Issuer hereby directs the Collateral Agent or the Collateral Administrator, as the case may be, to so agree or execute any such access letter or agreement; it being understood that the Collateral Agent and the Collateral Administrator, as the case may be, shall deliver such letter of agreement in conclusive reliance on the foregoing direction of the Issuer and neither the Collateral Agent nor the Collateral Administrator shall make no inquiry or investigation as to, and shall have no obligation in respect of, the sufficiency, validity,

or correctness of such procedures. In addition, the Bank, the Trustee, the Collateral Agent, the Loan Agent and the Collateral Administrator shall be authorized, without liability on its part, to execute and deliver any acknowledgement, access letter, or other agreement with such firm of Independent accountants required for the Collateral Agent (or Collateral Administrator, as applicable) to receive any of the certificates, reports or instructions provided for herein, which acknowledgement, access letter, or agreement may include, among other things, (i) acknowledgement that the Issuer has agreed that the procedures to be performed by the Independent accountants are sufficient for relevant purposes, (ii) releases by the Collateral Agent (on behalf of itself and/or the Holders) and the Collateral Administrator of any claims, liabilities, and expenses arising out of or relating to such Independent accountant's engagement, agreed-upon procedures or any report issued by such Independent accountants under any such engagement and acknowledgement of other limitations of liability in favor of the Independent accountants, and (iii) restrictions or prohibitions on the disclosure of any such certificates, reports or other information or documents provided to it by such firm of Independent accountants (including to the Holders). Notwithstanding the foregoing, in no event shall the Collateral Agent or Collateral Administrator be required to execute any agreement, acknowledgement or access letter in respect of the Independent accountants that the Collateral Agent or the Collateral Administrator, as the case may be, reasonably determines may subject it to risk of expenses or liability for which it is not adequately indemnified or otherwise adversely affects it.

(b) On or before the date which is 30 days after the Payment Date occurring in October of each year commencing in 2020, the Issuer shall cause to be delivered to the Trustee, the Collateral Agent, the Loan Agent (for delivery to the Class A-1 Lenders), the Collateral Manager, each Holder upon written request therefor and each Rating Agency a statement from a firm of Independent certified public accountants for each Distribution Report prepared in April and October of the prior year (i) indicating that the calculations within those Distribution Reports (excluding the S&P CDO Monitor Test) have been performed in accordance with the applicable provisions of this Indenture and (ii) listing the Aggregate Principal Balance of the Assets and the Aggregate Principal Balance of the Collateral Obligations securing the Secured Debt as of the relevant Determination Dates; provided that in the event of a conflict between such firm of Independent certified public accountants and the Issuer with respect to any matter in this Section 10.9, the determination by such firm of Independent public accountants shall be conclusive.

(c) Upon the written request of the Collateral Agent (at the request of a Holder of Preferred Shares) or any Holder of a Preferred Share, the Issuer will cause the firm of Independent certified public accountants appointed pursuant to Section 10.9(a) to provide any Holder of Preferred Shares with all of the information required to be provided by the Issuer or pursuant to Section 7.17 or assist the Issuer in the preparation thereof.

Section 10.10 Reports to Rating Agencies and Additional Recipients. In addition to the information and reports specifically required to be provided to each Rating Agency pursuant to the terms of this Indenture, the Issuer shall provide each Rating Agency with all information or reports delivered to the Collateral Agent hereunder, and such additional information as either Rating Agency may from time to time reasonably request (including notification (i) to S&P and Fitch of any Specified Amendment, which notice to S&P and Fitch shall include (x) a copy of such Specified Amendment, (y) a brief summary of its purpose and (z) which criteria under the

definition of "Collateral Obligation" are no longer satisfied with respect to such Collateral Obligation after giving effect to the Specified Amendment, if any), and (ii) to S&P of the occurrence of (x) an event with respect to a Collateral Obligation that has a credit estimate from S&P and which in the reasonable business judgment of the Collateral Manager would require such notification to S&P under S&P's Credit Estimate Guidelines, and (y) to the extent not reported pursuant to the foregoing clauses, any other material event that is known to the Issuer or the Collateral Manager with respect to any Collateral Obligation if the Collateral Manager determines that such event is a material event as described in S&P's published criteria for credit estimates titled "What Are Credit Estimates And How Do They Differ From Ratings?" dated April 2011 (as the same may be amended or updated from time to time); provided that, any notification to Fitch regarding a Specified Amendment shall be delivered to creditopinions.us@fitchratings.com and to S&P shall be delivered to creditestimates@spglobal.com. Within 10 Business Days after the Effective Date, together with each Monthly Report and on each Payment Date, the Issuer shall provide to S&P, via e-mail in accordance with Section 14.3(a), a Microsoft Excel file of the Excel Default Model Input File and, with respect to each Collateral Obligation, the name of each obligor thereof, the CUSIP number thereof (if applicable) and the Priority Category thereof.

Section 10.11 Procedures Relating to the Establishment of Accounts Controlled by the Trustee. Notwithstanding anything else contained herein, the Trustee agrees that with respect to each of the Accounts, it will require each Securities Intermediary establishing such accounts to enter into a securities account control agreement substantially in the form of Exhibit C attached hereto. The Trustee shall have the right to open such subaccounts of any such account as it deems necessary or appropriate for convenience of administration.

Section 10.12 Section 3(c)(7) Procedures. For so long as any Secured Debt is Outstanding, the Issuer shall do the following:

(a) Notification. Each Monthly Report sent or caused to be sent by the Issuer to the Holders will include a notice to the following effect:

"The Investment Company Act of 1940, as amended (the " 1940 Act"), requires that all holders of the outstanding securities of the Issuer that are U.S. persons (as defined in Regulation S) be "Qualified Purchasers" ("Qualified Purchasers") as defined in Section 2(a)(51)(A) of the 1940 Act and related rules. Under the rules, the Issuer must have a "reasonable belief" that all holders of its outstanding securities that are "U.S. persons" (as defined in Regulation S), including transferees, are Qualified Purchasers. Consequently, all sales and resales of the Notes in the U.S. or to "U.S. persons" (as defined in Regulation S) must be made solely to purchasers that are Qualified Purchasers. Each purchaser of a Note who is a "U.S. person" (as defined in Regulation S) will be deemed (or required, as the case may be) to represent at the time of purchase that: (i) the purchaser is a Qualified Purchaser who is either (x) solely in the case of Notes issued as Certificated Notes, an institutional accredited investor ("IAI") within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act of 1933, as amended (the "Securities Act"), or (y) a qualified institutional buyer as defined in Rule 144A under the Securities Act ("QIB"); (ii) the purchaser is acting for its own account or the account of another Qualified Purchaser and QIB/IAI (as applicable); (iii) the purchaser is not formed for the purpose of investing in the Issuer; (iv) the purchaser, and each account for which it is purchasing, will hold and transfer at least the Minimum Denomination of the Notes specified herein; (v) the purchaser

understands that the Issuer may receive a list of participants holding positions in securities from one or more book-entry depositories; and (vi) the purchaser will provide written notice of the foregoing, and of any applicable restrictions on transfer, to any subsequent transferees. The Notes may only be transferred to another Qualified Purchaser and QIB/IAI (as applicable) and all subsequent transferees are deemed to have made representations (i) through (vi) above."

"The Issuer directs that the recipient of this notice, and any recipient of a copy of this notice, provide a copy to any Person having an interest in this Note as indicated on the books of DTC or on the books of a participant in DTC or on the books of an indirect participant for which such participant in DTC acts as agent."

"The Indenture provides that if, notwithstanding the restrictions on transfer contained therein, the Issuer determines that any "U.S. person"(as defined in Regulation S) who is a holder of, or beneficial owner of an interest in, a Note is determined not to have been a Qualified Purchaser at the time of acquisition of such Note or beneficial interest therein, the Issuer may require, by notice to such Holder or beneficial owner, that such Holder or beneficial owner sell all of its right, title and interest to such Note (or any interest therein) to a Person that is either (x) a non-"U.S. person" (as defined in Regulation S) acquiring the Notes in outside the United States in reliance on the exemption from registration provided by Regulation S, or (y) a Qualified Purchaser who is either a QIB or (solely in the case of a Note issued as a Certificated Note) an IAI, with such sale to be effected within 30 days after notice of such sale requirement is given. If such holder or beneficial owner fails to effect the transfer required within such 30-day period, (i) the Issuer or the Collateral Manager acting for the Issuer, without further notice to such holder, shall and is hereby irrevocably authorized by such holder or beneficial owner, to cause its Note, or beneficial interest therein to be transferred in a commercially reasonable sale (conducted by the Collateral Manager in accordance with Article 9 of the UCC as in effect in the State of New York as applied to securities that are sold on a recognized market or that may decline speedily in value) to a Person that certifies to the Trustee, the Collateral Agent, the Issuer and the Collateral Manager, in connection with such transfer, that such Person meets the qualifications set forth in clauses (x) and (y) above and (ii) pending such transfer, no further payments will be made in respect of such Note, or beneficial interest therein held by such holder or beneficial owner."

(b) DTC Actions. The Issuer will direct DTC to take the following steps in connection with the Global Notes:

(i) The Issuer will direct DTC to include the marker "3c7" in the DTC 20-character security descriptor and the 48-character additional descriptor for the Global Notes in order to indicate that sales are limited to Qualified Purchasers.

(ii) The Issuer will direct DTC to cause each physical deliver order ticket that is delivered by DTC to purchasers to contain the 20-character security descriptor. The Issuer will direct DTC to cause each deliver order ticket that is delivered by DTC to purchasers in electronic form to contain a "3c7" indicator and a related user manual for participants. Such user manual will contain a description of the relevant restrictions imposed by Section 3(c)(7).

(iii) On or prior to the Closing Date, the Issuer will instruct DTC to send a Section 3(c)(7) Notice to all DTC participants in connection with the offering of the Global Notes.

(iv) In addition to the obligations of the Note Registrar set forth in Section 2.5, the Issuer will from time to time (upon the request of the Trustee) make a request to DTC to deliver to the Issuer a list of all DTC participants holding an interest in the Global Notes.

(v) The Issuer will cause each CUSIP number obtained for a Global Note to have a fixed field containing "3c7" and "144A" indicators, as applicable, attached to such CUSIP number.

(c) Bloomberg Screens, Etc. The Issuer will from time to time request all third-party vendors to include on screens maintained by such vendors appropriate legends regarding Rule 144A and Section 3(c)(7) under the 1940 Act restrictions on the Global Notes. Without limiting the foregoing, the Placement Agent will request that each third-party vendor include the following legends on each screen containing information about the Notes:

(i) Bloomberg.

(A) "Iss'd Under 144A/3c7," to be stated in the "Note Box" on the bottom of the "Security Display" page describing the Global Notes;

(B) a flashing red indicator stating "See Other Available Information" located on the "Security Display" page;

(C) a link to an "Additional Security Information" page on such indicator stating that the Global Notes are being offered in reliance on the exception from registration under Rule 144A under the Securities Act of 1933 to Persons that are both (i) "Qualified Institutional Buyers" as defined in Rule 144A under the Securities Act and (ii) "Qualified Purchasers" as defined under Section 2(a)(51) of the 1940 Act, as amended; and

(D) a statement on the "Disclaimer" page for the Global Notes that the Notes will not be and have not been registered under the Securities Act, as amended, that the Issuer has not been registered under the 1940 Act, as amended, and that the Global Notes may only be offered or sold in accordance with Section 3(c)(7) of the 1940 Act.

(ii) Reuters.

(A) a "144A – 3c7" notation included in the security name field at the top of the Reuters Instrument Code screen;

(B) a "144A–3c7Disclaimer" indicator appearing on the right side of the Reuters Instrument Code screen; and

(C) a link from such "144A–3c7Disclaimer" indicator to a disclaimer screen containing the following language: "These Notes may be sold or transferred only to Persons who are both (i) Qualified Institutional Buyers, as defined in Rule 144A under the Securities Act, and (ii) Qualified Purchasers, as defined under Section 3(c)(7) under the U.S. Investment Company Act of 1940."

ARTICLE XI

APPLICATION OF MONIES

Section 11.1 Disbursements of Monies from Payment Account. (a) Notwithstanding any other provision herein, but subject to the other subsections of this Section 11.1 and to Section 13.1, on each Payment Date, the Collateral Agent shall disburse amounts transferred from the Collection Account to the Payment Account pursuant to Section 10.2 in accordance with the following priorities (the "Priority of Payments"); provided that, unless an Enforcement Event has occurred and is continuing and other than as provided in Section 11.1(a)(iv) on any Redemption Date in part but not in whole that is not also a Payment Date, (x) amounts transferred from the Interest Collection Subaccount shall be applied solely in accordance with Section 11.1(a)(i); and (y) amounts transferred from the Principal Collection Subaccount shall be applied solely in accordance with Section 11.1(a)(ii); provided, further, that all payments on the Class A-1 Loans shall be made to the Loan Agent for distribution to the Class A-1 Lenders; provided, further, however, for so long as the Bank is the Collateral Agent and the Loan Agent, such payments may (but shall not be required to) be made under this Indenture from the Payment Account to the Class A-1 Lenders and in such event shall be deemed to have been made first to the Loan Agent and then distributed to the Class A-1 Lenders.

(i) On each Payment Date other than the Stated Maturity, unless an Enforcement Event has occurred and is continuing, Interest Proceeds on deposit in the Collection Account, to the extent received on or before the related Determination Date (or if such Determination Date is not a Business Day, the next succeeding Business Day) and that are transferred into the Payment Account, shall be applied in the following order of priority:

(A) to the payment of (1) *first*, taxes and governmental fees owing by the Issuer or the Co-Issuer, if any and (2) *second*, the accrued and unpaid Administrative Expenses, in the priority stated in the definition thereof, up to the Administrative Expense Cap (except as otherwise expressly provided in connection with any Optional Redemption, Clean-Up Call Redemption or Tax Redemption);

(B) to the payment to the Collateral Manager of (i) any accrued and unpaid Collateral Management Fee due on such Payment Date (including any interest accrued on any Collateral Management Fee Shortfall Amount) *minus* the amount of any Current Deferred Management Fee, if any, and (ii) any Cumulative Deferred Management Fee, requested to be paid at the option of the Collateral Manager; provided that to the extent Interest Proceeds are needed to satisfy any of the Coverage Tests such Interest Proceeds shall not be used to pay such portion of the Cumulative Deferred Management Fee requested to be paid pursuant to this subclause (ii);

(C) to the payment, *pari passu* and *pro rata* based on amounts due, of accrued and unpaid interest (including any defaulted interest) on the Class A-1 Notes and the Class A-1 Loans;

(D) to the payment of accrued and unpaid interest (including any defaulted interest) on the Class A-2 Notes;

(E) to the payment, *pari passu* and *pro rata* based on amounts due, of accrued and unpaid interest (including any defaulted interest) on the Class B-1 Notes and the Class B-2 Notes;

(F) if the Class A/B Overcollateralization Ratio Test or, with respect to the second Determination Date and each Determination Date thereafter, the Class A/B Interest Coverage Test, is not satisfied on the related Determination Date, to make payments in accordance with the Debt Payment Sequence to the extent necessary to cause all Class A/B Coverage Tests that are applicable on such Payment Date to be satisfied on a *pro forma* basis after giving effect to all payments pursuant to this clause (F);

(G) to the payment of (1) *first*, on a *pari passu* basis and *pro rata* based on amounts due, accrued and unpaid interest on the Class C-1 Notes and the Class C-2 Notes, and (2) *second*, on a *pari passu* basis and *pro rata* based on amounts due, any Deferred Interest on the Class C-1 Notes and the Class C-2 Notes (and interest accrued thereon);

(H) if the Class C Overcollateralization Ratio Test or, with respect to the second Determination Date and each Determination Date thereafter, the Class C Interest Coverage Test, is not satisfied on the related Determination Date, to make payments in accordance with the Debt Payment Sequence to the extent necessary to cause all Class C Coverage Tests that are applicable on such Payment Date to be satisfied on a *pro forma* basis after giving effect to all payments pursuant to this clause (H);

(I) to the payment of (1) *first*, accrued and unpaid interest on the Class D Notes and (2) *second*, any Deferred Interest on the Class D Notes (and interest accrued thereon);

(J) if the Class D Overcollateralization Ratio Test or, with respect to the second Determination Date and each Determination Date thereafter, the Class D Interest Coverage Test, is not satisfied on the related Determination Date, to make payments in accordance with the Debt Payment Sequence to the extent necessary to cause all Class D Coverage Tests that are applicable on such Payment Date to be satisfied on a *pro forma* basis after giving effect to all payments pursuant to this clause (J);

(K) (I) if such Payment Date occurs prior to the Effective Date, amounts available for distribution pursuant to this Section 11.(a)(i)(K) shall be deposited in the Collection Account for application as Interest Proceeds and (II) if, with respect to any Payment Date following the Effective Date, S&P has not yet confirmed its Initial Ratings of the Secured Debt and no S&P Deemed Rating Confirmation has occurred pursuant to Section 7.18(e) (unless the Effective Date Condition has been satisfied), amounts available for distribution pursuant to this clause (K) shall be used for one or both of the following alternatives, as directed by the Collateral Manager: (i) for application in accordance with the Debt Payment Sequence on such Payment Date, or (ii) for application as Principal Proceeds and transferred to the Collection Account to invest in Eligible Investments (pending the purchase of additional Collateral Obligations) and/or to purchase additional Collateral Obligations, in each case in an amount sufficient to satisfy the S&P Rating Condition;

(L) to the payment of (1) *first* (in the same manner and order of priority stated therein) any Administrative Expenses not paid pursuant to Section 11.1(a)(i)(A)(2) due to the limitation contained therein, and (2) *second* any expenses related to a Re-Pricing;

(M) to the payment of any obligations of the Issuer or for deposit into the Expense Reserve Account in such amounts as determined by the Collateral Manager; and

(N) any remaining Interest Proceeds to be released from the lien of this Indenture and paid to the Preferred Shares Payment Account (for payment by the Fiscal Agent to the Holders of the Preferred Shares pursuant to the Fiscal Agency Agreement to the extent therein permitted).

(ii) On each Payment Date other than the Stated Maturity, unless an Enforcement Event has occurred and is continuing, Principal Proceeds on deposit in the Collection Account that are received on or before the related Determination Date (or if such Determination Date is not a Business Day, the next succeeding Business Day) and that are transferred to the Payment Account (which will not include (i) amounts required to meet funding requirements with respect to Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations that are deposited in the Revolver Funding Account or (ii) Principal Proceeds which the Issuer has entered into any commitment to reinvest in Collateral Obligations) shall be applied in the following order of priority:

(A) to pay the amounts referred to in clauses (A) through (E) of Section 11.1(a)(i) (and in the same manner and order of priority stated therein), but only to the extent not paid in full thereunder;

(B) to pay the amounts referred to in clause (F) of Section 11.1(a)(i), but only to the extent not paid in full thereunder and to the extent necessary to cause the Class A/B Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date on a *pro forma* basis after giving effect to any payments made through this clause (B);

(C) if the principal amounts of the Class A-1 Debt, the Class A-2 Notes and the Class B Notes have been paid in full, to pay the amounts referred to in clause (G) of Section 11.1(a)(i) (and in the same manner and order of priority stated therein), but only to the extent not paid in full thereunder;

(D) to pay the amounts referred to in clause (H) of Section 11.1(a)(i), but only to the extent not paid in full thereunder and to the extent necessary to cause the Class C Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date;

(E) if the principal amounts of the Class A-1 Debt, the Class A-2 Notes, the Class B Notes, and the Class C Notes have been paid in full, to pay the amounts referred to in clause (I) of Section 11.1(a)(i) (and in the same manner and order of priority stated therein), but only to the extent not paid in full thereunder;

(F) to pay the amounts referred to in clause (J) of Section 11.1(a)(i), but only to the extent not paid in full thereunder and to the extent necessary to cause the Class D Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date;

(G) with respect to any Payment Date following the Effective Date, if after the application of Interest Proceeds pursuant to clause (K) of Section 11.1(a)(i) S&P has not yet confirmed its Initial Ratings of the Secured Debt and no S&P Deemed Rating Confirmation has occurred pursuant to Section 7.18(e) (unless the Effective Date Condition has been satisfied), amounts available for distribution pursuant to this clause (G) shall be used for application in accordance with the Debt Payment Sequence on such Payment Date in an amount sufficient to satisfy the S&P Rating Condition;

(H) if such Payment Date is a Redemption Date, to make payments in accordance with the Debt Payment Sequence, to redeem each Class of Secured Debt being redeemed on such Redemption Date;

(I) if such Payment Date is a Special Redemption Date occurring in connection with a Special Redemption described in (a) clause (i) of the first sentence of Section 9.6, to make payments in the amount of the Special Redemption Amount at the election of the Collateral Manager, or (b) clause (iii) of the first sentence of Section 9.6, to make payments in an amount necessary to reduce the outstanding Retention Deficiency to zero, in each such case in accordance with the Debt Payment Sequence;

(J) during the Reinvestment Period, to the Collection Account as Principal Proceeds to invest in Eligible Investments (pending the purchase of additional Collateral Obligations) and/or to the purchase of additional Collateral Obligations;

(K) after the Reinvestment Period, to make payments in accordance with the Debt Payment Sequence;

(L) after the Reinvestment Period, to pay the amounts referred to in clause (L) of Section 11.1(a)(i) only to the extent not already paid (in the same manner and order of priority stated therein);

(M) after the Reinvestment Period, to pay any Cumulative Deferred Management Fee to the extent not already paid;

(N) to the payment of any obligations of the Issuer or for deposit into the Expense Reserve Account in such amounts as determined by the Collateral Manager; and

(O) any remaining Principal Proceeds to be released from the lien of this Indenture and paid to the Preferred Shares Payment Account (for payment by the Fiscal Agent to the Holders of the Preferred Shares pursuant to the Fiscal Agency Agreement to the extent therein permitted).

Notwithstanding anything to the contrary in clause (A) of Section 11.1(a)(ii), if the Issuer is prohibited under subclause (ii) of clause (B) of Section 11.1(a)(i) from using Interest Proceeds on a Payment Date to pay a portion of the Cumulative Deferred Management Fee requested to be paid on such Payment Date pursuant to such subclause (ii), the Issuer may not use Principal Proceeds to pay such portion of the Cumulative Deferred Management Fee.

On the Stated Maturity of the Secured Debt, the Collateral Agent shall pay the net proceeds from the liquidation of the Assets and all available Cash, but only after the payment of (or establishment of a reserve for) all Administrative Expenses (in the same manner and order of priority stated in the definition thereof), Aggregate Collateral Management Fees, and interest and principal on the Secured Debt, to the Holders of the Preferred Shares in final payment of such Preferred Shares (such payments to be made in accordance with the priority set forth in Section 11.1(a)(iii)).

(iii) Notwithstanding the provisions of the foregoing Sections 11.1(a)(i) and 11.1(a)(ii) (other than the last paragraph thereof), on the Stated Maturity of the Secured Debt, on a Redemption Date occurring with respect to a Failed Optional Redemption, or if the maturity of the Secured Debt has been accelerated following an Event of Default and has not been rescinded in accordance with the terms herein (an "Enforcement Event"), pursuant to Section 5.7, distributions and proceeds in respect of the Assets will be applied at the date or dates fixed by the Collateral Agent in the following order of priority:

(A) to the payment of (1) *first*, taxes and governmental fees owing by the Issuer or the Co-Issuer, if any, and (2) *second*, the accrued and unpaid Administrative Expenses, in the priority stated in the definition thereof, up to the Administrative Expense Cap (provided that following the commencement of any sales of Collateral Obligations or other Assets in connection with an Enforcement Event, the Administrative Expense Cap shall be disregarded);

(B) to the payment of the Aggregate Collateral Management Fee due and payable (including any accrued and unpaid interest thereon) to the Collateral Manager until such amount has been paid in full, other than any Cumulative Deferred Management Fee, to the extent not already paid;

(C) to the payment, *pari passu* and *pro rata* based on amounts due, of accrued and unpaid interest (including any defaulted interest) on the Class A-1 Notes and the Class A-1 Loans;

(D) to the payment, *pari passu* and *pro rata* based on their respective Aggregate Outstanding Amounts, of principal of the Class A-1 Notes and the Class A-1 Loans until the Class A-1 Notes and the Class A-1 Loans have been paid in full;

(E) to the payment of accrued and unpaid interest (including any defaulted interest) on the Class A-2 Notes;

(F) to the payment of principal of the Class A-2 Notes, until the Class A-2 Notes have been paid in full;

(G) to the payment, *pari passu* and *pro rata* based on amounts due, of accrued and unpaid interest (including any defaulted interest) on the Class B-1 Notes and the Class B-2 Notes;

(H) to the payment, *pari passu* and *pro rata* based on their respective Aggregate Outstanding Amounts, of principal of the Class B-1 Notes and the Class B-2 Notes until the Class B-1 Notes and the Class B-2 Notes have been paid in full;

(I) to the payment, *pari passu* and *pro rata* based on amounts due, of accrued and unpaid interest (excluding Deferred Interest but including interest on Deferred Interest) on the Class C-1 Notes and the Class C-2 Notes;

(J) to the payment, *pari passu* and *pro rata* based on amounts due, of any Deferred Interest on the Class C-1 Notes and the Class C-2 Notes;

(K) to the payment, *pari passu* and *pro rata* based on their respective Aggregate Outstanding Amounts, of principal of the Class C-1 Notes and the Class C-2 Notes, until the Class C-1 Notes and the Class C-2 Notes have been paid in full;

(L) to the payment of accrued and unpaid interest (excluding Deferred Interest but including interest on Deferred Interest) on the Class D Notes;

(M) to the payment of any Deferred Interest on the Class D Notes;

(N) to the payment of principal of the Class D Notes, until the Class D Notes have been paid in full;

(O) to the payment of (in the same manner and order of priority stated therein) any Administrative Expenses not paid pursuant to clause (A)(2) above due to the limitation contained therein;

(P) any Cumulative Deferred Management Fee to the extent not already paid;

(Q) to the payment of any obligations of the Issuer or for deposit into the Expense Reserve Account in such amounts as determined by the Collateral Manager; and

(R) any remaining distributions and proceeds to be released from the lien of this Indenture and paid to the Preferred Shares Payment Account (for payment by the Fiscal Agent to the Holders of the Preferred Shares pursuant to the Fiscal Agency Agreement to the extent therein permitted).

If any declaration of acceleration has been rescinded in accordance with the provisions herein, proceeds in respect of the Assets will be applied in accordance with Section 11.1(a)(i) or (ii), as applicable.

(iv) On any Redemption Date (other than a Redemption Date that is also a Payment Date) in connection with a Redemption by Refinancing in part but not in whole, Refinancing Proceeds, Partial Refinancing Interest Proceeds and Cash Contributions designated for such purpose will be distributed in the following order of priority:

(A) to pay the Redemption Price of the Secured Debt being redeemed in accordance with the Debt Payment Sequence;

(B) to pay any Administrative Expenses related to such Redemption by Refinancing; and

(C) any remaining Refinancing Proceeds will be deposited in the Interest Collection Subaccount as Interest Proceeds.

(b) If on any Payment Date the amount available in the Payment Account is insufficient to make the full amount of the disbursements required by the Distribution Report, the Collateral Agent shall make the disbursements called for in the order and according to the priority set forth under Section 11.1(a) above, subject to Section 13.1, to the extent funds are available therefor.

(c) In connection with the application of funds to pay Administrative Expenses of the Issuer or the Co-Issuer, as the case may be, in accordance with Section 11.1(a)(i), Section 11.1(a)(ii) and Section 11.1(a)(iii), the Collateral Agent shall remit such funds, to the extent available (and subject to the order of priority set forth in the definition of "Administrative Expenses"), as directed and designated in an Issuer Order (which may be in the form of standing instructions, including standing instructions to pay Administrative Expenses in such amounts and to such entities as indicated in the Distribution Report in respect of such Payment Date) delivered to the Collateral Agent no later than the Business Day prior to each Payment Date.

(d) The Collateral Manager may, in its sole discretion in accordance with Section 8 of the Collateral Management Agreement, elect to irrevocably waive the payment of or distribution in respect of all or any portion of the Collateral Management Fee and/or the Aggregate Collateral Management Fee otherwise payable or distributable and available to be paid or distributed to it on any Payment Date pursuant to the Priority of Payments (the "Waived Collateral Management Fee") by written notice to the Issuer, the Trustee, the Collateral Agent and the Loan Agent delivered not later than the Determination Date immediately preceding such Payment Date. Any such Waived Collateral Management Fee will not thereafter become due and payable and any claim of the Collateral Manager therein will be extinguished.

(e) If the Issuer determines that the No Dividend Payment Condition has occurred and is continuing, the Issuer will instruct the Fiscal Agent in writing (and provide notice to the Trustee, the Collateral Agent, the Loan Agent and the Collateral Manager) on or before one Business Day prior to such Payment Date or Permitted RIC Distribution Date, as applicable, that such portion of Available Funds should not be paid, and the Fiscal Agent will not distribute the same and will instead retain such amounts in the Preferred Shares Payment Account, until the first succeeding Payment Date with respect to which the Issuer provides at least one Business Day notice to the Fiscal Agent, the Trustee, the Collateral Agent, the Loan Agent and the Collateral Manager in writing that the No Dividend Payment Condition is no longer continuing (or, in the case of any payments which would otherwise be payable on any Redemption Date, until the first succeeding Business Day). Any amounts so retained will be held in the Preferred Shares Payment Account until such amounts are paid, subject to the availability of such funds under Cayman Islands law to pay any liability of the Issuer not limited in recourse to the Assets. Amounts previously retained shall be distributed to the Holders of the Preferred Shares as of the Record Date associated with the Payment Date or Permitted RIC Distribution Date, as applicable, on which such amounts are distributed.

(f) Notwithstanding anything in the Priority of Payments to the contrary, but subject to Section 11.1(e), Permitted RIC Distributions may be paid to Holders of Preferred Shares irrespective of the Priority of Payments as long as the conditions to such distributions in the definition of "Permitted RIC Distributions" are satisfied.

ARTICLE XII

SALE OF COLLATERAL OBLIGATIONS; PURCHASE OF ADDITIONAL COLLATERAL OBLIGATIONS

Section 12.1 Sales of Collateral Obligations. Subject to the satisfaction of the conditions specified in Section 12.4, the Collateral Manager on behalf of the Issuer may (except as otherwise specified in this Section 12.1) direct the Collateral Agent to sell and the Collateral Agent shall sell on behalf of the Issuer in the manner directed by the Collateral Manager any Collateral Obligation or Equity Security if, as certified by the Collateral Manager, such sale meets the requirements of any one of paragraphs (a) through (m) of this Section 12.1 (which certification shall be deemed to have been provided by the Collateral Manager upon delivery by the Collateral Manager of an Issuer Order or other written instruction of a Responsible Officer of the Collateral Manager to the Collateral Agent to sell any such Collateral Obligation or Equity Security) (subject in each case to any applicable requirement of disposition under Section 12.1(i) and provided that,

if an Event of Default has occurred and is continuing, the Collateral Manager may not direct the Collateral Agent to sell any Collateral Obligation or Equity Security pursuant to any of (e) through (h) of this Section 12.1). For purposes of this Section 12.1, the Sale Proceeds of a Collateral Obligation sold by the Issuer shall include any Principal Financed Accrued Interest and Principal Financed Capitalized Interest received in respect of such sale.

(a) Credit Risk Obligations. The Collateral Manager may direct the Collateral Agent to sell any Credit Risk Obligation at any time without restriction.

(b) Credit Improved Obligations. The Collateral Manager may direct the Collateral Agent to sell any Credit Improved Obligation at any time without restriction.

(c) Defaulted Obligations. The Collateral Manager may, on behalf of the Issuer, direct the Collateral Agent to sell any Defaulted Obligation, or to consummate a Bankruptcy Exchange, at any time. With respect to each Defaulted Obligation that has remained a Defaulted Obligation for a continuous period of three years after becoming a Defaulted Obligation and has not been sold or terminated during such three year period, the Market Value and the Principal Balance of such Defaulted Obligation shall be deemed to be zero.

(d) Equity Securities. The Collateral Manager may, on behalf of the Issuer, direct the Collateral Agent to sell any Equity Security at any time or any asset held by any Equity Holder Subsidiary (or the Issuer's interest in any Equity Holder Subsidiary itself), and shall use its commercially reasonable efforts to effect the sale of any Equity Security (including any Equity Security held by any Equity Holder Subsidiary), regardless of price, within 45 days after receipt, if such Equity Security constitutes Margin Stock, unless such sale is prohibited by applicable law or contractual restriction, in which case such Equity Security shall be sold as soon as such sale is permitted by applicable law or such contract.

(e) Optional Redemption. After a Majority of the Preferred Shares has directed in writing in accordance with Section 9.4 an Optional Redemption of the Secured Debt in accordance with Section 9.2, if necessary to effect such Optional Redemption, the Collateral Manager shall direct the Collateral Agent to sell (which sale may be through participation or other arrangement) all or a portion of the Collateral Obligations if the requirements of Article IX (including the certification requirements of Section 9.4(e)(ii), if applicable) are satisfied. If any such sale is made through participations, the Issuer shall use reasonable efforts to cause such participations to be converted to assignments within six months after the sale.

(f) Tax Redemption. After a Majority of an Affected Class or a Majority of the Preferred Shares has directed (by a written direction delivered to the Trustee) a Tax Redemption, the Collateral Manager shall, if necessary to effect such Tax Redemption, direct the Collateral Agent to sell (which sale may be through participation or other arrangement) all or a portion of the Collateral Obligations if the requirements of Article IX (including the certification requirements of Section 9.4(e)(ii), if applicable) are satisfied. If any such sale is made through participations, the Issuer shall use reasonable efforts to cause such participations to be converted to assignments within six months after the sale.

(g) Clean-Up Call Redemption. After a Majority of the Preferred Shares has directed in writing in accordance Section 9.8 a Clean-Up Call Redemption of the Secured Debt, if necessary to effect such Clean-Up Call Redemption, the Collateral Manager shall direct the Collateral Agent to sell (which sale may be through participation or other arrangement) all or a portion of the Collateral Obligations if the requirements of Article IX (including the certification requirements of Section 9.8(e)(ii), if applicable) are satisfied. If any such sale is made through participations, the Issuer shall use reasonable efforts to cause such participations to be converted to assignments within six months after the sale.

(h) Discretionary Sales. The Collateral Manager may, on behalf of the Issuer, direct the Collateral Agent to sell any Collateral Obligation at any time other than during a Restricted Trading Period if (i)(A) after giving effect to such sale, the Aggregate Principal Balance of all Collateral Obligations sold as described in this Section 12.1(h) during the preceding period of 12 calendar months (or, for the first 12 calendar months after the Closing Date, during the period commencing on the Closing Date) is not greater than 30% of the Collateral Principal Amount as of the first day of such 12 calendar month period (or as of the Closing Date, as the case may be), it being understood that the foregoing limitation shall not apply to any optional or mandatory substitutions or repurchases effected by the Transferor pursuant to the Master Loan Sale Agreement and Section 12.3; and (B) if such Collateral Obligation is to be sold to the Collateral Manager, an Affiliate of the Collateral Manager or an Affiliate of the Issuer, the Collateral Manager obtains a valuation of such Collateral Obligation in accordance with Section 12.4(a) and such Person acquires such Collateral Obligation for a price not less than the value so determined; and (ii) either:

(A) solely during the Reinvestment Period, the Collateral Manager reasonably believes prior to such sale that it will be able to enter into binding commitments to reinvest all or a portion of the proceeds of such sale, together with Eligible Investments constituting Principal Proceeds, in compliance with the Investment Criteria, in one or more additional Collateral Obligations with an Aggregate Principal Balance at least equal to the Principal Balance (or, in the case of any Discount Obligation, the purchase price, excluding accrued interest, expressed as a percentage of par and *multiplied by* the Principal Balance thereof) of such Collateral Obligation within 30 days after such sale; or

(B) after giving effect to such sale, the Adjusted Collateral Principal Amount (excluding the Collateral Obligation being sold but including, without duplication, the anticipated net proceeds of such sale) will be greater than or equal to the Reinvestment Target Par Balance.

(i) Mandatory Sales. The Collateral Manager on behalf of the Issuer shall use its commercially reasonable efforts to effect the sale (regardless of price) of any Collateral Obligation that (i) no longer meets the criteria described in clause (vii) of the definition of “Collateral Obligation,” within 18 months after the failure of such Collateral Obligation to meet such criteria or (ii) no longer meets the criteria described in clause (vi) of the definition of “Collateral Obligation” within 45 days after the failure of such Collateral Obligation to meet such criteria.

(j) Master Loan Sale Agreement. The Collateral Manager may direct the Collateral Agent to sell any Collateral Obligation at any time when the Issuer is obligated to do so under the Master Loan Sale Agreement.

(k) Material Covenant Default. The Collateral Manager may direct the Collateral Agent at any time without restriction to sell any Collateral Obligation that (i) has had a Material Covenant Default or (ii) becomes subject to a proposed Maturity Amendment; provided the Collateral Manager either would not be permitted to, or would not elect to, recommend that the Issuer, enter into such Maturity Amendment pursuant to the Collateral Manager Standard or any provision of this Indenture or the Collateral Management Agreement.

(l) Ineligible under Volcker Rule. The Collateral Manager may direct the Collateral Agent at any time without restriction to sell any Collateral Obligation in the event that the Collateral Manager and the Issuer receive an opinion of counsel of national reputation experienced in such matters that the Issuer's ownership of such Collateral Obligation would cause the Issuer to be unable to comply with the loan securitization exemption or any other exclusion or exemption from the definition of "covered fund" under the Volcker Rule.

(m) Stated Maturity. The Collateral Manager may direct the Collateral Agent to sell any Collateral Obligation in order to repay any Class of Secured Debt at its Stated Maturity. In addition, in connection with the latest Stated Maturity (or an earlier Stated Maturity, to the extent necessary to repay the applicable Secured Debt), the Collateral Manager will also sell or dispose of the Issuer's interests in any Equity Holder Subsidiary that holds any assets at that time.

Section 12.2 Purchase of Additional Collateral Obligations. On any date during the Reinvestment Period, the Collateral Manager on behalf of the Issuer may, subject to the other requirements in this Indenture, direct the Collateral Agent to invest Principal Proceeds, proceeds of additional Notes issued pursuant to Section 2.13 and 3.2 and/or additional Preferred Shares issued in accordance with this Indenture and the Fiscal Agency Agreement amounts on deposit in the Ramp-Up Account, Principal Financed Accrued Interest and Principal Financed Capitalized Interest, and the Collateral Agent shall invest such Principal Proceeds and other amounts in accordance with such direction. After the Reinvestment Period, the Collateral Manager shall not direct the Collateral Agent to invest any amounts on behalf of the Issuer; provided that in accordance with Section 12.2(d), Cash on deposit in any Account (other than the Payment Account) may be invested in Eligible Investments following the Reinvestment Period.

(a) Investment Criteria. No obligation may be purchased by the Issuer unless each of the following conditions is satisfied as of the date the Collateral Manager commits on behalf of the Issuer to make such purchase, in each case as determined by the Collateral Manager after giving effect to such purchase and all other sales or purchases previously or simultaneously committed to; provided that the conditions set forth in clauses (ii), (iii) and (iv) below need only be satisfied with respect to purchases of Collateral Obligations occurring on or after the Effective Date (the "Investment Criteria"):

(i) such obligation is a Collateral Obligation;

(ii) each Coverage Test will be satisfied, or if not satisfied, will be maintained or improved;

(iii) (A) in the case of an additional Collateral Obligation purchased with the proceeds from the sale of a Credit Risk Obligation or a Defaulted Obligation, either (1) the Aggregate Principal Balance of all additional Collateral Obligations purchased with the proceeds from such sale will at least equal the Sale Proceeds from such sale, (2) the Aggregate Principal Balance of the Collateral Obligations will be maintained or increased (when compared to the Aggregate Principal Balance of the Collateral Obligations immediately prior to such sale) or (3) the Adjusted Collateral Principal Amount (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligation) will be greater than the Reinvestment Target Par Balance and (B) in the case of any other purchase of additional Collateral Obligations purchased with the proceeds from the sale of a Collateral Obligation, either (1) the Aggregate Principal Balance of the Collateral Obligations will be maintained or increased (when compared to the Aggregate Principal Balance of the Collateral Obligations immediately prior to such sale) or (2) the Adjusted Collateral Principal Amount (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligation) will be greater than the Reinvestment Target Par Balance;

(iv) either (A) each requirement or test, as the case may be, of the Concentration Limitations and the Collateral Quality Test (except, in the case of an additional Collateral Obligation purchased with the proceeds from the sale of a Credit Risk Obligation or a Defaulted Obligation, the S&P CDO Monitor Test) will be satisfied or (B) if any such requirement or test was not satisfied immediately prior to such investment, such requirement or test will be maintained or improved after giving effect to the investment; and

(v) the date on which the Issuer (or the Collateral Manager on its behalf) commits to purchase such Collateral Obligation occurs during the Reinvestment Period.

If the Issuer has entered into a written trade ticket or other written binding commitment to purchase a Collateral Obligation during the Reinvestment Period which purchase is not scheduled to settle prior to the end of the Reinvestment Period (such Collateral Obligation, a "Post-Reinvestment Period Settlement Obligation"), such Post-Reinvestment Period Settlement Obligation shall be treated as having been purchased by the Issuer prior to the end of the Reinvestment Period for purposes of the Investment Criteria, and Principal Proceeds received after the end of the Reinvestment Period may be applied to the payment of the purchase price of such Post-Reinvestment Period Settlement Obligation. Not later than the Business Day immediately preceding the end of the Reinvestment Period, the Collateral Manager shall deliver to the Collateral Agent a schedule of Collateral Obligations purchased by the Issuer with respect to which purchases the trade date has occurred but the settlement date has not yet occurred and shall certify to the Collateral Agent that sufficient Principal Proceeds are available (including for this purpose, cash on deposit in the Principal Collection Subaccount as well as any Principal Proceeds expected to be received by the Issuer from the sale of Collateral Obligations for which the trade date has already occurred but the settlement date has not yet occurred) to effect the settlement of such Collateral Obligation.

(b) Trading Plan Period. During the Reinvestment Period, for purposes of calculating compliance with the Investment Criteria, at the election of the Collateral Manager in its sole discretion, any proposed investment (whether a single Collateral Obligation or a group of Collateral Obligations) identified by the Collateral Manager as such at the time when compliance with the Investment Criteria is required to be calculated (a "Trading Plan") may be evaluated after giving effect to all sales and reinvestments proposed to be entered into within the ten Business Days following the date of determination of such compliance (such period, the "Trading Plan Period"); provided that (w) no Trading Plan may result in the purchase of Collateral Obligations having an Aggregate Principal Balance that exceeds 5% of the Collateral Principal Amount as of the first day of the Trading Plan Period, (x) no Trading Plan Period may include a Determination Date, (y) no more than one Trading Plan may be in effect at any time during a Trading Plan Period and (z) if the Investment Criteria are satisfied prospectively after giving effect to a Trading Plan but are not satisfied upon the expiry of the related Trading Plan Period, the Investment Criteria shall not at any time thereafter be evaluated by giving effect to a Trading Plan. The Collateral Manager shall provide prior written notice to each Rating Agency, the Collateral Administrator, the Collateral Agent and the Trustee of (i) any Trading Plan, which notice shall specify the proposed investments identified by the Collateral Manager for acquisition as part of such Trading Plan and (ii) the occurrence of the event described in clause (z) above. The Collateral Manager will provide notice to the Collateral Agent, the Collateral Administrator and the Trustee promptly after a Trading Plan is executed, and the Collateral Agent will post such notice on the Collateral Agent's website, and the Trustee will report the details of any such Trading Plan provided by the Collateral Manager as part of the Monthly Report pursuant to this Indenture.

(c) Certification by Collateral Manager. Not later than the Cut-Off Date for any Collateral Obligation purchased in accordance with this Section 12.2, the Collateral Manager shall deliver by e-mail or other electronic transmission to the Trustee an Officer's certificate of the Collateral Manager certifying that such purchase complies with this Section 12.2 and Section 12.4 (provided that delivery of any trade ticket or Issuer Order will be deemed to be a certification for purposes of Section 12.2 and Section 12.4 hereunder).

(d) Investment in Eligible Investments. Cash on deposit in any Account (other than the Payment Account) may be invested at any time in Eligible Investments in accordance with Article X.

(e) Bankruptcy Exchanges. The Collateral Manager may direct the Collateral Agent to enter into a Bankruptcy Exchange at any time.

Section 12.3 Optional Repurchase or Substitution of Collateral Obligations.

(a) Optional Substitutions.

(i) With respect to any Collateral Obligation as to which a Substitution Event has occurred, subject to the limitations set forth in this Section 12.3, the Transferor may (but shall not be obligated to) either (x) convey to the Depositor (and cause the Depositor to contemporaneously convey to the Issuer) one or more Collateral Obligations in exchange for such Collateral Obligation or (y) deposit into the Principal Collection Subaccount the Transfer Deposit Amount with respect to such Collateral Obligation and then, prior to the expiration of the Substitution Period, convey to the Depositor (and cause the Depositor to contemporaneously convey to the Issuer) one or more Collateral Obligations in exchange for the funds so deposited or a portion thereof.

(ii) Any substitution pursuant to this Section 12.3(a) shall be initiated by delivery of written notice substantially in the form of Exhibit F hereto (and subject to such changes as the Collateral Manager, the Trustee, the Collateral Agent and the Loan Agent may agree) (a "Notice of Substitution") by the Transferor to the Trustee, the Collateral Agent, the Loan Agent, the Depositor, the Issuer and the Collateral Manager that the Transferor intends to substitute a Collateral Obligation pursuant to this Section 12.3(a) and shall be completed prior to the earliest of: (x) the expiration of 90 days after delivery of such notice or (y) in the case of a Collateral Obligation which has become subject to a Specified Amendment, the effective date set forth in such Specified Amendment (such period described in clause (ii)(x) or (y), as applicable, being the "Substitution Period").

(iii) Each Notice of Substitution shall specify the Collateral Obligation to be substituted, the reasons for such substitution and the Transfer Deposit Amount with respect to the Collateral Obligation. On the last day of any Substitution Period, any amounts previously deposited in accordance with clause (a)(i)(y) above which relate to such Substitution Period that have not been applied to purchase one or more Substitute Collateral Obligations or to fund the Revolver Funding Account if necessary with respect thereto shall be deemed to constitute Principal Proceeds; provided that prior to the expiration of the related Substitution Period any such amounts shall not be deemed to be Principal Proceeds and shall remain in the Principal Collection Subaccount until applied to acquire Substitute Collateral Obligations or to fund the Revolver Funding Account if necessary with respect thereto. To the extent any cash or other property received by the Issuer from the Depositor and by the Depositor from the Transferor in connection with a Substitution Event pursuant to this Section 12.3 exceeds the fair market value of the replaced Collateral Obligation (as determined by the Collateral Manager on behalf of the Issuer), such excess shall be deemed a capital contribution from the Transferor to the Depositor and from the Depositor to the Issuer.

(iv) The substitution of any Substitute Collateral Obligation will be subject to the satisfaction of the Substitute Collateral Obligations Qualification Conditions as of the related Cut-Off Date for each such Collateral Obligation (after giving effect to such substitution).

(v) Prior to any substitution of a Collateral Obligation, the Collateral Manager must provide written notice thereof to each Rating Agency. The Collateral Manager on behalf of the Issuer will present each Substitute Collateral Obligation proposed to be included in the Assets to each Rating Agency within 10 Business Days of the acquisition thereof so that each Rating Agency may provide a rating and a recovery rate with respect to such Collateral Obligation; provided that (a) such Collateral Obligation may become a

part of the Assets prior to the Collateral Manager's presentment of the Collateral Obligation to each Rating Agency as described herein, (b) the Collateral Manager's failure to present a Collateral Obligation to each Rating Agency as described herein shall not constitute an independent breach of, or default under, any Transaction Document, and (c) the Collateral Manager shall have no obligation to present a Substitute Collateral Obligation to each Rating Agency if (1) such Collateral Obligation has a public rating from each Rating Agency or (2) such Collateral Obligation has an S&P credit estimate (provided that in such case the Collateral Manager shall nevertheless provide notice thereof to Fitch) or a Fitch credit opinion (provided that in such case the Collateral Manager shall nevertheless provide notice thereof to S&P).

(b) Repurchases. In addition to the right to substitute for any Collateral Obligations that become subject to a Substitution Event, the Transferor shall have the right, but not the obligation, to repurchase from the Depositor and cause the Depositor to repurchase from the Issuer and convey to the Transferor any such Collateral Obligation subject to the Repurchase and Substitution Limit. In the event of such a repurchase, the Transferor shall deposit in the Collection Account an amount equal to the Transfer Deposit Amount for such Collateral Obligation (or applicable portion thereof) as of the date of such repurchase (and shall provide prior written notice to the Collateral Agent (which may be given by e-mail) at least one Business Day prior to such repurchase, stating the amount of the Transfer Deposit Amount for such Collateral Obligation (or applicable portion thereof) and the date of such repurchase). The Issuer and, at the written direction of the Issuer, the Collateral Agent shall execute and deliver such instruments, consents or other documents and perform all acts reasonably requested by the Transferor or by the Collateral Manager in order to effect the transfer and release of any of the Issuer's interests in the Collateral Obligations (together with the Assets related thereto) that are being repurchased and the release thereof from the lien of this Indenture. To the extent any cash or other property received by the Issuer from the Depositor and by the Depositor from the Transferor in connection with such a repurchase exceeds the fair market value of the repurchased Collateral Obligation, such excess shall be deemed a capital contribution from the Transferor to the Depositor and from the Depositor to the Issuer.

(c) Repurchase and Substitution Limit. At all times, (i) the Aggregate Principal Balance of all Collateral Obligations that are Substitute Collateral Obligations *plus* (ii) the Aggregate Principal Balance related to all Collateral Obligations that have been repurchased by the Transferor pursuant to its right of optional repurchase or substitution and not subsequently applied to purchase a Substitute Collateral Obligation may not exceed an amount equal to 15% of the Net Purchased Loan Balance; provided that notwithstanding the foregoing, clause (ii) above shall not include (A) if such calculation is made during the Reinvestment Period only, the Principal Balance related to any Collateral Obligation that is repurchased by the Transferor in connection with a proposed Specified Amendment to such Collateral Obligation so long as (x) the Transferor certifies in writing to the Collateral Manager, the Trustee, the Collateral Agent and the Loan Agent that such purchase is, in the commercially reasonable business judgment of the Transferor, necessary or advisable in connection with the restructuring of such Collateral Obligation and such restructuring is expected to result in a Specified Amendment to such Collateral Obligation, and (y) the Collateral Manager certifies in writing to the Trustee, the Collateral Agent and the Loan Agent that the Collateral Manager either would not be permitted to or would not elect to enter into such Specified Amendment pursuant to the Collateral Manager Standard or any provision of this

Indenture or the Collateral Management Agreement, (B) the purchase price of any Collateral Obligations or, for the avoidance of doubt, any Equity Securities sold by and at the option of the Issuer to the Transferor pursuant to Section 12.1(d) or Section 12.1(h) as determined as described in Section 12.1(h)(i), and (C) the Principal Balance related to any Ineligible Collateral Obligation that is repurchased or substituted by the Transferor in connection with a mandatory repurchase or substitution thereof pursuant to the Master Loan Sale Agreement. The foregoing provisions in this paragraph constitute the "Repurchase and Substitution Limit."

(d) Third Party Beneficiaries. The Issuer, the Trustee and the Collateral Agent agree that the Transferor shall be a third party beneficiary of this Indenture solely for purposes of this Section 12.3, and shall be entitled to rely upon and enforce such provisions of this Section 12.3 to the same extent as if it were a party hereto.

(e) Notwithstanding anything herein to the contrary, the Collateral Agent shall have no duty or obligation to discover or make and attempt to discover, inquire about or investigate whether or not a Substitution Event has occurred or the reasons therefor, whether or not an occurrence of a breach of representation or warranty set forth in Section 4.02 of the Master Loan Sale Agreement has occurred, or whether any such breach materially and adversely affects the value of the Collateral Obligations or interests therein of the Holders or which materially and adversely affects the interests of the Holders in the related Collateral Obligations in the case of a representation and warranty relating to a particular Collateral Obligation. The Collateral Agent shall not have any obligation to enforce the repurchase or substitution obligations of the Transferor and shall not otherwise be responsible for overseeing compliance with this Section 12.3 or the Master Loan Sale Agreement.

Section 12.4 Conditions Applicable to All Sale and Purchase Transactions. (a) Any transaction effected under this Article XII or in connection with the acquisition, disposition or substitution of any Asset shall be conducted on an arm's length basis and, if effected with a Person Affiliated with the Collateral Manager (or with an account or portfolio for which the Collateral Manager or any of its Affiliates serves as investment adviser), shall be effected in accordance with the requirements of Sections 3 and 5 of the Collateral Management Agreement on terms no less favorable to the Issuer than would be the case if such Person were not so Affiliated; provided that, in the case of any sale of a Collateral Obligation or an Equity Security to a Person so Affiliated, the Collateral Manager shall obtain either (x) bids for such Collateral Obligation or Equity Security from three unaffiliated loan market participants (or, if the Collateral Manager is unable to obtain bids from three such participants, then such lesser number of unaffiliated loan market participants from which the Collateral Manager can obtain bids using efforts consistent with the Collateral Manager Standard), or (y) if the Collateral Manager is unable to obtain any bids for such Collateral Obligation or Equity Security from an unaffiliated loan market participant, the value as determined in accordance with clause (i)(B) of the definition of Market Value, and in either case and such Person acquires such Collateral Obligation or Equity Security for a price not less than the value so determined (or, in connection with a repurchase or substitution by the Transferor pursuant to the Master Loan Sale Agreement at the price required therein but in no event less than fair market value). In the event that the value of the Collateral Obligation or Equity Security cannot be determined in accordance with the foregoing clauses (x) or (y), then the value of such Collateral Obligation or Equity Security shall be as reasonably determined by the Collateral Manager (so long as the Collateral Manager is a Registered Investment Adviser)

consistent with the Collateral Manager Standard, which value shall be consented to by the Issuer through the Independent Review Party as required pursuant to Section 5 of the Collateral Management Agreement and certified by the Collateral Manager to the Collateral Agent and such Person acquires such Collateral Obligation or Equity Security for a price not less than the value so determined (or, in connection with a repurchase or substitution by the Transferor pursuant to the Master Loan Sale Agreement at the price required therein but in no event less than fair market value). The Collateral Agent shall have no responsibility to oversee compliance by the other parties pursuant this Section 12.4(a).

(b) The Collateral Manager may cause any Equity Security received in lieu of a debt previously contracted with respect to a Collateral Obligation (as contemplated by Section 75.10(c)(8)(iii)(b) of the regulations implementing the Volcker Rule (each a "Restructuring Equity Security")) to be held by an Equity Holder Subsidiary if, in its reasonable discretion, it believes that such holding is reasonably necessary to prevent the Issuer from incurring material risk attributable to such Equity Security; provided, that any Equity Holder Subsidiary (I) will be wholly-owned by the Issuer, (II) will not sell, transfer, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (or permit such to occur), any part of its assets, except in compliance with the Issuer's rights and obligations under this Indenture and with such subsidiary's constituent documents, (III) will not have any subsidiaries, (IV) will not have any employees (other than directors and officers to the extent they are employees) and will not conduct business under any name other than its own, (V) will not incur or guarantee any indebtedness except indebtedness with respect to which the Issuer is the sole creditor and will not hold itself out as being liable for the debts of any other Person, (VI) will include in its constituent documents a limitation on its business such that it may only engage in the acquisition of assets from the Issuer as permitted under this Indenture and the disposition of such assets and the proceeds thereof in accordance with this Indenture (and activities ancillary thereto), (VII) will distribute (including by way of interest payment) 100% of the proceeds of the assets acquired by it (net of applicable taxes and expenses payable by such subsidiary) to the Issuer, (VIII) will be required at all times to have at least one independent director or independent special member meeting the requirements for an independent director or independent special member as set forth in such Equity Holder Subsidiary's organizational documents, (IX) will not purchase real property or any ownership interest in real property and (X) will be constituted under constituent documents that meet then-applicable criteria of each Rating Agency. An Equity Holder Subsidiary may not acquire any asset other than Restructuring Equity Securities. In connection with the incorporation or formation of, or transfer of any security or obligation to, any Equity Holder Subsidiary, the Issuer shall not be required to obtain from S&P written confirmation of its initial ratings of the Secured Debt; provided that prior to the incorporation or formation of any Equity Holder Subsidiary, the Collateral Manager will, on behalf of the Issuer, notify each Rating Agency. The Issuer shall not be required to continue to hold in an Equity Holder Subsidiary (and may instead hold directly) a security whose ownership ceases to incur such a material risk, as determined by the Collateral Manager in its reasonable discretion. For purposes of financial accounting reporting purposes (including each Monthly Report prepared under this Indenture), the Coverage Tests and the Collateral Quality Test, the Issuer will be deemed to own an Equity Security or Collateral Obligation held by an Equity Holder Subsidiary rather than its interest in such Equity Holder Subsidiary.

(c) Upon any acquisition of a Collateral Obligation pursuant to this Article XII, all of the Issuer's right, title and interest to the Asset or Assets shall be Granted to the Collateral Agent pursuant to this Indenture, such Asset or Assets shall be Delivered to the Custodian, and, if applicable, the Custodian shall receive such Asset or Assets. The Collateral Agent shall also receive, not later than the Cut-Off Date, an Officer's certificate of the Issuer containing the statements set forth in Section 3.1(g); provided that such requirement shall be satisfied, and such statements shall be deemed to have been made by the Issuer, in respect of such acquisition by the delivery to the Collateral Agent of a trade ticket or Issuer Order in respect thereof that is signed by a Responsible Officer of the Collateral Manager.

(d) Notwithstanding anything contained in this Article XII or in Article V to the contrary, the Issuer shall have the right to effect any sale of any Asset or purchase of any Collateral Obligation and the Transferor shall have the right to exercise any optional repurchase or substitution rights (1) with the consent of Holders evidencing at least (i) with respect to purchases, optional repurchases or substitutions during the Reinvestment Period and sales during or after the Reinvestment Period, 75% of the Aggregate Outstanding Amount of each Class of Secured Debt and (ii) with respect to purchases, optional repurchases or substitutions after the Reinvestment Period, 100% of the Aggregate Outstanding Amount of each Class of Secured Debt and (2) of which each Rating Agency and the Collateral Agent have been notified.

(e) Notwithstanding anything contained in this Article XII or in Article V to the contrary, upon the occurrence and during the continuance of an Enforcement Event, the Issuer shall not have the right to effect any sale of any Asset or purchase of any Collateral Obligation and the Transferor shall not exercise any optional repurchase or substitution rights, in each case, without the consent of a Majority of the Controlling Class.

(f) So long as any Class A-1 Debt, Class A-2 Notes, Class B Notes, Class C Notes or Class D Notes remain outstanding, the Issuer will not purchase any Collateral Obligations that is not an Affiliate Originated Collateral Obligation unless the EU Acquisition Test is met.

Section 12.5 Purchase of Defaulted Obligations. Notwithstanding any statement contained herein to the contrary, prior to the end of the Reinvestment Period, a Defaulted Obligation (a "Purchased Defaulted Obligation") may be purchased with all or a portion of the Sale Proceeds of another Defaulted Obligation (an "Exchanged Defaulted Obligation") (each such exchange referred to as an "Exchange Transaction") if, as certified by the Collateral Manager (which certification shall be deemed given upon receipt by the Collateral Agent or the Trustee of a trade ticket or an Issuer Order):

(a) when compared to the Exchanged Defaulted Obligation, the Purchased Defaulted Obligation:

(i) is issued by a different obligor;

(ii) except for the fact that such debt obligation is a Defaulted Obligation, would otherwise qualify as a Collateral Obligation; and

(iii) the expected recovery rate of such Purchased Defaulted Obligation, as determined by the Collateral Manager in good faith, is no less than the expected recovery rate of the Exchanged Defaulted Obligation;

(b) the following conditions have been satisfied:

(i) at the time of the purchase, (A) the Purchased Defaulted Obligation is no less senior in right of payment vis-à-vis its related obligor's outstanding indebtedness than the seniority of the Exchanged Defaulted Obligation; and (B) the S&P Rating, if any, of the Purchased Defaulted Obligation is the same or better as the respective rating, if any, of the Exchanged Defaulted Obligation;

(ii) after giving effect to the purchase, (A) each of the Coverage Tests is satisfied and (B) the Collateral Principal Amount will not be reduced;

(iii) both prior to and after giving effect to such purchase, the Concentration Limitations were and will be satisfied or, if any Concentration Limitation was not satisfied prior to such purchase, such Concentration Limitation will be maintained or improved;

(iv) the period for which the Issuer held the Exchanged Defaulted Obligation will be included for all purposes in the Indenture when determining the period for which the Issuer holds the Purchased Defaulted Obligation;

(v) the Exchanged Defaulted Obligation was not previously a Purchased Defaulted Obligation acquired in a transaction described under this Section 12.5(b); and

(vi) the Restricted Trading Period is not in effect; and

(c) such purchase of the Purchased Defaulted Obligation will not (i) when taken together with all other Purchased Defaulted Obligations then held by the Issuer, cause the Aggregate Principal Balance of all of Purchased Defaulted Obligations then held by the Issuer to exceed 1.0% of the Collateral Principal Amount and (ii) cause the Aggregate Principal Balance of all Purchased Defaulted Obligations purchased pursuant to an Exchange Transaction, cumulatively since the Closing Date, to exceed 5.0% of the Target Initial Par Amount.

For the avoidance of doubt, Exchange Transactions may occur by separate purchase and sale transactions. If, at any time, a Purchased Defaulted Obligation no longer satisfies the definition of Defaulted Obligation, it will no longer be considered a Purchased Defaulted Obligation.

ARTICLE XIII

NOTEHOLDERS' RELATIONS

Section 13.1 Subordination. (a) Anything in this Indenture, the Credit Agreement or the Notes to the contrary notwithstanding, the Holders of each Class of Notes that constitute a Junior Class agree for the benefit of the Holders of each Priority Class with respect to such Junior Class that such Junior Class shall be subordinate and junior to the Secured Debt of each such Priority Class to the extent and in the manner expressly set forth in the Priority of Payments. The provisions of this Section 13.1 shall not be construed to prohibit any Permitted RIC Distribution if the conditions set forth in the definition thereof for making such a distribution are satisfied.

(b) The Holders of each Class of Secured Debt and beneficial owners of each Class of Secured Debt agree, for the benefit of all Holders of each Class of Secured Debt and beneficial owners of each Class of Notes, not to cause the filing of a petition in bankruptcy, insolvency or a similar proceeding in the United States or any other jurisdiction against or cause the Issuer, the Co-Issuer or any Equity Holder Subsidiary to petition for bankruptcy until the payment in full of all Secured Debt and the expiration of a period equal to one year and one day or, if longer, the applicable preference period then in effect *plus* one day, following such payment in full.

(c) In the event that one or more Holders causes the filing of a petition in bankruptcy against the Issuer prior to the expiration of the period set forth in the immediately preceding paragraph, any claim that such Holder(s) have against the Issuer (including under all Secured Debt of any Class held by such Holder(s)) or with respect to any Assets (including any proceeds thereof) shall, notwithstanding anything to the contrary in the Priority of Payments and notwithstanding any objection to, or rescission of, such filing, be fully subordinate in right of payment to the claims of each Holder (and each other secured creditor of the Issuer) that does not seek to cause any such filing, with such subordination being effective until all Secured Debt (and each claim of each other secured creditor) held by each holder of any Secured Debt that does not seek to cause any such filing is paid in full in accordance with the Priority of Payments set forth herein (after giving effect to such subordination).

Section 13.2 Standard of Conduct. In exercising any of its or their voting rights, rights to direct and consent or any other rights as a Holder under this Indenture, a Holder or Holders of Secured Debt or Preferred Shares shall not have any obligation or duty to any Person or to consider or take into account the interests of any Person and shall not be liable to any Person for any action taken by it or them or at its or their direction or any failure by it or them to act or to direct that an action be taken, without regard to whether such action or inaction benefits or adversely affects any Holder, the Issuer, or any other Person, except for any liability to which such Holder may be subject to the extent the same results from such Holder's taking or directing an action, or failing to take or direct an action, in bad faith or in violation of the express terms of this Indenture.

ARTICLE XIV

MISCELLANEOUS

Section 14.1 Form of Documents Delivered to Trustee and the Collateral Agent. (a) In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

(b) Any certificate or opinion of an Officer of the Issuer, the Co-Issuer or the Collateral Manager may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel (provided that such counsel is a nationally or internationally recognized and reputable law firm, one or more of the partners of which are admitted to practice before the highest court of any State of the United States or the District of Columbia which law firm may, except as otherwise expressly provided herein, be counsel for the Issuer), unless such Officer knows, or should know, that the certificate or opinion or representations with respect to the matters upon which such certificate or opinion is based are erroneous. Any such certificate of an Officer of the Issuer, the Co-Issuer or the Collateral Manager or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, the Issuer, the Co-Issuer, the Collateral Manager or any other Person (on which the Trustee and the Collateral Agent shall be entitled to rely), stating that the information with respect to such factual matters is in the possession of the Issuer, the Co-Issuer, the Collateral Manager or such other Person, unless such Officer of the Issuer, the Co-Issuer or the Collateral Manager or such counsel knows that the certificate or opinion or representations with respect to such matters are erroneous. Any Opinion of Counsel may also be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an Officer of the Collateral Manager, the Issuer or of the Co-Issuer, stating that the information with respect to such matters is in the possession of the Collateral Manager, the Issuer or of the Co-Issuer, unless such counsel knows that the certificate or opinion or representations with respect to such matters are erroneous.

(c) Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

(d) Whenever in this Indenture it is provided that the absence of the occurrence and continuation of a Default or Event of Default is a condition precedent to the taking of any action by the Trustee or the Collateral Agent at the request or direction of either of the Co-Issuers, then notwithstanding that the satisfaction of such condition is a condition precedent to the Co-Issuers' right to make such request or direction, the Trustee or the Collateral Agent, as applicable, shall be protected in acting in accordance with such request or direction if it does not have knowledge of the occurrence and continuation of such Default or Event of Default as provided in Section 6.1(d).

(e) The Bank (in any capacity under the Transaction Documents) is hereby authorized to does agree to accept and act upon instructions or directions pursuant to the Transaction Documents sent by unsecured email, facsimile transmission or other similar unsecured electronic methods. If such person elects to give the Bank email or facsimile instructions (or instructions by a similar electronic method) and the Bank in its discretion elects to act upon such instructions, the Bank's reasonable understanding of such instructions shall be deemed controlling. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions notwithstanding such instructions conflicting with or being inconsistent with a subsequent written instruction. Any person providing such instructions agrees to assume all risks arising out of the use of such electronic methods to

submit instructions and directions to the Bank, including without limitation the risk of the Bank acting on unauthorized instructions, and the risk of interception and misuse by third parties and acknowledges and agrees that there may be more secure methods of transmitting such instructions than the method(s) selected by it and agrees that the security procedures (if any) to be followed in connection with its transmission of such instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

Section 14.2 Acts of Holders. (a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee or the Collateral Agent, and, where it is hereby expressly required, to the Issuer. Such instrument or instruments (and the action or actions embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and conclusive in favor of the Trustee, the Collateral Agent and the Co-Issuers, if made in the manner provided in this Section 14.2.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved in any manner which the Trustee or the Collateral Agent reasonably deems sufficient.

(c) The principal amount or face amount, as the case may be, and registered numbers of Notes held by any Person, and the date of such Person's holding the same, shall be proved by the Note Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder shall bind the Holder (and any transferee thereof) of such and of all Secured Debt issued upon the registration thereof or in exchange therefor or in lieu thereof, in respect of anything done, omitted or suffered to be done by the Trustee, the Collateral Agent or the Co-Issuers in reliance thereon, whether or not notation of such action is made upon such Secured Debt.

(e) Notwithstanding anything herein to the contrary, a holder of a beneficial interest in a Global Note will have the right to receive access to reports on the Trustee's website and will be entitled to exercise rights to vote, give consents and directions which holders of the related Class of Notes are entitled to give under this Indenture upon delivery of a beneficial ownership certificate (a "Beneficial Ownership Certificate") to the Trustee which certifies (i) that such Person is a beneficial owner of an interest in a Global Note, (ii) the amount and Class of Notes so owned, and (iii) that such Person will notify the Trustee when it sells all or a portion of its beneficial interest in such Class of Notes. A separate Beneficial Ownership Certificate must be delivered each time any such vote, consent or direction is given; provided that, nothing shall prevent the Trustee from requesting additional information and documentation with respect to any such beneficial owner.

Section 14.3 Notices, etc. to the Trustee, the Collateral Agent, the Co-Issuers, the Collateral Manager, the Placement Agent, the Fiscal Agent, the Collateral Administrator, the Administrator, each Rating Agency and the Bank.

(a) Any request, demand, authorization, direction, instruction, order, notice, consent, waiver or Act of Holders or other documents or communication provided or permitted by this Indenture to be made upon, given, e-mailed or furnished to, or filed with:

(i) the Trustee or the Collateral Agent shall be sufficient for every purpose hereunder if (x) made, given, furnished or filed in writing to and mailed, by certified mail, return receipt requested, hand delivered, sent by overnight courier service guaranteeing next day delivery, by electronic mail, or by facsimile to it at its Corporate Trust Office, or at any other address previously furnished in writing to the other parties hereto by the Trustee or the Collateral Agent, as applicable, and executed by a Responsible Officer of the entity sending such request, demand, authorization, direction, instruction, order, notice, consent, waiver or other document and (y) containing a reference to the Secured Debt, the Issuer, the Co-Issuers or this Indenture;

(ii) the Issuer shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first class postage prepaid, hand delivered, sent by overnight courier service, by electronic mail, or by facsimile in legible form, to the Issuer addressed to it at c/o Crestbridge Cayman Limited, 9 Forum Lane, Camana Bay, P.O. Box 31243, Grand Cayman, KY1-1205, Cayman Islands, Attention: The Directors, email: george.bashforth@crestbridge.com and jonathan.bain@crestbridge.com, facsimile No. +1 (345) 947-9380, with a copy c/o Appleby (Cayman) Ltd., 71 Fort Street, Grand Cayman KY1-1104, Cayman Islands, Attention: Liesl Richter and Benjamin Woolf, email: lrichter@applebyglobal.com and bwoolf@applebyglobal.com, facsimile no. +1 (345) 949 4901, or at any other address previously furnished in writing to the other parties hereto by the Issuer, with a copy to the Collateral Manager at its address below;

(iii) the Co-Issuer shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first class postage prepaid, hand delivered, sent by overnight courier service, by electronic mail, or by facsimile in legible form, to the Co-Issuer addressed to it at c/o PennantPark Investment Advisers, LLC, 590 Madison Avenue, New York, New York 10022, Attention: Arthur H. Penn, Chief Executive Officer and Managing Member, email: penn@pennantpark.com, or at any other address previously furnished in writing to the other parties hereto by the Co-Issuer;

(iv) the Collateral Manager shall be sufficient for every purpose hereunder if in writing and mailed, first class postage prepaid, hand delivered, sent by overnight courier service, by electronic mail or by facsimile in legible form, to the Collateral Manager addressed to it at c/o PennantPark Investment Advisers, LLC, 590 Madison Avenue, New York, New York 10022, Attention: Arthur H. Penn, Chief Executive Officer and Managing Member, email: penn@pennantpark.com, or at any other address previously furnished in writing to the parties hereto;

(v) the Placement Agent shall be sufficient for every purpose hereunder if in writing and mailed, first class postage prepaid, hand delivered, sent by overnight courier service or by facsimile in legible form, addressed to GreensLedge Capital Markets LLC, 399 Park Avenue, 37th Floor, New York, New York 10022, facsimile no. 212-792-5270, Attn: CDO Group, or at any other address previously furnished in writing to the Issuer and the Trustee by the Placement Agent;

(vi) the Fiscal Agent and the Collateral Administrator shall be sufficient for every purpose hereunder (except as otherwise provided in Section 14.16 with respect to 17g-5 Information) if (x) in writing and mailed, first class postage prepaid, hand delivered, sent by overnight courier service or by facsimile in legible form, to the Collateral Administrator at U.S. Bank National Association, One Federal Street, Third Floor, Boston, Massachusetts 02110, Attention: Global Corporate Trust, Reference: PennantPark CLO I, Ltd., Email: PennantPark.Team@usbank.com, or at any other address previously furnished in writing to the parties hereto and (y) containing a reference to the Notes, the Preferred Shares, the Issuer, the Co-Issuers or this Indenture;

(vii) the Administrator shall be sufficient for every purpose hereunder if in writing and mailed, first class postage prepaid, hand delivered, sent by overnight courier service, by electronic mail or by facsimile in legible form, to the Administrator addressed to it at Crestbridge Cayman Limited, 9 Forum Lane, Camana Bay, P.O. Box 31243, Grand Cayman, KY1-1205, Cayman Islands, Attention: The Directors, email: george.bashforth@crestbridge.com and jonathan.bain@crestbridge.com, facsimile no. +1 (345) 947-9380, or at any other address previously furnished in writing to the parties hereto; and

(viii) the Rating Agencies shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first class postage prepaid, hand delivered, sent by overnight courier service to each Rating Agency addressed to it at, in the case of Fitch, Fitch, by email to cdo.surveillance@fitchratings.com, and in the case of S&P, Standard & Poor's, 55 Water Street, 41st Floor, New York, New York 10041-0003 Attention: Structured Credit – CDO Surveillance or by electronic copy to CDO_Surveillance@spglobal.com; provided that in respect of any application for a ratings estimate by S&P in respect of a Collateral Obligation, Required S&P Credit Estimate Information must be submitted to creditestimates@spglobal.com ; provided, further, that any request for confirmation that the S&P Rating Condition has been satisfied as of the Effective Date must be submitted to CDOEffectiveDatePortfolios@spglobal.com; provided, further, that any inquiries regarding the S&P CDO Monitor must be submitted to CDOMonitor@spglobal.com.

(b) If any provision herein calls for any notice or document to be delivered simultaneously to the Trustee or the Collateral Agent and any other Person, the Trustee's or the Collateral Agent's receipt of such notice or document shall entitle the Trustee and the Collateral Agent to assume that such notice or document was delivered to such other Person or entity unless otherwise expressly specified herein.

(c) Notwithstanding any provision to the contrary contained herein or in any agreement or document related thereto, any report, statement or other information required to be provided by the Issuer, the Trustee or the Collateral Agent may be provided by providing access to a website containing such information.

(d) Unless the parties hereto otherwise agree, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment), and (ii) notices or communications posted to an Internet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor, provided that, if any such notice or other communication is not sent or posted during normal business hours, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day; provided, further, that, if in any instance the intended recipient declines or opts out of the receipt acknowledgment, then such notice or communication shall be deemed to have been received on the Business Day sent or posted, if sent or posted during normal business hours on such Business Day, or if otherwise, at the opening of business on the next Business Day.

Section 14.4 Notices to Holders; Waiver. (a) Except as otherwise expressly provided herein, where this Indenture provides for notice to Holders of any event:

(i) such notice shall be sufficiently given to Holders if in writing and mailed, first class postage prepaid, or by overnight delivery service (or, in the case of Holders of Global Notes, e-mailed to DTC), to each Holder affected by such event, at the address of such Holder as it appears on the Note Register, the Loan Register or the Share Register, as applicable, not earlier than the earliest date and not later than the latest date prescribed for the giving of such notice; and

(ii) such notice shall be in the English language.

Where this Indenture provides for notice to Holders of Preferred Shares, such notice shall be sufficiently given if in writing and mailed, first class postage prepaid, or by overnight delivery service to Issuer, or by electronic mail transmission, at the Issuer's address pursuant to Section 14.3 hereof. The Issuer shall forward all notices received pursuant to the preceding sentence to the Holders of Preferred Shares.

(b) Notwithstanding clause (a) of this Section 14.4, a Holder may give the Trustee or the Collateral Agent a written notice in a form reasonably acceptable to the Trustee or the Collateral Agent that it is requesting that notices to it be given by electronic mail or by facsimile transmissions and stating the electronic mail address or facsimile number for such transmission. Thereafter, the Trustee and/or the Collateral Agent shall give notices to such Holder by electronic mail or facsimile transmission, as so requested; provided that if such notice also requests that notices be given by mail, then such notice shall also be given by mail in accordance with clause (a) above. Notices for Holders may also be posted to the Collateral Agent's website.

(c) Subject to the requirements of Section 14.15, the Trustee will deliver to the Holders of Secured Debt or Preferred Shares any information or notice relating to this Indenture (or the Fiscal Agent in the case of the Preferred Shares) requested to be so delivered by at least 25% (by Aggregate Outstanding Amount) of the Holders of any Class of Secured Debt or the Preferred Shares, at the expense of the Issuer; provided that the Collateral Agent may decline to send any such notice that it reasonably determines to be contrary to (i) any of the terms of this Indenture, (ii) any duty or obligation that the Trustee or the Collateral Agent may have hereunder or (iii) applicable law, and shall not be liable for declining to send any notice in accordance with this sentence. The Trustee and the Collateral Agent may require the requesting Holders to comply with its standard verification policies in order to confirm Holder status. The Trustee and the Collateral Agent shall have no liability for such disclosure or, subject to its duties herein, the accuracy thereof.

(d) Neither the failure to mail any notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. In case by reason of the suspension of regular mail service as a result of a strike, work stoppage or similar activity or by reason of any other cause it shall be impracticable to give such notice by mail of any event to Holders when such notice is required to be given pursuant to any provision of this Indenture, then such notification to Holders as shall be made with the approval of the Collateral Agent shall constitute a sufficient notification to such Holders for every purpose hereunder.

(e) Where this Indenture provides for notice in any manner, such notice may be waived in writing by any Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Collateral Agent but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 14.5 Effect of Headings and Table of Contents. The Article and Section headings herein (including those used in cross-references herein) and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 14.6 Successors and Assigns. All covenants and agreements herein by the Co-Issuers shall bind its successors and assigns, whether so expressed or not.

Section 14.7 Severability. If any term, provision, covenant or condition of this Indenture or the Secured Debt, or the application thereof to any party hereto or any circumstance, is held to be unenforceable, invalid or illegal (in whole or in part) for any reason (in any relevant jurisdiction), the remaining terms, provisions, covenants and conditions of this Indenture or the Secured Debt, modified by the deletion of the unenforceable, invalid or illegal portion (in any relevant jurisdiction), will continue in full force and effect, and such unenforceability, invalidity, or illegality will not otherwise affect the enforceability, validity or legality of the remaining terms, provisions, covenants and conditions of this Indenture or the Secured Debt, as the case may be, so long as this Indenture or the Secured Debt, as the case may be, as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the deletion of such portion of this Indenture or the Secured Debt, as the case may be, will not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties.

Section 14.8 Benefits of Indenture. Except as otherwise expressly set forth in this Indenture, nothing herein or in the Secured Debt, expressed or implied, shall give to any Person, other than the parties hereto and their successors hereunder, the Collateral Manager, the Collateral Administrator, the Holders and (to the extent provided herein) the Administrator (solely in its capacity as such) and the other Secured Parties any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 14.9 Reserved.

Section 14.10 Governing Law. This Indenture and the Secured Debt shall be construed in accordance with, and this Indenture and the Secured Debt and any matters arising out of or relating in any way whatsoever to this Indenture or the Secured Debt (whether in contract, tort or otherwise), shall be governed by, the law of the State of New York without reference to its conflicts of laws provisions (other than Section 5-1401 of the New York General Obligations Law).

Section 14.11 Submission to Jurisdiction. With respect to any suit, action or proceedings relating to this Indenture or any matter between the parties arising under or in connection with this Indenture ("Proceedings"), each party irrevocably: (i) submits to the non-exclusive jurisdiction of the Supreme Court of the State of New York sitting in the Borough of Manhattan and the United States District Court for the Southern District of New York, and any appellate court from any thereof; and (ii) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party. Nothing herein precludes any of the parties from bringing Proceedings in any other jurisdiction, nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

Section 14.12 WAIVER OF JURY TRIAL. EACH OF THE ISSUER, THE CO-ISSUER, THE HOLDERS OF THE SECURED DEBT, THE TRUSTEE AND THE COLLATERAL AGENT HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF, UNDER OR RELATING TO THIS INDENTURE, THE SECURED DEBT OR THE TRANSACTIONS CONTEMPLATED HEREBY. Each party hereby (i) certifies that no representative, agent or attorney of the other has represented, expressly or otherwise, that the other would not, in the event of a Proceeding, seek to enforce the foregoing waiver and (ii) acknowledges that it has been induced to enter into this Indenture by, among other things, the mutual waivers and certifications in this paragraph.

Section 14.13 Counterparts. This Indenture (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (including by e-mail (.pdf) or facsimile transmission), each of which will be deemed an original, and all of which together constitute one and the same instrument. Delivery of an executed counterpart signature page of this Indenture by e-mail (.pdf) or facsimile shall be effective as delivery of a manually executed counterpart of this Indenture.

Section 14.14 Acts of Issuer. Any report, information, communication, request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or performed by the Issuer shall be effective if given or performed by the Issuer or by the Collateral Manager on the Issuer's behalf.

The Issuer agrees to coordinate with the Collateral Manager with respect to any communication to a Rating Agency and to comply with the provisions of this Section and Section 14.16, unless otherwise agreed to in writing by the Collateral Manager.

Section 14.15 Confidential Information. (a) The Trustee, the Collateral Agent, the Collateral Administrator and each Holder will maintain the confidentiality of all Confidential Information in accordance with procedures adopted by such Person in good faith to protect Confidential Information of third parties delivered to such Person; provided that such Person may deliver or disclose Confidential Information to: (i) such Person's directors, trustees, officers, employees, agents, attorneys and affiliates who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 14.15 and to the extent such disclosure is reasonably required for the administration of this Indenture, the matters contemplated hereby or the investment represented by the Secured Debt; (ii) such Person's legal advisors, financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 14.15 and to the extent such disclosure is reasonably required for the administration of this Indenture, the matters contemplated hereby or the investment represented by the Secured Debt; (iii) any other Holder, or any of the other parties to this Indenture, the Collateral Management Agreement or the Collateral Administration Agreement; (iv) except for Specified Obligor Information, any Person of the type that would be, to such Person's knowledge, permitted to acquire Secured Debt or any other security of the Co-Issuers in accordance with the requirements of Section 2.5 hereof to which such Person sells or offers to sell any such Secured Debt or security or any part thereof; (v) any federal or state or other regulatory, governmental or judicial authority having jurisdiction over such Person; (vi) the National Association of Insurance Commissioners or any similar organization, or any nationally recognized rating agency that requires access to information about the investment portfolio of such Person, reinsurers and liquidity and credit providers that agree to hold confidential the Confidential Information substantially in accordance with this Section 14.15; (vii) either Rating Agency or any NRSRO (subject to Section 14.17); (viii) any other Person with the consent of the Issuer and the Collateral Manager; or (ix) any other Person to which such delivery or disclosure may be necessary or appropriate (A) to effect compliance with any law, rule, regulation or order applicable to such Person, (B) in response to any subpoena or other legal process (unless prohibited by applicable law, rule, order or decree or other requirement having the force of law), (C) in connection with any litigation to which such Person is a party (unless prohibited by applicable law, rule, order or decree or other requirement having the force of law), (D) if an Event of Default has occurred and is continuing, to the extent such Person may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under the Secured Debt or this Indenture or (E) in the Trustee's, the Collateral Agent's, the Loan Agent's or the Collateral Administrator's performance of its obligations under this Indenture, the Collateral Administration Agreement or other Transaction Document related thereto; and provided that delivery to the Holders by the Trustee, the Collateral Agent, the Loan Agent or the Collateral Administrator of any report of information required by the terms of this Indenture to be provided to Holders shall not be a violation of this

Section 14.15. Each Holder or beneficial owner of Secured Debt will, by its acceptance of its Secured Debt, be deemed to have agreed, except as set forth in clauses (v), (vi) and (ix) of this Section 14.15(a), that it shall use the Confidential Information for the sole purpose of making an investment in the Secured Debt or administering its investment in the Secured Debt; and that the Trustee, the Collateral Agent, the Loan Agent and the Collateral Administrator shall neither be required nor authorized to disclose to Holders any Confidential Information in violation of this Section 14.15. In the event of any required disclosure of the Confidential Information by such Holder or beneficial owner such Holder or beneficial owner will, by its acceptance of its Secured Debt, be deemed to have agreed to use reasonable efforts to protect the confidentiality of the Confidential Information. Each Holder or beneficial owner of a Note, by its acceptance of Secured Debt, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 14.15 (subject to Section 7.17(f)).

(b) For the purposes of this Section 14.15, (A) "Confidential Information" means information delivered to the Trustee, the Collateral Agent, the Fiscal Agent, the Collateral Administrator or any Holder of Secured Debt by or on behalf of the Co-Issuers, the Transferor, the Depositor or the Collateral Manager or any of their respective affiliates in connection with and relating to the transactions contemplated by or otherwise pursuant to this Indenture and the other Transaction Documents (including, without limitation, information relating to Obligors); provided that such term does not include information that: (i) was publicly known or otherwise known to the Trustee, the Collateral Agent, the Fiscal Agent, the Collateral Administrator or such Holder prior to the time of such disclosure; (ii) subsequently becomes publicly known through no act or omission by the Trustee, the Collateral Agent, the Fiscal Agent, the Collateral Administrator, any Holder or any Person acting on behalf of the Trustee, the Fiscal Agent, the Collateral Administrator or any Holder; (iii) otherwise is known or becomes known to the Trustee, the Collateral Agent, the Fiscal Agent, the Collateral Administrator or any Holder other than (x) through disclosure by the Co-Issuers, the Transferor, the Depositor or the Collateral Manager or (y) to the knowledge of the Trustee, the Collateral Agent, the Fiscal Agent, the Collateral Administrator or a Holder, as the case may be, in each case after reasonable inquiry, as a result of the breach of a fiduciary duty or a contractual duty to the Co-Issuers, the Transferor, the Depositor or the Collateral Manager; or (iv) is allowed to be treated as non-confidential with the prior written consent of the Issuer; and (B) "Specified Obligor Information" means Confidential Information relating to Obligors that is not otherwise included in the Monthly Reports or Distribution Reports or the disclosure of which would be prohibited by applicable law or the Underlying Documents relating to such Obligor's Collateral Obligation.

(c) Notwithstanding the foregoing, the Trustee and the Collateral Administrator may disclose Confidential Information to the extent disclosure thereof may be required by law or by any regulatory or Governmental Authority and the Trustee and the Collateral Administrator may disclose on a confidential basis any Confidential Information to its agents, attorneys and auditors in connection with the performance of its responsibilities hereunder.

Section 14.16 Liability of Co-Issuers. Notwithstanding any other terms of this Indenture, the Secured Debt or any other agreement entered into between, *inter alia*, the Co-Issuers or otherwise, neither of the Co-Issuers shall have any liability whatsoever to the other of the Co-Issuers under this Indenture, the Secured Debt, any such agreement or otherwise and, without prejudice to the generality of the foregoing, neither of the Co-Issuers shall be entitled to take any

action to enforce, or bring any action or Proceeding, in respect of this Indenture, the Secured Debt, any such agreement or otherwise against the other of the Co-Issuers. In particular, neither of the Co-Issuers shall be entitled to petition or take any other steps for the winding up or bankruptcy of the other of the Co-Issuers or shall have any claim in respect to any assets of the other of the Co-Issuers.

Section 14.17 17g-5 Information. (a) The Co-Issuers shall comply with its obligations under Rule 17g-5 promulgated under the Exchange Act ("Rule 17g-5"), by its or its agent's posting on the 17g-5 Website, no later than the time such information is provided to the Rating Agencies, all information that the Co-Issuers or other parties on its behalf, including the Trustee and the Collateral Manager, provide to the Rating Agencies for the purposes of determining the initial credit rating of the Secured Debt or undertaking credit rating surveillance of the Secured Debt (the "17g-5 Information"); provided that, no party other than the Co-Issuers (or the Information Agent on its behalf), the Trustee or the Collateral Manager may provide information to the Rating Agencies on the Co-Issuers' behalf without the prior written consent of the Collateral Manager. At all times while any Secured Debt is rated by any Rating Agency or any other NRSRO, the Co-Issuers shall engage a third-party to post 17g-5 Information to the 17g-5 Website. On the Closing Date, the Issuer shall engage the Collateral Administrator (in such capacity, the " Information Agent"), to post 17g-5 Information it receives from the Issuer, the Trustee or the Collateral Manager to the 17g-5 Website in accordance with Section 2A of the Collateral Administration Agreement.

(b) To the extent that any of the Co-Issuers, the Collateral Manager, the Collateral Administrator, the Trustee or the Collateral Agent is required to provide any information to, or communicate with, any Rating Agency in writing in accordance with its obligations under this Indenture or the Collateral Management Agreement or the Collateral Administration Agreement (as applicable), the Issuer, the Collateral Manager, the Collateral Administrator, the Trustee or the Collateral Agent, as applicable (or their respective representatives or advisors), shall provide such information or communication to the Information Agent by e-mail at PennantPark.17g-5@usbank.com with the subject line specifically referencing "17g-5 Information" and "PennantPark CLO I, Ltd.," which information the Information Agent shall promptly post to the 17g-5 Website in accordance with Section 2A(f) of the Collateral Administration Agreement.

(c) To the extent any of the Issuer, the Trustee, the Collateral Agent or the Collateral Manager are engaged in oral communications with any Rating Agency, for the purposes of determining the initial credit rating of the Secured Debt or undertaking credit rating surveillance of the Secured Debt, the party communicating with such Rating Agency shall cause such oral communication to either be (x) recorded and an audio file containing the recording to be promptly delivered to the Information Agent for posting to the 17g-5 Website or (y) summarized in writing and the summary to be promptly delivered to the Information Agent by e-mail at PennantPark.17g-5@usbank.com with the subject line specifically referencing "17g-5 Information" and "PennantPark CLO I, Ltd.," which information the Information Agent shall promptly post to the 17g-5 Website in accordance with Section 2A(f) of the Collateral Administration Agreement.

(d) All information to be made available to the Rating Agencies pursuant to Section 14.3(a) shall be made available on the 17g-5 Website. In the event that any information is delivered or posted in error, the Issuer may remove it, or cause it to be removed, from the 17g-5 Website, and shall so remove promptly when instructed to do so by the Person that delivered such information. None of the Trustee, the Collateral Agent, the Collateral Manager, the Collateral Administrator and the Information Agent shall have obtained or shall be deemed to have obtained actual knowledge of any information solely due to receipt and posting to the 17g- 5 Website. Access will be provided to the Issuer, the Collateral Manager, the Rating Agencies, and to any NRSRO upon receipt by the Issuer of an NRSRO Certification from such NRSRO (which may be submitted electronically via the 17g-5 Website).

(e) Notwithstanding the requirements herein, neither the Trustee nor the Collateral Agent shall have any obligation to engage in or respond to any oral communications, for the purposes of determining the initial credit rating of the Secured Debt or undertaking credit rating surveillance of the Secured Debt, with any Rating Agency or any of their respective officers, directors or employees.

(f) Neither the Trustee nor the Collateral Agent shall be responsible for maintaining the 17g-5 Website, posting any 17g-5 Information to the 17g-5 Website or assuring that the 17g-5 Website complies with the requirements of this Indenture, Rule 17g-5, or any other law or regulation. In no event shall the Trustee be deemed to make any representation in respect of the content of the 17g-5 Website or compliance of the 17g-5 Website with this Indenture, Rule 17g-5, or any other law or regulation.

(g) Neither the Trustee nor the Collateral Agent shall be responsible or liable for the dissemination of any identification numbers or passwords for the 17g-5 Website, including by the Issuer, the Rating Agencies, the NRSROs, any of their agents or any other party. Neither the Trustee nor the Collateral Agent shall be liable for the use of any information posted on the 17g-5 Website, whether by the Issuer, the Rating Agencies, the NRSROs or any other third party that may gain access to the 17g-5 Website or the information posted thereon.

(h) Notwithstanding anything herein to the contrary, the maintenance by the Information Agent of the website described in Section 10.7(g) shall not be deemed as compliance by or on behalf of the Issuer with Rule 17g-5 or any other law or regulation related thereto.

Notwithstanding anything to the contrary in this Indenture, a breach of this Section 14.17 shall not constitute a Default or Event of Default.

Section 14.18 Escheat. In the absence of a written request from the Co-Issuers to return unclaimed funds to the Co-Issuers, the Collateral Agent may from time to time following the final Payment Date with respect to the Secured Debt deliver all unclaimed funds to or as directed by applicable escheat authorities, as determined by the Collateral Agent in its sole discretion, in accordance with the customary practices and procedures of the Collateral Agent. Any unclaimed funds held by the Collateral Agent pursuant to this Section 14.18 shall be held uninvested and without any liability for interest.

ARTICLE XV

ASSIGNMENT OF CERTAIN AGREEMENTS

Section 15.1 Assignment of Collateral Management Agreement. (a) The Issuer hereby acknowledges that its Grant pursuant to the first Granting Clause hereof includes all of the Issuer's estate, right, title and interest in, to and under the Collateral Management Agreement, including (i) the right to give all notices, consents and releases thereunder, (ii) the right to give all notices of termination and to take any legal action upon the breach of an obligation of the Collateral Manager thereunder, including the commencement, conduct and consummation of proceedings at law or in equity, (iii) the right to receive all notices, accountings, consents, releases and statements thereunder and (iv) the right to do any and all other things whatsoever that the Issuer is or may be entitled to do thereunder; provided that notwithstanding anything herein to the contrary, the Collateral Agent shall not have the authority to exercise any of the rights set forth in (i) through (iv) above or that may otherwise arise as a result of the Grant until the occurrence of an Event of Default hereunder and such authority shall terminate at such time, if any, as such Event of Default is cured or waived. From and after the occurrence and continuance of an Event of Default, the Collateral Manager shall continue to perform and be bound by the provisions of the Collateral Management Agreement and this Indenture applicable thereto.

(b) The assignment made hereby is executed as collateral security, and the execution and delivery hereby shall not in any way impair or diminish the obligations of the Issuer under the provisions of the Collateral Management Agreement, nor shall any of the obligations contained in the Collateral Management Agreement be imposed on the Collateral Agent, including following any resignation or removal of the Collateral Manager.

(c) Upon the retirement of the Secured Debt, the payment of all amounts required to be paid pursuant to the Priority of Payments and the release of the Assets from the lien of this Indenture, this assignment and all rights herein assigned to the Collateral Agent for the benefit of the Holders shall cease and terminate and all the estate, right, title and interest of the Collateral Agent in, to and under the Collateral Management Agreement shall revert to the Issuer and no further instrument or act shall be necessary to evidence such termination and reversion.

(d) The Issuer represents that, as of the date hereof, the Issuer has not executed any other assignment of the Collateral Management Agreement.

(e) The Issuer agrees that this assignment is irrevocable, and that it will not take any action which is inconsistent with this assignment or make any other assignment inconsistent herewith. The Issuer will, from time to time, execute all instruments of further assurance and all such supplemental instruments with respect to this assignment as may be necessary to continue and maintain the effectiveness of such assignment.

(f) The Issuer hereby agrees, and hereby undertakes to obtain the agreement and consent of the Collateral Manager in the Collateral Management Agreement, to the following:

(i) The Collateral Manager shall consent to the provisions of this assignment and agree to perform any provisions of this Indenture applicable to the Collateral Manager subject to the terms (including the Collateral Manager Standard) of the Collateral Management Agreement.

(ii) The Collateral Manager shall acknowledge that the Issuer is assigning all of its right, title and interest in, to and under the Collateral Management Agreement to the Collateral Agent as representative of the Noteholders and the Collateral Manager shall agree that all of the representations, covenants and agreements made by the Collateral Manager in the Collateral Management Agreement are also for the benefit of the Collateral Agent.

(iii) The Collateral Manager shall deliver to the Collateral Agent copies of all notices, statements, communications and instruments delivered or required to be delivered by the Collateral Manager to the Issuer pursuant to the Collateral Management Agreement.

(iv) Neither the Issuer nor the Collateral Manager will enter into any agreement amending, modifying or terminating the Collateral Management Agreement without satisfaction of the Global Rating Agency Condition and obtaining the consent of a Majority of the Controlling Class and a Majority of the Preferred Shares (voting separately by Class); provided that no such Global Rating Agency Condition or consent will be required in connection with any amendment thereto the sole purpose of which is to (i) correct inconsistencies, typographical or other errors, defects or ambiguities or (ii) conform the Collateral Management Agreement to the final Offering Circular, the Collateral Administration Agreement or this Indenture.

(v) Except as otherwise set forth herein and therein (including pursuant to Section 8 of the Collateral Management Agreement), the Collateral Manager shall continue to serve as Collateral Manager under the Collateral Management Agreement notwithstanding that the Collateral Manager shall not have received amounts due it under the Collateral Management Agreement because sufficient funds were not then available hereunder to pay such amounts in accordance with the Priority of Payments set forth under Section 11.1. The Collateral Manager agrees not to cause the filing of a petition in bankruptcy against the Issuer or any Equity Holder Subsidiary for the nonpayment of the fees or other amounts payable by the Issuer to the Collateral Manager under the Collateral Management Agreement until the payment in full of all Notes issued under this Indenture, the repayment in full of the Class A-1 Loans incurred pursuant to the Credit Agreement and the expiration of a period equal to one year and a day, or, if longer, the applicable preference period then in effect *plus* one day, following such payment. Nothing in this Section 15.1 shall preclude, or be deemed to stop, the Collateral Manager (i) from taking any action (including filing proofs of claim) prior to the expiration of the aforementioned period in (A) any case or Proceeding voluntarily filed or commenced by the Issuer or any Equity Holder Subsidiary, or (B) any involuntary insolvency Proceeding filed or commenced by a Person other than the Collateral Manager, or (ii) from commencing against the Issuer or any Equity Holder Subsidiary or any of their respective properties any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceeding.

(vi) On each Measurement Date on which the S&P CDO Monitor Test is used, the Collateral Manager on behalf of the Issuer will measure compliance under such test.

(g) The Issuer and the Collateral Agent agree that the Collateral Manager shall be a third party beneficiary of this Indenture for purposes of this Article XV, and shall be entitled to rely upon and enforce such provisions of this Article XV to the same extent as if it were a party hereto.

(h) Upon a Trust Officer of the Collateral Agent receiving written notice from the Collateral Manager that an event constituting "Cause" as defined in the Collateral Management Agreement has occurred, the Collateral Agent shall, not later than two Business Days thereafter, forward such notice to the Noteholders (as their names appear in the Note Register) and the Loan Agent (for delivery to the Class A-1 Lender).

[Remainder of Page Intentionally Blank - Signature Pages Follow]

IN WITNESS WHEREOF, we have set our hands as of the day and year first written above.

EXECUTED as a DEED by:

PENNANTPARK CLO I, LTD.,
as lssuer

By: /s/ Jonathan Bain
Name: Jonathan Bain
Title: Director

PENNANTPARK CLO I, LLC,
as Co-lssuer

By: PennantPark Investment Advisers, LLC, its Manager

By: /s/ Arthur H. Penn
Name: Arthur H. Penn
Title: Managing Member

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: /s/ Ralph J. Creasia, Jr.
Name: Ralph J. Creasia, Jr.
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION,
as Collateral Agent

By: /s/ Ralph J. Creasia, Jr.
Name: Ralph J. Creasia, Jr.
Title: Senior Vice President

Schedule 1

SCHEDULE OF COLLATERAL OBLIGATIONS

[Schedule begins on next page]

Assets	Asset Type	Consolidated Par Transferred	Price	Consolidated Cost Transferred
18 Fremont Street Acquisition, LLC	First Lien	6,697,697.03	98.01	6,564,589.70
American Auto Auction Group, LLC	First Lien	5,813,286.64	98.77	5,742,068.03
American Insulated Glass, LLC	First Lien	6,697,697.03	98.28	6,582,761.14
API Holdings III Corp.	First Lien	6,000,000.00	99.50	5,970,245.92
By Light Professional IT Services, LLC	First Lien	6,697,697.03	97.85	6,553,456.45
Cano Health, LLC	First Lien	5,830,099.85	99.15	5,780,382.08
CHA Holdings, Inc. - DDTL	First Lien	598,589.90	100.00	598,589.90
CHA Holdings, Inc. - Term Loan	First Lien	6,099,107.13	99.57	6,072,902.13
Confluent Health, LLC	First Lien	4,000,000.00	99.00	3,960,045.92
DecoPac, Inc.	Second Lien	6,697,697.03	98.95	6,627,175.08
Deva Holdings, Inc.	First Lien	947,304.34	98.52	933,320.11
Digital Room Holdings, Inc.	First Lien	6,697,697.03	98.51	6,597,894.78
Douglas Products and Packaging Company LLC	First Lien	6,697,697.03	98.73	6,612,607.71
East Valley Tourist Development Authority	First Lien	6,697,697.03	99.15	6,641,072.26
eCommission Financial Services, Inc.	First Lien	6,697,697.03	100.00	6,697,697.03
Education Networks of American, Inc.	First Lien	6,697,697.03	100.00	6,697,697.03
Efficient Collaborative Retail Marketing Company, LLC	First Lien	6,697,697.03	99.58	6,669,308.19
GCOM Software LLC	First Lien	6,697,697.03	98.16	6,574,138.69
Good2Grow LLC	First Lien	6,697,697.03	99.11	6,638,410.73
GSM Holdings, Inc.	First Lien	1,175,873.52	99.57	1,170,850.92
GSM Holdings, Inc.	First Lien	5,521,823.51	99.54	5,496,646.49
HW Holdco, LLC	First Lien	6,697,697.03	99.07	6,635,512.09
Integrative Nutrition, LLC	First Lien	6,697,697.03	99.17	6,641,830.63
KHC Holdings, Inc.	First Lien	6,697,697.03	99.11	6,638,251.07
LAV Gear Holdings, Inc.	First Lien	3,531,427.20	99.12	3,500,212.03
LAV Gear Holdings, Inc. - DDTL	First Lien	3,166,269.83	100.00	3,166,269.83
Lombart Brothers, Inc.	First Lien	6,697,697.03	98.93	6,626,308.18
Long’s Drugs Incorporated	First Lien	6,697,697.03	99.31	6,651,294.04
LSF9 Atlantis Holdings, LLC	First Lien	6,697,697.03	99.28	6,649,632.58
Manna Pro Products, LLC	First Lien	5,690,197.03	98.94	5,630,096.20
Manna Pro Products, LLC - DDTL	First Lien	1,007,500.00	100.00	1,007,500.00
MeritDirect, LLC	First Lien	6,697,697.03	98.58	6,602,475.54
Nuvei Technologies Corp.	First Lien	6,697,697.03	98.50	6,597,502.11
Ox Two, LLC	First Lien	6,697,697.03	100.00	6,697,697.03
Pestell Minerals and Ingredients, Inc.	First Lien	6,697,697.03	99.20	6,644,413.37
PlayPower, Inc.	First Lien	5,600,000.00	99.02	5,545,013.53
PRA Events, Inc.	First Lien	2,598,605.92	98.38	2,556,499.94
Quantum Spatial, Inc.	First Lien	6,697,697.03	98.51	6,597,786.93
Questex, LLC	First Lien	6,697,697.03	98.27	6,582,066.50
Research Now Group, Inc. and Survey Sampling International LLC	First Lien	6,697,697.03	95.97	6,427,741.01
Riverpoint Medical, LLC	First Lien	5,000,000.00	99.02	4,951,086.09
Schlesinger Global, Inc.	First Lien	6,697,697.03	98.53	6,599,123.14
Signature Systems Holding Company	First Lien	6,697,697.03	98.57	6,602,163.63
Solutionreach, Inc.	First Lien	6,697,697.03	98.22	6,578,534.72
TeleGuam Holdings, LLC	First Lien	6,697,697.03	98.92	6,625,651.57
Teneo Holdings LLC	First Lien	5,000,000.00	96.00	4,800,000.00
The Infosoft Group, LLC	First Lien	5,647,900.77	99.52	5,620,543.06
TVC Enterprises, LLC	First Lien	5,943,737.58	98.22	5,838,041.05
TWS Acquisition Corporation	First Lien	6,697,697.03	97.61	6,537,345.18
Tyto Athene, LLC	First Lien	6,697,697.03	98.68	6,609,327.47
Ubeo, LLC	First Lien	4,715,658.77	99.16	4,676,212.77
Ubeo, LLC - DDTL	First Lien	1,982,038.26	100.00	1,982,038.26
Totals		**293,498,028.18**	**98.81**	**290,000,029.83**

Schedule 2

[RESERVED]

Schedule 3

S&P INDUSTRY CLASSIFICATIONS

Asset Type Code	Description
1020000	Energy Equipment and Services
1030000	Oil, Gas and Consumable Fuels
1033403	Mortgage Real Estate Investment Trusts (REITs)
2020000	Chemicals
2030000	Construction Materials
2040000	Containers and Packaging
2050000	Metals and Mining
2060000	Paper and Forest Products
3020000	Aerospace and Defense
3030000	Building Products
3040000	Construction and Engineering
3050000	Electrical Equipment
3060000	Industrial Conglomerates
3070000	Machinery
3080000	Trading Companies and Distributors
3110000	Commercial Services and Supplies
3210000	Air Freight and Logistics
3220000	Airlines
3230000	Marine
3240000	Road and Rail
3250000	Transportation Infrastructure
4011000	Auto Components
4020000	Automobiles
4110000	Household Durables
4120000	Leisure Products
4130000	Textiles, Apparel and Luxury Goods
4210000	Hotels, Restaurants and Leisure
4300001	Entertainment
4300002	Interactive Media and Services
4310000	Media
4410000	Distributors
4420000	Internet and Direct Marketing Retail
4430000	Multiline Retail
4440000	Specialty Retail
5020000	Food and Staples Retailing
5110000	Beverages

5120000	Food Products
5130000	Tobacco
5210000	Household Products
5220000	Personal Products
6020000	Healthcare Equipment and Supplies
6030000	Healthcare Providers and Services
6110000	Biotechnology
6120000	Pharmaceuticals
7011000	Banks
7020000	Thrifts and Mortgage Finance
7110000	Diversified Financial Services
7120000	Consumer Finance
7130000	Capital Markets
7210000	Insurance
7310000	Real Estate Management and Development
7311000	Equity Real Estate Investment Trusts (REITs)
8030000	IT Services
8040000	Software
8110000	Communications Equipment
8120000	Technology Hardware, Storage and Peripherals
8130000	Electronic Equipment, Instruments and Components
8210000	Semiconductors and Semiconductor Equipment
9020000	Diversified Telecommunication Services
9030000	Wireless Telecommunication Services
9520000	Electric Utilities
9530000	Gas Utilities
9540000	Multi-Utilities
9550000	Water Utilities
9551701	Diversified Consumer Services
9551702	Independent Power and Renewable Electricity Producers
9551727	Life Sciences Tools and Services
9551729	Health Care Technology
9612010	Professional Services
1000-1099	Reserved

PROJECT FINANCE

Asset Type Code	Description
PF1	Project finance: Industrial equipment
PF2	Project finance: Leisure and gaming
PF3	Project finance: Natural resources and mining
PF4	Project finance: Oil and gas
PF5	Project finance: Power
PF6	Project finance: Public finance and real estate
PF7	Project finance: Telecommunications
PF8	Project finance: Transport
PF1000-PF1099	Reserved

Schedule 4

MOODY'S RATING DEFINITIONS

MOODY'S DEFAULT PROBABILITY RATING

(a) With respect to any Collateral Obligation (other than a DIP Collateral Obligation):

(i) if the Obligor of such Collateral Obligation has a corporate family rating by Moody's, then such corporate family rating;

(ii) if not determined pursuant to clause (i) above, if the Obligor of such Collateral Obligation has one or more senior unsecured obligations publicly rated by Moody's, then the Moody's public rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(iii) if not determined pursuant to clause (i) or (ii) above, if the Obligor of such Collateral Obligation has one or more senior secured obligations publicly rated by Moody's, then the Moody's public rating on any such obligation as selected by the Collateral Manager in its sole discretion notched down by one notch;

(iv) if not determined pursuant to clause (i), (ii), or (iii) above, the Moody's Derived Rating; and

(v) if not determined pursuant to clause (i), (ii), (iii), or (iv) above, then "Caa3"; and

(b) with respect to a DIP Collateral Obligation, the rating which is one subcategory below the facility rating (whether public or private) of such DIP Collateral Obligation rated by Moody's.

For purposes of calculating a Moody's Default Probability Rating, each applicable rating (i) on credit watch by Moody's with positive implications will be treated as having been upgraded by one rating subcategory, (ii) on credit watch by Moody's with negative implications will be treated as having been downgraded by two rating subcategories and (iii) on negative outlook by Moody's will be treated as having been downgraded by one rating subcategory.

MOODY'S RATING

(i) With respect to a Collateral Obligation that (A) is publicly rated by Moody's, such public rating, or (B) is not publicly rated by Moody's but for which a rating or rating estimate has been assigned by Moody's, upon the request of the Issuer or the Collateral Manager, such rating or, in the case of a rating estimate, the applicable rating estimate for such obligation;

(ii) With respect to a Collateral Obligation that is a Senior Secured Loan or Participation Interest in a Senior Secured Loan, if not determined pursuant to clause (i) above, if the Obligor of such Collateral Obligation has a corporate family rating by Moody's, then such corporate family rating notched up by one notch;

(iii) With respect to a Collateral Obligation, if not determined pursuant to clause (i) or (ii) above, if the Obligor of such Collateral Obligation has one or more senior unsecured obligations publicly rated by Moody's, then the Moody's public rating on any such obligation (or, if such Collateral Obligation is a Senior Secured Loan, the Moody's rating that is two notches higher than the Moody's public rating on any such senior unsecured obligation) as selected by the Collateral Manager in its sole discretion;

(iv) With respect to a Collateral Obligation other than a Senior Secured Loan or Participation Interest in a Senior Secured Loan (if not determined pursuant to clauses (i), (ii) or (iii) above) if the obligor of such Collateral Obligation has one or more senior unsecured obligations publicly rated by Moody's, then the Moody's Rating on any such obligation;

(v) With respect to a Collateral Obligation other than a Senior Secured Loan or Participation Interest in a Senior Secured Loan (if not determined pursuant to clause (i), (ii), (iii) or (iv) above), if the Obligor of such Collateral Obligation has a corporate family rating by Moody's, then such corporate family rating notched down by one notch;

(vi) With respect to a Collateral Obligation other than a Senior Secured Loan or Participation Interest in a Senior Secured Loan (if not determined pursuant to clause (i), (ii), (iii), (iv) or (v) above), if the Obligor of such Collateral Obligation has one or more subordinated obligations publicly rated by Moody's, then the Moody's public rating on any such obligation notched up by one notch as selected by the Collateral Manager in its sole discretion;

(vii) With respect to a Collateral Obligation, if not determined pursuant to clause (i), (ii), (iii), (iv), (v) or (vi) above, the Moody's Derived Rating; and

(viii) With respect to a Collateral Obligation, if not determined pursuant to clause (i), (ii), (iii), (iv), (v), (vi) or (vii) above, then "Caa3."

For purposes of calculating a Moody's Rating, each applicable rating, at the time of calculation, (i) on credit watch by Moody's with positive implications will be treated as having been upgraded by one rating subcategory, (ii) on credit watch by Moody's with negative implications will be treated as having been downgraded by two rating subcategories and (iii) on negative outlook by Moody's will be treated as having been downgraded by one rating subcategory.

For purposes of the definitions of "Moody's Default Probability Rating," "Moody's Derived Rating" and "Moody's Rating," any credit estimate assigned by Moody's shall expire one year from the date such estimate was issued; provided that, for purposes of any calculation under this Indenture, if Moody's fails to renew for any reason a credit estimate for a previously acquired Collateral Obligation thereunder on or before such one-year anniversary (which may be extended at Moody's option to the extent the annual audited financial statements for the Obligor have not yet been received), after the Issuer or the Collateral Manager on the Issuer's behalf has submitted to Moody's all information that the Issuer or the Collateral Manager believed in good faith was required to provide such renewal, (1) the Issuer for a period of 60 days will continue using the previous credit estimate assigned by Moody's with respect to such Collateral Obligation until such time as Moody's renews the credit estimate for such Collateral Obligation, (2) after 60 days until

the earlier to occur of the 90th day or such time as Moody's renews the credit estimate for such Collateral Obligation the Collateral Obligation will be treated as having been downgraded by one rating subcategory, (3) after 90 days until the earlier to occur of the 120th day or such time as Moody's renews the credit estimate for such Collateral Obligation the Collateral Obligation will be deemed to have a Moody's rating of "Caa1", and (4) after 120 days but before Moody's renews the credit estimate for such Collateral Obligation, the Collateral Obligation will be deemed to have a Moody's rating of "Caa3."

MOODY'S DERIVED RATING

With respect to a Collateral Obligation whose Moody's Rating or Moody's Default Probability Rating cannot otherwise be determined pursuant to the definitions thereof, such Moody's Rating or Moody's Default Probability Rating shall be determined as set forth below.

(i) By using any one of the methods provided below:

(A) pursuant to the following table:

Obligation Category of Rated Obligation	Rating by S&P (Public and Monitored)	Collateral Obligation Rated by S&P	Number of Sub-categories Relative to Moody's Equivalent of Rating by S&P
Not Structured Finance Obligation	greater than or equal to BBB-	Not a Loan or Participation Interest in Loan	-1
Not Structured Finance Obligation	less than BB+	Not a Loan or Participation Interest in Loan	-2
Not Structured Finance Obligation		Loan or Participation Interest in Loan	-2

(B) if such Collateral Obligation is not rated by S&P but another security or obligation of the Obligor has a public and monitored rating by S&P (a "*parallel security*"), then the rating of such parallel security will at the election of the Collateral Manager be determined in accordance with the table set forth in subclause (ii)(A) above, and the Moody's Rating or Moody's Default Probability Rating of such Collateral Obligation will be determined by treating the parallel security as if it were rated by Moody's at the rating determined pursuant to this subclause (ii)(B) and adjusting the rating of the related Moody's rated obligations of the related Obligor by the number of rating subcategories according to the table below:

Obligation Category of Rated Obligation	Rating of Rated Obligation	Number of Subcategories Relative to Rated Obligation Rating
Senior secured obligation	greater than or equal to B2	-1
Senior secured obligation	less than B2	-2
Subordinated obligation	greater than or equal to B3	+1
Subordinated obligation	less than B3	0

(ii) If such Collateral Obligation is not rated by Moody's and no other security or obligation of the issuer of such Collateral Obligation is rated by Moody's, the rating will be the rating estimate determined by Moody's and, if one has not been provided but Moody's has been requested by the Issuer, the Collateral Manager or the issuer of such Collateral Obligation to assign a rating or rating estimate with respect to such Collateral Obligation but such rating or rating estimate has not been received, pending receipt of such estimate, the Moody's Rating or Moody's Default Probability Rating of such Collateral Obligation shall be (x) "B3" if the Collateral Manager certifies to the Trustee, the Collateral Agent and the Collateral Administrator that the Collateral Manager believes that such estimate will be at least "B3" and if the Aggregate Principal Balance of Collateral Obligations determined pursuant to this clause (B) does not exceed 15% of the Collateral Principal Amount of all Collateral Obligations, (y) if not determined pursuant to clause (x), "Caa1" if the Aggregate Principal Balance of Collateral Obligations determined pursuant to this clause (y) does not exceed 15% of the Collateral Principal Amount of all Collateral Obligations, and (z) in either case, if such rating or rating estimate has not been received within fifteen months of the request to Moody's, "Caa3."

(iii) If not determined pursuant to clause (i) or (ii) above, then "Caa3."

For purposes of calculating a Moody's Derived Rating, each applicable rating, (i) on credit watch by Moody's with positive implications will be treated as having been upgraded by one rating subcategory, (ii) on credit watch by Moody's with negative implications will be treated as having been downgraded by two rating subcategories and (iii) on negative outlook by Moody's will be treated as having been downgraded by one rating subcategory.

Schedule 5

S&P RECOVERY RATE TABLES

Section1.

(a) (i) If a Collateral Obligation has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows (taking into account, for any Collateral Obligation with an S&P Recovery Rate of "1" through "6," the recovery range indicated in the S&P published report therefor):

		Initial Liability Rating					
S&P Recovery Rating of a Collateral Obligation	**Recovery Range from S&P Published Reports***	**"AAA"**	**"AA"**	**"A"**	**"BBB"**	**"BB"**	**"B" and below**
1+	100	75	85	88	90	92	95
1	95	70	80	84	87.5	91	95
1	90	65	75	80	85	90	95
2	85	62.5	72.5	77.5	83	88	92
2	80	60	70	75	81	86	89
2	75	55	65	70.5	77	82.5	84
2	70	50	60	66	73	79	79
3	65	45	55	61	68	73	74
3	60	40	50	56	63	67	69
3	55	35	45	51	58	63	64
3	50	30	40	46	53	59	59
4	45	28.5	37.5	44	49.5	53.5	54
4	40	27	35	42	46	48	49
4	35	23.5	30.5	37.5	42.5	43.5	44
4	30	20	26	33	39	39	39
5	25	17.5	23	28.5	32.5	33.5	34
5	20	15	20	24	26	28	29
5	15	10	15	19.5	22.5	23.5	24
5	10	5	10	15	19	19	19
6	5	3.5	7	10.5	13.5	14	14
6	0	2	4	6	8	9	9
				Recovery Rate*			

* If a recovery range is not available from S&P's published reports for a given loan with an S&P Recovery Rating of '1' through '6,' the lowest range for the applicable recovery rating will be assumed.

(ii) If (x) a Collateral Obligation does not have an S&P Recovery Rating and such Collateral Obligation is a senior unsecured loan or second lien loan and (y) the issuer of such Collateral Obligation has issued another debt instrument that is outstanding and senior to such Collateral Obligation (a "Senior Debt Instrument") that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

For Collateral Obligations Domiciled in Group A

S&P Recovery Rating of the Senior Debt Instrument	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	18%	20%	23%	26%	29%	31%
1	18%	20%	23%	26%	29%	31%
2	18%	20%	23%	26%	29%	31%
3	12%	15%	18%	21%	22%	23%
4	5%	8%	11%	13%	14%	15%
5	2%	4%	6%	8%	9%	10%
6	—%	—%	—%	—%	—%	—%
	Recovery rate					

For Collateral Obligations Domiciled in Group B

S&P Recovery Rating of the Senior Debt Instrument	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	13%	16%	18%	21%	23%	25%
1	13%	16%	18%	21%	23%	25%
2	13%	16%	18%	21%	23%	25%
3	8%	11%	13%	15%	16%	17%
4	5%	5%	5%	5%	5%	5%
5	2%	2%	2%	2%	2%	2%
6	—%	—%	—%	—%	—%	—%
	Recovery rate					

For Collateral Obligations Domiciled in Group C

S&P Recovery Rating of the Senior Debt Instrument	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	10%	12%	14%	16%	18%	20%
1	10%	12%	14%	16%	18%	20%
2	10%	12%	14%	16%	18%	20%
3	5%	7%	9%	10%	11%	12%
4	2%	2%	2%	2%	2%	2%
5	—%	—%	—%	—%	—%	—%
6	—%	—%	—%	—%	—%	—%
	Recovery rate					

(iii) If (x) a Collateral Obligation does not have an S&P Recovery Rating and such Collateral Obligation is a subordinated loan or subordinated bond and (y) the issuer of such Collateral Obligation has issued a Senior Debt Instrument that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

For Collateral Obligations Domiciled in Groups A and B

S&P Recovery Rating of the Senior Debt Instrument	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	8%	8%	8%	8%	8%	8%
1	8%	8%	8%	8%	8%	8%
2	8%	8%	8%	8%	8%	8%
3	5%	5%	5%	5%	5%	5%
4	2%	2%	2%	2%	2%	2%
5	—%	—%	—%	—%	—%	—%
6	—%	—%	—%	—%	—%	—%
	Recovery rate					

For Collateral Obligations Domiciled in Group C

S&P Recovery Rating of the Senior Debt Instrument	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	5%	5%	5%	5%	5%	5%
1	5%	5%	5%	5%	5%	5%
2	5%	5%	5%	5%	5%	5%
3	2%	2%	2%	2%	2%	2%
4	—%	—%	—%	—%	—%	—%
5	—%	—%	—%	—%	—%	—%
6	—%	—%	—%	—%	—%	—%
	Recovery rate					

(b) If a recovery rate cannot be determined using clause (a), the recovery rate shall be determined using the following table.

Recovery rates for Obligors Domiciled in Group A, B or C:

Priority Category	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and "CCC"
Senior Secured Loans						
Group A	50%	55%	59%	63%	75%	79%
Group B	39%	42%	46%	49%	60%	63%
Group C	17%	19%	27%	29%	31%	34%
Senior Secured Loans (Cov-Lite Loans)						
Group A	41%	46%	49%	53%	63%	67%
Group B	32%	35%	39%	41%	50%	53%
Group C	17%	19%	27%	29%	31%	34%
Second Lien Loans, First-Lien Last-Out Loans, Unsecured Loans						
Group A	18%	20%	23%	26%	29%	31%
Group B	13%	16%	18%	21%	23%	25%
Group C	10%	12%	14%	16%	18%	20%
Subordinated loans						
Group A	8%	8%	8%	8%	8%	8%
Group B	8%	8%	8%	8%	8%	8%
Group C	5%	5%	5%	5%	5%	5%
	Recovery rate					

Group A: *Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Japan, Luxembourg, Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, U.K. and United States*

Group B: *Brazil, Dubai International Finance Center, Greece, Italy, Mexico, South Africa, Turkey and United Arab Emirates*

Group C: *Kazakhstan, Russian Federation, Ukraine, Vietnam and others not included in Group A or Group B*

Notwithstanding the foregoing, for purposes of determining the S&P Recovery Rate of a Collateral Obligation that is a Senior Secured Loan secured solely or primarily by common stock or other equity interests, such Collateral Obligation shall be deemed to be an Unsecured Loan.

* Solely for the purpose of determining the S&P Recovery Rate for such loan, the Aggregate Principal Balance of all Unsecured Loans, First-Lien Last-Out Loans and Second Lien Loans that, in the aggregate, represent up to 15% of the Collateral Principal Amount shall have the S&P Recovery Rate specified for Unsecured Loans, First-Lien Last-Out Loans and Second Lien Loans in the table above and the Aggregate Principal Balance of all Unsecured Loans, First-Lien Last-Out Loans and Second Lien Loans in excess of 15% of the Collateral Principal Amount shall have the S&P Recovery Rate specified for subordinated loans in the table above.

Section 2. S&P CDO Monitor

Liability Rating	"AAA"	"AA"	"A"	"BBB-"
Weighted	35.00	40.00	45.00	50.00
Average S&P	35.10	40.10	45.10	50.10
Recovery Rate	35.20	40.20	45.20	50.20
	35.30	40.30	45.30	50.30
	35.40	40.40	45.40	50.40
	35.50	40.50	45.50	50.50
	35.60	40.60	45.60	50.60
	35.70	40.70	45.70	50.70
	35.80	40.80	45.80	50.80
	35.90	40.90	45.90	50.90
	36.00	41.00	46.00	51.00
	36.10	41.10	46.10	51.10
	36.20	41.20	46.20	51.20
	36.30	41.30	46.30	51.30
	36.40	41.40	46.40	51.40
	36.50	41.50	46.50	51.50
	36.60	41.60	46.60	51.60
	36.70	41.70	46.70	51.70
	36.80	41.80	46.80	51.80
	36.90	41.90	46.90	51.90
	37.00	42.00	47.00	52.00
	37.10	42.10	47.10	52.10
	37.20	42.20	47.20	52.20
	37.30	42.30	47.30	52.30
	37.40	42.40	47.40	52.40
	37.50	42.50	47.50	52.50
	37.60	42.60	47.60	52.60
	37.70	42.70	47.70	52.70
	37.80	42.80	47.80	52.80
	37.90	42.90	47.90	52.90
	38.00	43.00	48.00	53.00
	38.10	43.10	48.10	53.10
	38.20	43.20	48.20	53.20
	38.30	43.30	48.30	53.30
	38.40	43.40	48.40	53.40
	38.50	43.50	48.50	53.50
	38.60	43.60	48.60	53.60
	38.70	43.70	48.70	53.70
	38.80	43.80	48.80	53.80
	38.90	43.90	48.90	53.90
	39.00	44.00	49.00	54.00
	39.10	44.10	49.10	54.10

Liability Rating	"AAA"	"AA"	"A"	"BBB-"
	39.20	44.20	49.20	54.20
	39.30	44.30	49.30	54.30
	39.40	44.40	49.40	54.40
	39.50	44.50	49.50	54.50
	39.60	44.60	49.60	54.60
	39.70	44.70	49.70	54.70
	39.80	44.80	49.80	54.80
	39.90	44.90	49.90	54.90
	40.00	45.00	50.00	55.00
	40.10	45.10	50.10	55.10
	40.20	45.20	50.20	55.20
	40.30	45.30	50.30	55.30
	40.40	45.40	50.40	55.40
	40.50	45.50	50.50	55.50
	40.60	45.60	50.60	55.60
	40.70	45.70	50.70	55.70
	40.80	45.80	50.80	55.80
	40.90	45.90	50.90	55.90
	41.00	46.00	51.00	56.00
	41.10	46.10	51.10	56.10
	41.20	46.20	51.20	56.20
	41.30	46.30	51.30	56.30
	41.40	46.40	51.40	56.40
	41.50	46.50	51.50	56.50
	41.60	46.60	51.60	56.60
	41.70	46.70	51.70	56.70
	41.80	46.80	51.80	56.80
	41.90	46.90	51.90	56.90
	42.00	47.00	52.00	57.00
	42.10	47.10	52.10	57.10
	42.20	47.20	52.20	57.20
	42.30	47.30	52.30	57.30
	42.40	47.40	52.40	57.40
	42.50	47.50	52.50	57.50
	42.60	47.60	52.60	57.60
	42.70	47.70	52.70	57.70
	42.80	47.80	52.80	57.80
	42.90	47.90	52.90	57.90
	43.00	48.00	53.00	58.00
	43.10	48.10	53.10	58.10
	43.20	48.20	53.20	58.20
	43.30	48.30	53.30	58.30
	43.40	48.40	53.40	58.40
	43.50	48.50	53.50	58.50

Liability Rating	"AAA"	"AA"	"A"	"BBB-"
	43.60	48.60	53.60	58.60
	43.70	48.70	53.70	58.70
	43.80	48.80	53.80	58.80
	43.90	48.90	53.90	58.90
	44.00	49.00	54.00	59.00
	44.10	49.10	54.10	59.10
	44.20	49.20	54.20	59.20
	44.30	49.30	54.30	59.30
	44.40	49.40	54.40	59.40
	44.50	49.50	54.50	59.50
	44.60	49.60	54.60	59.60
	44.70	49.70	54.70	59.70
	44.80	49.80	54.80	59.80
	44.90	49.90	54.90	59.90
	45.00	50.00	55.00	60.00
	45.10	50.10	55.10	60.10
	45.20	50.20	55.20	60.20
	45.30	50.30	55.30	60.30
	45.40	50.40	55.40	60.40
	45.50	50.50	55.50	60.50
	45.60	50.60	55.60	60.60
	45.70	50.70	55.70	60.70
	45.80	50.80	55.80	60.80
	45.90	50.90	55.90	60.90
	46.00	51.00	56.00	61.00
	46.10	51.10	56.10	61.10
	46.20	51.20	56.20	61.20
	46.30	51.30	56.30	61.30
	46.40	51.40	56.40	61.40
	46.50	51.50	56.50	61.50
	46.60	51.60	56.60	61.60
	46.70	51.70	56.70	61.70
	46.80	51.80	56.80	61.80
	46.90	51.90	56.90	61.90
	47.00	52.00	57.00	62.00
	47.10	52.10	57.10	62.10
	47.20	52.20	57.20	62.20
	47.30	52.30	57.30	62.30
	47.40	52.40	57.40	62.40
	47.50	52.50	57.50	62.50
	47.60	52.60	57.60	62.60
	47.70	52.70	57.70	62.70
	47.80	52.80	57.80	62.80
	47.90	52.90	57.90	62.90

Liability Rating	"AAA"	"AA"	"A"	"BBB-"
	48.00	53.00	58.00	63.00
	48.10	53.10	58.10	63.10
	48.20	53.20	58.20	63.20
	48.30	53.30	58.30	63.30
	48.40	53.40	58.40	63.40
	48.50	53.50	58.50	63.50
	48.60	53.60	58.60	63.60
	48.70	53.70	58.70	63.70
	48.80	53.80	58.80	63.80
	48.90	53.90	58.90	63.90
	49.00	54.00	59.00	64.00
	49.10	54.10	59.10	64.10
	49.20	54.20	59.20	64.20
	49.30	54.30	59.30	64.30
	49.40	54.40	59.40	64.40
	49.50	54.50	59.50	64.50
	49.60	54.60	59.60	64.60
	49.70	54.70	59.70	64.70
	49.80	54.80	59.80	64.80
	49.90	54.90	59.90	64.90
	50.00	55.00	60.00	65.00
		55.10	60.10	65.10
		55.20	60.20	65.20
		55.30	60.30	65.30
		55.40	60.40	65.40
		55.50	60.50	65.50
		55.60	60.60	65.60
		55.70	60.70	65.70
		55.80	60.80	65.80
		55.90	60.90	65.90
		56.00	61.00	66.00
		56.10	61.10	66.10
		56.20	61.20	66.20
		56.30	61.30	66.30
		56.40	61.40	66.40
		56.50	61.50	66.50
		56.60	61.60	66.60
		56.70	61.70	66.70
		56.80	61.80	66.80
		56.90	61.90	66.90
		57.00	62.00	67.00
		57.10	62.10	67.10
		57.20	62.20	67.20
		57.30	62.30	67.30

Liability Rating	"AAA"	"AA"	"A"	"BBB-"
		57.40	62.40	67.40
		57.50	62.50	67.50
		57.60	62.60	67.60
		57.70	62.70	67.70
		57.80	62.80	67.80
		57.90	62.90	67.90
		58.00	63.00	68.00
		58.10	63.10	68.10
		58.20	63.20	68.20
		58.30	63.30	68.30
		58.40	63.40	68.40
		58.50	63.50	68.50
		58.60	63.60	68.60
		58.70	63.70	68.70
		58.80	63.80	68.80
		58.90	63.90	68.90
		59.00	64.00	69.00
		59.10	64.10	69.10
		59.20	64.20	69.20
		59.30	64.30	69.30
		59.40	64.40	69.40
		59.50	64.50	69.50
		59.60	64.60	69.60
		59.70	64.70	69.70
		59.80	64.80	69.80
		59.90	64.90	69.90
		60.00	65.00	70.00

For purposes of calculating the Collateral Quality Test, DIP Collateral Obligations will be treated as having an S&P Recovery Rate equal to the S&P Recovery Rate for Senior Secured Loans.

The applicable weighted average spread will be the spread between 3.50% and 7.50% (in increments of .01%) without exceeding the Weighted Average Floating Spread (determined for purposes of this definition as if all Discount Obligations instead constituted Collateral Obligations that are not Discount Obligations) as of such Measurement Date.

3. S&P Default Rate

Maturity (years)	S&P Rating									
	"AAA"	"AA+"	"AA"	"AA-"	"A+"	"A"	"A-"	"BBB+"	"BBB"	"BBB-"
0	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000
1	0.00003249168014	0.00008324133473	0.00017658665685	0.00049442537636	0.00100435283385	0.00198335724928	0.00305284013092	0.00403669389141	0.00461619431140	0.00524293676
2	0.00015699160323	0.00036996201042	0.00073622429264	0.00139938458667	0.00257399573659	0.00452472002175	0.00667328704185	0.00892888699405	0.01091718533602	0.01445988981
3	0.00041483816094	0.00091325396687	0.00172278071294	0.00276840924859	0.00474538444138	0.00770505273372	0.01100045166236	0.01484174712870	0.01895695617364	0.02702053897
4	0.00084783735367	0.00176280787635	0.00317752719845	0.00464897370222	0.00755268739144	0.01158808027690	0.01613532092160	0.02186031844418	0.02867799361424	0.04229668376
5	0.00149745582951	0.00296441043902	0.00513748509964	0.00708173062555	0.01102407117753	0.01621845931443	0.02213969353901	0.03000396020915	0.03994693333519	0.05969442574
6	0.00240402335808	0.00455938301677	0.00763414909529	0.01009969303017	0.01517930050335	0.02162162838004	0.02903924108898	0.03924150737171	0.05258484100533	0.07867653829
7	0.00360598844688	0.00658408410672	0.01069265583311	0.01372767418503	0.02002861319041	0.02780489164645	0.03682872062425	0.04950544130466	0.06639096774184	0.09877441995
8	0.00513925203265	0.00906952567554	0.01433135028927	0.01798206028262	0.02557255249779	0.03475933634592	0.04547803679069	0.06070419602795	0.08116014268566	0.11959163544
9	0.00703659581067	0.01204112355275	0.01856168027847	0.02287090497830	0.03180245322497	0.04246223104848	0.05493831311597	0.07273225514177	0.09669462876962	0.14080159863
10	0.00932721558018	0.01551858575581	0.02338835025976	0.02839429962031	0.03870134053607	0.05087961844696	0.06514747149521	0.08547803540196	0.11281151957447	0.16214168796
11	0.01203636450979	0.01951593238045	0.02880967203295	0.03454495951708	0.04624506060805	0.05996888869754	0.07603506151831	0.09882975172219	0.12934675905433	0.18340556287
12	0.01518510638111	0.02404163416342	0.03481805774334	0.04130896444852	0.05440351149008	0.06968118682835	0.08752624592744	0.11267955488484	0.14615674128289	0.20443491679
13	0.01879017477837	0.02909885294571	0.04140060854110	0.04866659574161	0.06314188127197	0.07996356467179	0.09954495300396	0.12692626165773	0.16311827279155	0.22511145500
14	0.02286393094556	0.03468576536752	0.04853975984763	0.05659321964303	0.07242183059306	0.09076083242049	0.11201626713245	0.14147698429601	0.18012750134259	0.24534954734
15	0.02741441064319	0.04079595071314	0.05621395127849	0.06506017556120	0.08220257939344	0.10201709768991	0.12486815855274	0.15624793193058	0.19709825519910	0.26508976972
16	0.03244544875941	0.04741882448743	0.06439829575802	0.07403563681456	0.09244187501892	0.11367700243875	0.13803266284923	0.17116461299395	0.21396010509223	0.28429339437
17	0.03795686957738	0.05454010071015	0.07306522817054	0.08348542006155	0.10309683146543	0.12568668220692	0.15144661780260	0.18616162353298	0.23065635817821	0.30293779563
18	0.04394473036551	0.06214226778788	0.08218511899319	0.09337372717552	0.11412463860794	0.13799447984096	0.16505205534227	0.20118216540699	0.24714211642608	0.32101268824
19	0.05040160622073	0.07020506494637	0.09172684273858	0.10366380975952	0.12548314646638	0.15055144894628	0.17879633320753	0.21617740303414	0.26338247665982	0.33851709269
20	0.05731690474411	0.07870594841153	0.10165829471868	0.11431855172602	0.13713133355595	0.16331168219788	0.19263207693491	0.23110573813940	0.27935091127019	0.35545691796
21	0.06467720005315	0.08762053868981	0.11194685266377	0.12530096944489	0.14902967068053	0.17623249751025	0.20651698936614	0.24593205864939	0.29502784323211	0.37184305725
22	0.07246657674287	0.09692304233146	0.12255978214336	0.13657463200185	0.16114039259518	0.18927451178181	0.22041357278348	0.26062699982603	0.31039941302623	0.38768990320
23	0.08066697561510	0.10658664340514	0.13346458660563	0.14810400624971	0.17342769013874	0.20240162811085	0.23428879835930	0.27516624211807	0.32545642561659	0.40301420123
24	0.08925853423660	0.11658386153875	0.14462930424521	0.15985473272686	0.18585783500387	0.21558095845599	0.24811374891951	0.28952986021038	0.34019346068715	0.41783417301
25	0.09821991660962	0.12688687477491	0.15602275489727	0.17179383930879	0.19839924848505	0.22878269995493	0.26186325396763	0.30370173060440	0.35460812735415	0.43216885327
26	0.10752862740247	0.13746780665156	0.16761474080616	0.18388989978303	0.21102252449299	0.24197997968242	0.27551553032431	0.31766900011297	0.36870044445001	0.44603759426
27	0.11716130726647	0.14829897785967	0.17937620549285	0.19611314451375	0.22370041596552	0.25514867959937	0.28905183739534	0.33142161435353	0.38247232845686	0.45945970060
28	0.12709400674022	0.15935312356895	0.19127935510379	0.20843553008938	0.23640779262780	0.26826725084491	0.30245615277997	0.34495190323981	0.39592717273876	0.47245416525
29	0.13730243710320	0.17060357806895	0.20329774661513	0.22083077440588	0.24912157691632	0.28131652434167	0.31571487147424	0.35825421926124	0.40906950354635	0.48503948316
30	0.14776219728465	0.18202442877234	0.21540634713369	0.23327436309552	0.26182066381869	0.29427952288898	0.32881653013776	0.37132462374109	0.42190470013462	0.49723352433

Default Rate

Maturity (years)	S&P Rating								
	"BB+"	"BB"	"BB-"	"B+"	"B"	"B-"	"CCC+"	"CCC"	"CCC-"
0	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000	0.00000000000000
1	0.01051626951540	0.02109451063219	0.02600238218261	0.03221175349449	0.07848052027128	0.10882127346154	0.15688600485092	0.20494983870945	0.25301274610780
2	0.02499656454519	0.04644347602378	0.05872070298984	0.07597534275765	0.14781993688588	0.20010197918490	0.28039819269931	0.34622676009875	0.40104827389528
3	0.04296728984267	0.07475880167357	0.09536299437344	0.12379110105596	0.20934989256384	0.27616831728107	0.37429808873546	0.44486182623555	0.49823180926143
4	0.06375706489973	0.10488372919304	0.13369966912307	0.17163869422120	0.26396576049049	0.33956728434721	0.44585490662468	0.51602827454518	0.56644893859712
5	0.08664543568793	0.13586821436722	0.17214556293531	0.21748448101304	0.31246336178428	0.39272129824310	0.50135334884654	0.56922984826034	0.61661406997870
6	0.11095356236080	0.16697806761620	0.20966482949668	0.26041061250789	0.35559617193298	0.43770644618830	0.54540770782673	0.61035699119403	0.65491579211460
7	0.13609032486632	0.19767400297576	0.24563596164635	0.30011114045302	0.39406428304708	0.47619999931623	0.58122985959186	0.64312999141532	0.68512299997909
8	0.16156889823197	0.22757944125466	0.27972842394960	0.33660307587399	0.42849804714584	0.50951512801740	0.61102368657078	0.66995611089592	0.70963159373549
9	0.18700580837749	0.25644677999303	0.31180555451716	0.37006268488077	0.45945037340867	0.53866495002890	0.63630625959677	0.69243071475508	0.73001158997065
10	0.21211084035732	0.28412675027236	0.34185383793706	0.40073439438302	0.48739741129612	0.56442783804416	0.65813447581021	0.71163564980709	0.74731800853184
11	0.23667314094497	0.31054264263660	0.36993387616211	0.42888152616124	0.51274446097825	0.58740339226248	0.67725700377843	0.72832114376329	0.76227639665042
12	0.26054665876636	0.33566967587371	0.39614763984459	0.45476089725285	0.53583430552170	0.60805677528899	0.69421439889161	0.74301912258474	0.77539705473005
13	0.28363659558653	0.35951905665999	0.42061729215497	0.47861083876451	0.55695611742152	0.62675242871282	0.70940493338196	0.75611514630921	0.78704696564217
14	0.30588762208959	0.38212599668453	0.44347194216901	0.50064658739768	0.57635391124606	0.64377917518522	0.72312812694716	0.76789484926254	0.79749592477526
15	0.32727407180692	0.40354090885716	0.46483968141201	0.52105958011379	0.59423406584219	0.65936872217181	0.73561381419564	0.77857439457102	0.80694660997118
16	0.34779203545341	0.42382307208110	0.48484305663441	0.54001868607450	0.61077176721927	0.67370926400653	0.74704179108008	0.78832075169049	0.81555448782805
17	0.36745314020415	0.44303616519638	0.50359672594052	0.55767228363735	0.62611639818625	0.68695550071172	0.75755527500643	0.79726540401237	0.82344119393145
18	0.38627975067186	0.46124518847755	0.52120646691784	0.57415059395658	0.64039598203907	0.69923605651349	0.76727026109433	0.80551375832039	0.83070366542031
19	0.40430132963573	0.47851439829326	0.53776899540229	0.58956796989869	0.65372081561665	0.71065901445795	0.77628212466144	0.81315170523112	0.83742047206234
20	0.42155172182601	0.49490597076921	0.55337224854383	0.60402499985314	0.66618642723567	0.72131608316220	0.78467035300329	0.82025026616334	0.84365627512204
21	0.43806715861018	0.51047918266808	0.56809591468229	0.61761037378072	0.67787598227180	0.73128576554444	0.79250198989996	0.82686893791883	0.84946501826992
22	0.45388481719360	0.52528995390171	0.58201207638061	0.63040250473015	0.68886224172514	0.74063579446157	0.79983418248194	0.83305813869936	0.85489224805959
23	0.46904180090904	0.53939063874386	0.59518588675300	0.64247092133036	0.69920916125231	0.74942502551257	0.80671609361297	0.83886102557309	0.85997682859142
24	0.48357443564838	0.55282998463208	0.60767623324921	0.65387745604166	0.70897320184886	0.75770492428590	0.81319035960797	0.84431486609666	0.86475222861870
25	0.49751780111272	0.56565320087529	0.61953636423910	0.66467725632041	0.71820440936178	0.76552074772016	0.81929421763250	0.84945208922783	0.86924750263494
26	0.51090543460914	0.57790209665155	0.63081446667744	0.67491964477911	0.72694730840340	0.77291249247078	0.82506038981922	0.85430110229233	0.87348804983309
27	0.52376916018026	0.58961526000669	0.64155419082782	0.68464885182201	0.73524164682987	0.77991566402222	0.83051778577124	0.85888693491442	0.87749620956371
28	0.53613900757325	0.60082825839927	0.65179512243902	0.69390464113840	0.74312301943161	0.78656190650205	0.83569206768834	0.86323175320733	0.88129173477942
29	0.54804319456997	0.61157384762435	0.66157320515020	0.70272284536398	0.75062339353433	0.79287952316911	0.84060611023618	0.86735527538576	0.88489217319288
30	0.55950815306984	0.62188218039284	0.67092111705074	0.71113582641990	0.75777155452562	0.79889391025997	0.84528037876516	0.87127511150820	0.88831317771650

Default Rate

4. S&P Region Classifications

Region	Recovery group	Country name	Country code
1 - Americas: Mexico	B	Mexico	52
2 - Americas: Other Central and Caribbean	C	Cuba	53
2 - Americas: Other Central and Caribbean	C	Barbados	246
2 - Americas: Other Central and Caribbean	C	British Virgin Islands	284
2 - Americas: Other Central and Caribbean	C	Aruba	297
2 - Americas: Other Central and Caribbean	C	Bermuda	441
2 - Americas: Other Central and Caribbean	C	Grenada	473
2 - Americas: Other Central and Caribbean	C	Belize	501
2 - Americas: Other Central and Caribbean	C	Guatemala	502
2 - Americas: Other Central and Caribbean	C	El Salvador	503
2 - Americas: Other Central and Caribbean	C	Honduras	504
2 - Americas: Other Central and Caribbean	C	Nicaragua	505
2 - Americas: Other Central and Caribbean	C	Costa Rica	506
2 - Americas: Other Central and Caribbean	C	Panama	507
2 - Americas: Other Central and Caribbean	C	Haiti	509
2 - Americas: Other Central and Caribbean	C	Guadeloupe	590
2 - Americas: Other Central and Caribbean	C	Guyana	592
2 - Americas: Other Central and Caribbean	C	French Guiana	594
2 - Americas: Other Central and Caribbean	C	Martinique	596
2 - Americas: Other Central and Caribbean	C	Suriname	597
2 - Americas: Other Central and Caribbean	C	Curacao	599
2 - Americas: Other Central and Caribbean	C	Turks & Caicos	649
2 - Americas: Other Central and Caribbean	C	Montserrat	664
2 - Americas: Other Central and Caribbean	C	St. Lucia	758
2 - Americas: Other Central and Caribbean	C	Dominica	767
2 - Americas: Other Central and Caribbean	C	St. Vincent & Grenadines	784
2 - Americas: Other Central and Caribbean	C	Dominican Republic	809
2 - Americas: Other Central and Caribbean	C	Trinidad & Tobago	868
2 - Americas: Other Central and Caribbean	C	St. Kitts/Nevis	869
2 - Americas: Other Central and Caribbean	C	Jamaica	876
2 - Americas: Other Central and Caribbean	C	Bahamas	1242
2 - Americas: Other Central and Caribbean	C	Anguilla	1264
2 - Americas: Other Central and Caribbean	C	Antigua	1268
3 - Americas: Andean	C	Peru	51
3 - Americas: Andean	C	Colombia	57
3 - Americas: Andean	C	Venezuela	58
3 - Americas: Andean	C	Bolivia	591
3 - Americas: Andean	C	Ecuador	593
4 - Americas: Mercosur and Southern Cone	C	Argentina	54
4 - Americas: Mercosur and Southern Cone	B	Brazil	55
4 - Americas: Mercosur and Southern Cone	C	Chile	56
4 - Americas: Mercosur and Southern Cone	C	Paraguay	595
4 - Americas: Mercosur and Southern Cone	C	Uruguay	598
5 - Asia: India, Pakistan and Afghanistan	C	India	91
5 - Asia: India, Pakistan and Afghanistan	C	Pakistan	92
5 - Asia: India, Pakistan, and Afghanistan	C	Afghanistan	93
6 - Asia: Other South	C	Sri Lanka	94
6 - Asia: Other South	C	Bangladesh	880
6 - Asia: Other South	C	Maldives	960

Region	Recovery group	Country name	Country code
6 - Asia: Other South	C	Bhutan	975
6 - Asia: Other South	C	Nepal	977
7 - Asia: China, Hong Kong, Taiwan	C	China	86
7 - Asia: China, Hong Kong, Taiwan	A	Hong Kong	852
7 - Asia: China, Hong Kong, Taiwan	C	Taiwan	886
8 - Asia: Southeast, Korea and Japan	C	Malaysia	60
8 - Asia: Southeast, Korea and Japan	C	Indonesia	62
8 - Asia: Southeast, Korea and Japan	C	Philippines	63
8 - Asia: Southeast, Korea and Japan	A	Singapore	65
8 - Asia: Southeast, Korea and Japan	C	Thailand	66
8 - Asia: Southeast, Korea and Japan	A	Japan	81
8 - Asia: Southeast, Korea and Japan	C	South Korea	82
8 - Asia: Southeast, Korea and Japan	C	Myanmar	95
8 - Asia: Southeast, Korea and Japan	C	East Timor	670
8 - Asia: Southeast, Korea and Japan	C	North Korea	850
8 - Asia: Southeast, Korea and Japan	C	Laos	856
8 - Asia: Southeast, Korea, and Japan	C	Vietnam	84
8 - Asia: Southeast, Korea, and Japan	C	Brunei	673
8 - Asia: Southeast, Korea, and Japan	C	Cambodia	855
9 - Asia-Pacific: Islands	C	Nauru	674
9 - Asia-Pacific: Islands	C	Papua New Guinea	675
9 - Asia-Pacific: Islands	C	Tonga	676
9 - Asia-Pacific: Islands	C	Solomon Islands	677
9 - Asia-Pacific: Islands	C	Vanuatu	678
9 - Asia-Pacific: Islands	C	Fiji	679
9 - Asia-Pacific: Islands	C	Palau	680
9 - Asia-Pacific: Islands	C	Samoa	685
9 - Asia-Pacific: Islands	C	Kiribati	686
9 - Asia-Pacific: Islands	C	New Caledonia	687
9 - Asia-Pacific: Islands	C	Tuvalu	688
9 - Asia-Pacific: Islands	C	French Polynesia	689
9 - Asia-Pacific: Islands	C	Micronesia	691
10 - Middle East: Gulf States	C	Iran	98
10 - Middle East: Gulf States	C	Iraq	964
10 - Middle East: Gulf States	C	Kuwait	965
10 - Middle East: Gulf States	C	Saudi Arabia	966
10 - Middle East: Gulf States	C	Yemen	967
10 - Middle East: Gulf States	C	Oman	968
10 - Middle East: Gulf States	B	United Arab Emirates	971
10 - Middle East: Gulf States	C	Bahrain	973
10 - Middle East: Gulf States	C	Qatar	974
11 - Middle East: MENA	C	Egypt	20
11 - Middle East: MENA	C	Morocco	212
11 - Middle East: MENA	C	Algeria	213
11 - Middle East: MENA	C	Tunisia	216
11 - Middle East: MENA	C	Libya	218
11 - Middle East: MENA	C	Lebanon	961
11 - Middle East: MENA	C	Jordan	962
11 - Middle East: MENA	C	Syrian	963
11 - Middle East: MENA	C	Palestinian Settlements	970
11 - Middle East: MENA	A	Israel	972
11 - Middle East: MENA	C	Western Sahara	1212

Region	Recovery group	Country name	Country code
12 - Africa: Southern	B	South Africa	27
12 - Africa: Southern	C	Mauritius	230
12 - Africa: Southern	C	Ascension	247
12 - Africa: Southern	C	Seychelles	248
12 - Africa: Southern	C	Namibia	264
12 - Africa: Southern	C	Lesotho	266
12 - Africa: Southern	C	Botswana	267
12 - Africa: Southern	C	Swaziland	268
12 - Africa: Southern	C	St. Helena	290
13 - Africa: Sub-Saharan	C	Gambia	220
13 - Africa: Sub-Saharan	C	Senegal	221
13 - Africa: Sub-Saharan	C	Mauritania	222
13 - Africa: Sub-Saharan	C	Mali	223
13 - Africa: Sub-Saharan	C	Guinea	224
13 - Africa: Sub-Saharan	C	Cote d’Ivoire	225
13 - Africa: Sub-Saharan	C	Niger	227
13 - Africa: Sub-Saharan	C	Togo	228
13 - Africa: Sub-Saharan	C	Benin	229
13 - Africa: Sub-Saharan	C	Liberia	231
13 - Africa: Sub-Saharan	C	Sierra Leone	232
13 - Africa: Sub-Saharan	C	Ghana	233
13 - Africa: Sub-Saharan	C	Nigeria	234
13 - Africa: Sub-Saharan	C	Chad	235
13 - Africa: Sub-Saharan	C	Central African Republic	236
13 - Africa: Sub-Saharan	C	Cameroon	237
13 - Africa: Sub-Saharan	C	Cape Verde Islands	238
13 - Africa: Sub-Saharan	C	Sao Tome & Principe	239
13 - Africa: Sub-Saharan	C	Equatorial Guinea	240
13 - Africa: Sub-Saharan	C	Gabonese Republic	241
13 - Africa: Sub-Saharan	C	Congo-Brazzaville	242
13 - Africa: Sub-Saharan	C	Congo-Kinshasa	243
13 - Africa: Sub-Saharan	C	Angola	244
13 - Africa: Sub-Saharan	C	Guinea-Bissau	245
13 - Africa: Sub-Saharan	C	Rwanda	250
13 - Africa: Sub-Saharan	C	Tanzania/Zanzibar	255
13 - Africa: Sub-Saharan	C	Uganda	256
13 - Africa: Sub-Saharan	C	Burundi	257
13 - Africa: Sub-Saharan	C	Mozambique	258
13 - Africa: Sub-Saharan	C	Zambia	260
13 - Africa: Sub-Saharan	C	Madagascar	261
13 - Africa: Sub-Saharan	C	Zimbabwe	263
13 - Africa: Sub-Saharan	C	Malawi	265
13 - Africa: Sub-Saharan	C	Comoros	269
14 - Europe: Russia & CIS	C	Russia	7
14 - Europe: Russia & CIS	C	Kazakhstan	8
14 - Europe: Russia & CIS	C	Moldova	373
14 - Europe: Russia & CIS	C	Armenia	374
14 - Europe: Russia & CIS	C	Belarus	375
14 - Europe: Russia & CIS	C	Ukraine	380
14 - Europe: Russia & CIS	C	Mongolia	976
14 - Europe: Russia & CIS	C	Tajikistan	992
14 - Europe: Russia & CIS	C	Turkmenistan	993

Region	Recovery group	Country name	Country code
14 - Europe: Russia & CIS	C	Azerbaijan	994
14 - Europe: Russia & CIS	C	Georgia	995
14 - Europe: Russia & CIS	C	Kyrgyzstan	996
14 - Europe: Russia & CIS	C	Uzbekistan	998
15 - Europe: Central	C	Hungary	36
15 - Europe: Central	A	Poland	48
15 - Europe: Central	C	Lithuania	370
15 - Europe: Central	C	Latvia	371
15 - Europe: Central	C	Estonia	372
15 - Europe: Central	B	Czech Republic	420
15 - Europe: Central	C	Slovak Republic	421
16 - Europe: Eastern	C	Romania	40
16 - Europe: Eastern	B	Turkey	90
16 - Europe: Eastern	C	Albania	355
16 - Europe: Eastern	C	Bulgaria	359
16 - Europe: Eastern	C	Serbia	381
16 - Europe: Eastern	C	Montenegro	382
16 - Europe: Eastern	C	Kosovo	383
16 - Europe: Eastern	C	Croatia	385
16 - Europe: Eastern	C	Bosnia and Herzegovina	387
16 - Europe: Eastern	C	Macedonia	389
17 - Africa: Eastern	C	Sudan	249
17 - Africa: Eastern	C	Ethiopia	251
17 - Africa: Eastern	C	Somalia	252
17 - Africa: Eastern	C	Djibouti	253
17 - Africa: Eastern	C	Kenya	254
17 - Africa: Eastern	C	Eritrea	291
101 - Americas: U.S. and Canada	A	USA	1
101 - Americas: U.S. and Canada	A	Canada	2
102 - Europe: Western	B	Greece	30
102 - Europe: Western	A	Netherlands	31
102 - Europe: Western	A	Belgium	32
102 - Europe: Western	A	France	33
102 - Europe: Western	A	Spain	34
102 - Europe: Western	B	Italy	39
102 - Europe: Western	A	Switzerland	41
102 - Europe: Western	A	Austria	43
102 - Europe: Western	A	United Kingdom	44
102 - Europe: Western	A	Denmark	45
102 - Europe: Western	A	Sweden	46
102 - Europe: Western	A	Norway	47
102 - Europe: Western	A	Germany	49
102 - Europe: Western	C	Isle of Man	101
102 - Europe: Western	C	Liechtenstein	102
102 - Europe: Western	A	Portugal	351
102 - Europe: Western	A	Luxembourg	352
102 - Europe: Western	A	Ireland	353
102 - Europe: Western	C	Iceland	354
102 - Europe: Western	C	Malta	356
102 - Europe: Western	C	Cyprus	357
102 - Europe: Western	A	Finland	358
102 - Europe: Western	C	Andorra	376

Region	Recovery group	Country name	Country code
102 - Europe: Western	C	Monaco	377
102 - Europe: Western	C	Slovenia	386
105 - Asia-Pacific: Australia and New Zealand	A	Australia	61
105 - Asia-Pacific: Australia and New Zealand	C	New Zealand	64
105 - Asia-Pacific: Australia and New Zealand	C	Cook Islands	682
226 - Africa: Sub-Saharan	C	Burkina Faso	13
345 - Americas: Other Central and Caribbean	C	Cayman Islands	2

Schedule 6

FITCH RATING DEFINITIONS

"*Fitch Rating*" means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if Fitch has issued an issuer default rating or an assigned credit opinion with respect to the issuer of such Collateral Obligation, or the guarantor which unconditionally and irrevocably guarantees such Collateral Obligation, then the Fitch Rating will be such issuer default rating (regardless of whether there is a published rating by Fitch on the Collateral Obligations of such Obligor held by the Issuer) or assigned credit opinion;

(b) if Fitch has not issued an issuer default rating with respect to the issuer or guarantor of such Collateral Obligation but Fitch has issued an outstanding long term financial strength rating with respect to such Obligor, the Fitch Rating of such Collateral Obligation will be one sub category below such rating;

(c) if a Fitch Rating cannot be determined pursuant to clause (a) or (b), but

(i) Fitch has issued a senior unsecured rating on any obligation or security of the issuer of such Collateral Obligation, then the Fitch Rating of such Collateral Obligation will equal such rating; or

(ii) Fitch has not issued a senior unsecured rating on any obligation or security of the issuer of such Collateral Obligation but Fitch has issued a senior rating, senior secured rating or a subordinated secured rating on any obligation or security of the issuer of such Collateral Obligation, then the Fitch Rating of such Collateral Obligation will (x) equal such rating if such rating is "BBB-" or higher and (y) be one sub category below such rating if such rating is "BB+" or lower; or

(iii) Fitch has not issued a senior unsecured rating or a senior rating, senior secured rating or a subordinated secured rating on any obligation or security of the issuer of such Collateral Obligation but Fitch has issued a subordinated, junior subordinated or senior subordinated rating on any obligation or security of the issuer of such Collateral Obligation, then the Fitch Rating of such Collateral Obligation will be (x) one sub category above such rating if such rating is "B+" or higher and (y) two sub categories above such rating if such rating is "B" or lower;

(d) if a Fitch Rating cannot be determined pursuant to clause (a), (b) or (c) and

(i) Moody's has issued a publicly available corporate family rating for the issuer of such Collateral Obligation, then, subject to subclause (viii) below, the Fitch Rating of such Collateral Obligation will be the Fitch equivalent of such Moody's rating;

(ii) Moody's has not issued a publicly available corporate family rating for the issuer of such Collateral Obligation but has issued a publicly available long term issuer rating for such issuer, then, subject to subclause (viii) below, the Fitch Rating of such Collateral Obligation will be the Fitch equivalent of such Moody's rating;

(iii) Moody's has not issued a publicly available corporate family rating for the issuer of such Collateral Obligation but Moody's has issued a publicly available outstanding insurance financial strength rating for such issuer, then, subject to subclause (viii) below, the Fitch Rating of such Collateral Obligation will be one sub category below the Fitch equivalent of such Moody's rating;

(iv) Moody's has not issued a publicly available corporate family rating for the issuer of such Collateral Obligation but has issued publicly available outstanding corporate issue ratings for such issuer, then, subject to subclause (viii) below, the Fitch Rating of such Collateral Obligation will be (x) if such corporate issue rating relates to senior unsecured obligations of such issuer, the Fitch equivalent of the Moody's rating for such issue, if there is no such corporate issue ratings relating to senior unsecured obligations of the issuer then (y) if such corporate issue rating relates to senior, senior secured or subordinated secured obligations of such issuer, (1) one sub category below the Fitch equivalent of such Moody's rating if such obligations are rated "Ba1" or above or "Ca" by Moody's or (2) two sub categories below the Fitch equivalent of such Moody's rating if such obligations are rated "Ba2" or below but above "Ca" by Moody's, or if there is no such publicly available corporate issue rating relating to senior unsecured, senior, senior secured or subordinated secured obligations of the issuer then (z) if such corporate issue rating relates to subordinated, junior subordinated or senior subordinated obligations of such issuer, (1) one sub category above the Fitch equivalent of such Moody's rating if such obligations are rated "B1" or above by Moody's or (2) two sub categories above the Fitch equivalent of such Moody's rating if such obligations are rated "B2" or below by Moody's;

(v) S&P has issued a publicly available issuer credit rating for the issuer of such Collateral Obligation, then, subject to subclause (viii) below, the Fitch Rating of such Collateral Obligation will be the Fitch equivalent of such S&P rating;

(vi) S&P has not issued a publicly available issuer credit rating for the issuer of such Collateral Obligation but S&P has issued a publicly available outstanding insurance financial strength rating for such issuer, then, subject to subclause (viii) below, the Fitch Rating of such Collateral Obligation will be one sub category below the Fitch equivalent of such S&P rating;

(vii) S&P has not issued a publicly available issuer credit rating for the issuer of such Collateral Obligation but has issued publicly available outstanding corporate issue ratings for such issuer, then, subject to subclause (viii) below, the Fitch Rating of such Collateral Obligation will be (x) if such corporate issue rating relates to senior unsecured obligations of such issuer, the Fitch equivalent of the S&P rating for such issue, if there is no such corporate issue ratings relating to senior unsecured obligations of the issuer then (y) if such corporate issue rating relates to senior, senior secured or subordinated secured obligations of such issuer, (1) the Fitch equivalent of such S&P rating if such obligations are rated "BBB" or above by S&P or (2) one sub category below the Fitch equivalent of such S&P rating if such obligations are rated "BB+" or below by S&P, or if there is no

such publicly available corporate issue rating relating to senior unsecured, senior, senior secured or subordinated secured obligations of the issuer then (z) if such corporate issue rating relates to subordinated, junior subordinated or senior subordinated obligations of such issuer, (1) one sub category above the Fitch equivalent of such S&P rating if such obligations are rated "B+" or above by S&P or (2) two sub categories above the Fitch equivalent of such S&P rating if such obligations are rated "B" or below by S&P; and

(viii) both Moody's and S&P provide a public rating of the issuer of such Collateral Obligation or a corporate issue of such issuer, then the Fitch Rating will be the lowest of the Fitch Ratings determined pursuant to any of the subclauses of this clause (d); and

(e) if a rating cannot be determined pursuant to clauses (a) through (d) then, (i) at the discretion of the Collateral Manager, the Fitch Rating may be based on a credit opinion provided by Fitch, and in connection therewith, the Issuer, the Collateral Manager on behalf of the Issuer or the Obligor of such Collateral Obligation will, prior to or within thirty (30) days after the acquisition of such Collateral Obligation, apply to Fitch for a credit opinion (which shall be the Fitch Rating of such Collateral Obligation) and a recovery rating with respect to such Collateral Obligation; provided that, until the receipt from Fitch of such credit opinion, such Collateral Obligation will have a Fitch Rating of (x) "B-" if the Collateral Manager certifies to the Trustee that it believes that the credit opinion will be at least equal to such rating, or (y) otherwise, the rating specified as applicable thereto by Fitch pending receipt of such credit opinion; provided further that, such credit opinion shall expire 12 months after the acquisition of such Collateral Obligation, following which such Collateral Obligation shall have a Fitch Rating of "CCC" unless, during such 12-month period, the Issuer applies for renewal thereof in accordance with Section 7.14(b), in which case such credit opinion will continue to be the Fitch Rating of such Collateral Obligation until Fitch has confirmed or revised such credit opinion, upon which such confirmed or revised credit opinion will be the Fitch Rating of such Collateral Obligation; or (ii) the Issuer may assign a Fitch Rating of "CCC" or lower to such Collateral Obligation which is not in default;

provided that, (x) on the Closing Date, if any rating described above is (i) on rating watch negative or negative credit watch, the rating will be the Fitch Rating as determined above adjusted down by one subcategory, or (ii) on outlook negative, the rating will be the Fitch Rating as determined above, and (y) after the Closing Date, if any rating described above is (i) on rating watch negative or negative credit watch, the rating will be the Fitch Rating as determined above adjusted down by one subcategory, or (ii) on outlook negative, the rating will not be adjusted; provided further that, the Fitch Rating may be updated by Fitch from time to time as indicated in the "CLOs and Corporate CDOs Rating Criteria" report issued by Fitch and available at www.fitchratings.com. For the avoidance of doubt, the Fitch Rating takes into account adjustments for assets that are on rating watch negative or negative credit watch, as well as negative outlook prior to determining the issue rating or in the determination of the lower of the Moody's and S&P rating public ratings.

Fitch Equivalent Ratings

Fitch Rating	Moody's rating	S&P rating
AAA	Aaa	AAA
AA+	Aa1	AA+
AA	Aa2	AA
AA-	Aa3	AA-
A+	A1	A+
A	A2	A
A-	A3	A-
BBB+	Baa1	BBB+
BBB	Baa2	BBB
BBB-	Baa3	BBB-
BB+	Ba1	BB+
BB	Ba2	BB
BB-	Ba3	BB-
B+	B1	B+
B	B2	B
B-	B3	B-
CCC+	Caa1	CCC+
CCC	Caa2	CCC
CCC-	Caa3	CCC-
CC	Ca	CC
C	C	C

Fitch IDR Equivalency Map from Corporate Ratings

Rating Type	Rating Agency(s)	Issue Rating	Mapping Rule
Corporate Family Rating LT Issuer Rating	Moody's	NA	0
Issuer Credit Rating	S&P	NA	0
Senior unsecured	Fitch, Moody's, S&P	Any	0
Senior,	Fitch, S&P	"BBB-" or above	0
Senior secured or	Fitch, S&P	"BB+" or below	-1
Subordinated secured	Moody's	"Ba1" or above	-1
	Moody's	"Ba2" or below	-2
	Moody's	"Ca"	-1
Subordinated,	Fitch, Moody's, S&P	"B+", "B1" or above	1
Junior subordinated or	Fitch, Moody's, S&P	"B", "B2" or below	2
Senior subordinated			

The following steps are used to calculate the Fitch IDR equivalent ratings:

1 Public or private Fitch-issued IDR or Fitch credit opinions.

2 If Fitch has not issued an IDR, but has an outstanding Long-Term Financial Strength Rating, then the IDR equivalent is one rating lower.

3 If Fitch has not issued an IDR, but has outstanding corporate issue ratings, then the IDR equivalent is calculated using the mapping in the table above.

4 If Fitch does not rate the issuer or any associated issuance, then determine a Moody's and S&P equivalent to Fitch's IDR pursuant to steps 5 and 6.

5a A public Moody's-issued Corporate Family Rating (CFR) is equivalent in definition terms to the Fitch IDR. If Moody's has not issued a CFR, but has an outstanding LT issuer Rating, then this is equivalent to the Fitch IDR.

5b If Moody's has not issued a CFR, but has an outstanding Insurance Financial Strength Rating, then the Fitch IDR equivalent is one rating lower.

5c If Moody's has not issued a CFR, but has outstanding corporate issue ratings, then the Fitch IDR equivalent is calculated using the mapping in the table above.

6a A public S&P-issued Issuer Credit Rating (ICR) is equivalent in terms of definition to the Fitch IDR.

6b If S&P has not issued an ICR, but has an outstanding Insurance Financial Strength Rating, then the Fitch IDR equivalent is one rating lower.

6c If S&P has not issued an ICR, but has outstanding corporate issue ratings, then the Fitch IDR equivalent is calculated using the mapping in the table above.

7 If both Moody's and S&P provide a public rating on the issuer or an issue, the lower of the two Fitch IDR equivalent ratings will be used in PCM. Otherwise the sole public Fitch IDR equivalent rating from Moody's or S&P will be applied.

"*Fitch Recovery Rate*" means, with respect to a Collateral Obligation, the recovery rate determined in accordance with paragraphs (a) to (c) below or (in any case) such other recovery rate as Fitch may notify the Collateral Manager from time to time:

(a) if such Collateral Obligation has a public Fitch recovery rating, or a recovery rating is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Collateral Manager, the recovery rate corresponding to such recovery rating in the table below (unless a specific recovery rate (expressed as a percentage) is provided by Fitch in which case such recovery rate shall be used):

Fitch recovery rating	Fitch recovery rate %
RR1	95
RR2	80
RR3	60
RR4	40
RR5	20
RR6	5

(b) if such Collateral Obligation is a DIP Collateral Obligation and has neither a public Fitch recovery rating, nor a recovery rating assigned to it by Fitch in the context of provision by Fitch of a credit opinion, the Issuer or the Collateral Manager on behalf of the Issuer shall apply to Fitch for a Fitch recovery rating; provided that the Fitch recovery rating in respect of such DIP Collateral Obligation shall be considered to be "RR3" pending provision by Fitch of such Fitch recovery rating, and the recovery rate applicable to such DIP Collateral Obligation shall be the recovery rate corresponding to such Fitch recovery rating in the table above; and

(c) if such Collateral Obligation has no public Fitch recovery rating and no recovery rating is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Collateral Manager, the recovery rate applicable will be the rate determined in accordance with the table below, for purposes of which the Collateral Obligation will be categorized as "Strong Recovery" if it is a Senior Secured Loan, "Weak Recovery" if it is a senior unsecured loan and otherwise "Weak Recovery," and will fall into the country group corresponding to the country in which the Obligor thereof is Domiciled:

	Fitch recovery rate %
Group 1 – United States mainly	
Strong Recovery	80
Moderate Recovery	45
Weak Recovery	20
Group 2	
Strong Recovery	70
Moderate Recovery	45
Weak Recovery	20
Group 3	
Strong Recovery	35
Moderate Recovery	25
Weak Recovery	5

Group 1: Australia, Bermuda, Canada, Cayman Islands, New Zealand, Puerto Rico, United States.

Group 2: Austria, Barbados, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Gibraltar, Hong Kong, Iceland, Ireland, Israel, Italy, Japan, Jersey, Latvia , Liechtenstein, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Singapore, Slovakia, Slovenia, South Korea, Spain, Sweden, Switzerland, Taiwan, United Kingdom.

Group 3: Albania, Argentina, Asia Others, Bahamas, Bosnia and Herzegovina, Brazil, Bulgaria, Chile, China, Colombia, Costa Rica, Croatia, Cyprus, Dominican Republic, Eastern Europe Others, Ecuador, Egypt, El Salvador, Greece, Guatemala, Hungary, India, Indonesia, Iran, Jamaica, Kazakhstan, Liberia, Macedonia, Malaysia, Malta, Marshall Islands, Mauritius, Mexico, Middle East and North Africa Others, Moldova, Morocco, Other Central America, Other South America, Other Sub Saharan Africa, Pakistan, Panama, Peru, Philippines, Qatar, Romania, Russia, Saudi Arabia, Serbia and Montenegro, South Africa, Thailand, Tunisia, Turkey, Ukraine, Uruguay, Venezuela, Vietnam.

Fitch Test Matrix

Subject to the provisions provided below, on or after the Effective Date, the Collateral Manager will have the option to elect which of the cases set forth in the matrix below (the "*Fitch Test Matrix*") shall be applicable for purposes of the Maximum Fitch Rating Factor Test, the Minimum Weighted Average Fitch Recovery Rate Test and the Minimum Fitch Floating Spread Test. For any given case:

(a) the applicable value for determining satisfaction of the Maximum Fitch Weighted Average Rating Factor Test will be the value set forth in the column header (or linear interpolation between two adjacent columns, as applicable) of the row-column combination in the Fitch Test Matrix selected by the Collateral Manager;

(b) the applicable value for determining satisfaction of the Minimum Fitch Floating Spread Test will be the percentage set forth in the row header (or linear interpolation between two adjacent rows as applicable) of the row-column combination in the Fitch Test Matrix selected by the Collateral Manager; and

(c) the applicable value for determining satisfaction of the Minimum Weighted Average Fitch Recovery Rate Test will be the value in the intersection cell (or linear interpolation between two adjacent rows and/or two adjacent columns, as applicable) of the row-column combination in the Fitch Test Matrix selected by the Collateral Manager in relation to (a) and (b) above.

On the Effective Date, the Collateral Manager will be required to elect which case shall apply initially by written notice to the Issuer and Fitch. Thereafter, on two Business Days' notice to the Issuer and Fitch, the Collateral Manager may elect to have a different case apply; provided that the Fitch Maximum Weighted Average Rating Factor Test, the Fitch Minimum Weighted Average Recovery Rate Test and the Minimum Fitch Floating Spread Test applicable to the case to which the Collateral Manager desires to change are satisfied after giving effect to such change or, in the case of any tests that are not satisfied, the Issuer's level of compliance with such tests is improved after giving effect to the application of the different case.

[Table appears on succeeding page]

Minimum Fitch Floating Spread	Fitch Maximum Weighted Average Rating Factor																		
	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49
3.50%	60.3%	61.5%	62.6%	63.7%	64.8%	66.0%	67.2%	68.4%	69.5%	70.6%	71.8%	72.9%	74.0%	75.1%	76.1%	77.0%	77.9%	78.8%	79.7%
3.70%	59.0%	60.3%	61.5%	62.7%	63.8%	64.9%	66.1%	67.3%	68.4%	69.5%	70.6%	71.8%	72.9%	74.0%	75.1%	76.0%	76.9%	77.9%	78.7%
3.90%	57.8%	59.1%	60.4%	61.6%	62.8%	63.9%	65.0%	66.2%	67.3%	68.5%	69.6%	70.7%	71.8%	73.0%	74.1%	75.1%	76.0%	76.9%	77.8%
4.10%	56.5%	57.9%	59.3%	60.6%	61.7%	62.9%	64.0%	65.1%	66.3%	67.4%	68.5%	69.6%	70.8%	71.9%	73.0%	74.2%	75.2%	76.2%	77.1%
4.30%	55.3%	56.7%	58.1%	59.5%	60.7%	61.9%	63.0%	64.1%	65.2%	66.4%	67.5%	68.6%	69.8%	71.0%	72.1%	73.3%	74.4%	75.4%	76.3%
4.50%	53.9%	55.4%	56.8%	58.2%	59.6%	60.8%	62.0%	63.1%	64.2%	65.3%	66.6%	67.8%	68.9%	70.0%	71.2%	72.3%	73.4%	74.5%	75.5%
4.70%	52.5%	54.0%	55.6%	57.0%	58.4%	59.8%	61.0%	62.2%	63.3%	64.4%	65.5%	66.7%	67.9%	69.0%	70.1%	71.3%	72.4%	73.6%	74.6%
4.90%	51.3%	52.9%	54.4%	55.8%	57.2%	58.6%	59.9%	61.1%	62.3%	63.4%	64.5%	65.8%	66.8%	67.9%	69.1%	70.2%	71.4%	72.6%	73.7%
5.10%	49.9%	51.5%	53.0%	54.5%	56.0%	57.4%	58.8%	60.1%	61.3%	62.5%	63.6%	65.6%	65.9%	67.0%	68.2%	69.3%	70.4%	71.6%	72.8%
5.30%	48.7%	50.2%	51.8%	53.4%	54.9%	56.3%	57.7%	59.0%	60.3%	61.5%	62.6%	64.8%	65.0%	66.0%	67.2%	68.3%	69.4%	70.6%	71.7%
5.50%	47.4%	48.9%	50.5%	52.1%	53.6%	55.1%	56.5%	57.9%	59.2%	60.5%	61.6%	62.8%	63.9%	65.0%	66.1%	67.3%	68.4%	69.6%	70.7%
5.70%	46.0%	47.6%	49.2%	50.7%	52.3%	53.8%	55.3%	56.7%	58.1%	59.4%	60.6%	61.8%	62.9%	64.0%	65.1%	66.3%	67.5%	68.6%	69.7%
5.90%	44.7%	46.3%	47.9%	49.5%	51.0%	52.6%	54.1%	55.5%	56.9%	58.3%	59.6%	60.8%	62.0%	63.1%	64.2%	65.3%	66.5%	67.7%	68.8%
6.10%	43.4%	45.0%	46.7%	48.2%	49.8%	51.3%	52.9%	54.4%	55.8%	57.2%	58.5%	59.9%	61.1%	62.2%	63.3%	64.4%	65.5%	66.7%	67.9%
6.30%	42.1%	43.8%	45.4%	47.0%	48.6%	50.1%	51.6%	53.2%	54.7%	56.1%	57.5%	58.9%	60.2%	61.4%	62.5%	63.7%	64.7%	65.9%	67.1%
6.50%	40.8%	42.5%	44.2%	45.8%	47.4%	48.9%	50.5%	52.1%	53.6%	55.1%	56.5%	57.9%	59.2%	60.5%	61.7%	62.9%	64.0%	65.1%	66.3%
6.70%	38.9%	41.4%	43.1%	44.7%	46.3%	47.9%	49.4%	50.9%	52.5%	54.0%	55.5%	57.0%	58.4%	59.7%	60.9%	62.1%	63.2%	64.3%	65.4%
6.90%	35.6%	40.1%	41.8%	43.5%	45.1%	46.7%	48.3%	49.9%	51.5%	53.0%	54.5%	56.0%	57.4%	58.7%	60.0%	61.2%	62.3%	63.5%	64.6%
7.10%	32.3%	36.9%	40.6%	42.4%	44.1%	45.7%	47.3%	48.8%	50.4%	51.9%	53.4%	54.9%	56.3%	57.7%	59.1%	60.4%	61.6%	62.7%	63.9%
7.30%	29.3%	34.1%	38.8%	41.3%	42.9%	44.6%	46.2%	47.7%	49.3%	50.8%	52.4%	54.0%	55.5%	56.9%	58.3%	59.6%	60.9%	62.1%	63.2%
7.50%	26.1%	31.0%	35.7%	40.2%	41.9%	43.6%	45.2%	46.8%	48.4%	50.0%	51.6%	53.1%	54.6%	56.1%	57.5%	58.9%	60.2%	61.4%	62.6%
7.70%	23.0%	28.1%	32.9%	37.6%	40.9%	42.6%	44.2%	45.8%	47.4%	49.0%	50.6%	52.1%	53.7%	55.2%	56.6%	58.0%	59.5%	60.8%	62.0%
7.90%	19.7%	25.0%	30.0%	34.8%	39.4%	41.5%	43.2%	44.8%	46.5%	48.0%	49.6%	51.2%	52.9%	54.5%	56.0%	57.5%	58.9%	60.3%	61.6%
8.10%	16.8%	21.9%	27.0%	31.9%	36.6%	40.5%	42.2%	44.0%	45.7%	47.3%	48.9%	50.5%	52.2%	53.8%	55.3%	56.8%	58.3%	59.7%	61.0%
8.30%	11.8%	18.8%	24.2%	29.3%	34.2%	38.9%	41.4%	43.1%	44.8%	46.5%	48.2%	49.8%	51.4%	53.1%	54.6%	56.2%	57.7%	59.1%	60.5%
8.50%	0.0%	16.2%	21.4%	26.6%	31.7%	36.6%	40.6%	42.3%	44.0%	45.7%	47.4%	49.0%	50.6%	52.3%	53.9%	55.4%	56.9%	58.4%	59.8%

Schedule 7

S&P CDO MONITOR FORMULA DEFINITIONS

As used for purposes of the S&P CDO Monitor Test, the following terms have the meanings set forth below:

"***S&P CDO Monitor Adjusted BDR***": The rate equal to:

BDR *multiplied by* (OP *divided by* NP) *plus* (NP *minus* OP) *divided by* (NP *multiplied by* (1 *minus* WARR)),

where

Term	Meaning
BDR	S&P CDO Monitor BDR
OP	Target Initial Par Amount
NP	the sum of the Collateral Principal Amount and the S&P Collateral Value of all Defaulted Obligations
WARR	S&P Weighted Average Recovery Rate

"S&P CDO Monitor BDR": As of any date of determination, the rate equal to the sum of (A) 0.157498, (B) the product of (x) 3.014153 and (y) the Weighted Average Floating Spread and (C) the product of (x) 1.239370 and (y) the Weighted Average S&P Recovery Rate.

"***S&P CDO Monitor SDR***": The rate equal to:

0.247621 *plus* (SPWARF *divided by* 9162.65) *minus* (DRD *divided by* 16757.2) *minus* (ODM *divided by* 7677.8) *minus* (IDM *divided by* 2177.56) *minus* (RDM *divided by* 34.0948) *plus* (WAL *divided by* 27.3896),

where

Term	Meaning
SPWARF	S&P Weighted Average Rating Factor
DRD	Default Rate Dispersion
ODM	Obligor Diversity Measure
IDM	Industry Diversity Measure
RDM	Regional Diversity Measure
WAL	S&P Weighted Average Life

"Default Rate Dispersion": As of any date of determination, the number equal to (a) the sum of the products calculated with respect to each Collateral Obligation with an S&P Rating of "CCC-" or higher by *multiplying* (i) the absolute value of (x) the S&P Rating Factor of such Collateral Obligation *minus* (y) the S&P Weighted Average Rating Factor and (ii) the outstanding Principal Balance at such time of such Collateral Obligation and (b) *dividing* such sum by the aggregate outstanding Principal Balance on such date of all Collateral Obligations with an S&P Rating of "CCC-" or higher.

"Industry Diversity Measure": As of any date of determination, the number equal to (A) the reciprocal of (B) the sum of the squares, determined with respect to each S&P Industry Classification, of (i) the outstanding Principal Balance of each Collateral Obligation with an S&P Rating of "CCC-" or higher, the Obligor of which is categorized in such S&P Industry Classification, *divided by* (ii) the aggregate outstanding Principal Balance on such date of all Collateral Obligations with an S&P Rating of "CCC-" or higher.

"Obligor Diversity Measure": As of any date of determination, the number equal to (A) the reciprocal of (B) the sum of the squares, determined with respect to each Obligor, of (i) the outstanding Principal Balance of each Collateral Obligation of such Obligor with an S&P Rating of "CCC-" or higher *divided by* (ii) the aggregate outstanding Principal Balance on such date of all Collateral Obligations with an S&P Rating of "CCC-" or higher.

"Regional Diversity Measure": As of any date of determination, the number equal to (A) the reciprocal of (B) the sum of the squares, determined with respect to each S&P Region Classification, of (i) the outstanding Principal Balance of each Collateral Obligation with an S&P Rating of "CCC-" or higher, the Obligor of which is categorized in such S&P Region Classification, *divided by* (ii) the aggregate outstanding Principal Balance on such date of all Collateral Obligations with an S&P Rating of "CCC-" or higher.

" S&P Weighted Average Life": As of any date of determination, the number equal to (A) the sum of the products, determined with respect to each Collateral Obligation with an S&P Rating of "CCC-" or higher, of (i) the number of years (*rounded* to the nearest one-hundredth thereof) from such date of determination to the stated maturity of such Collateral Obligation *multiplied by* (ii) the outstanding Principal Balance of such Collateral Obligation, *divided by* (B) the aggregate outstanding Principal Balance on such date of all Collateral Obligations with an S&P Rating of "CCC-" or higher.

"S&P Weighted Average Rating Factor": As of any date of determination, the number equal to (A) the sum of the products, determined with respect to each Collateral Obligation with an S&P Rating of "CCC-" or higher, of (i) the S&P Rating Factor of such Collateral Obligation *multiplied by* (ii) the outstanding Principal Balance of such Collateral Obligation *divided by* (B) the aggregate outstanding Principal Balance on such date of all Collateral Obligations with an S&P Rating of "CCC-" or higher.

"S&P Rating Factor": With respect to any Collateral Obligation, the S&P rating factor corresponding to the S&P Rating of such Collateral Obligation in the following table:

S&P Rating	S&P rating factor
AAA	13.51
AA+	26.75
AA	46.36
AA-	63.90
A+	99.50
A	146.35
A-	199.83
BBB+	271.01
BBB	361.17
BBB-	540.42
BB+	784.92
BB	1,233.63
BB-	1,565.44
B+	1,982.00
B	2,859.50
B-	3,610.11
CCC+	4,641.00
CCC	5,293.00
CCC-	5,751.10
CC	10,000.00
SD	10,000.00
D	10,000.00

FORM OF GLOBAL NOTE

[RULE 144A][REGULATION S] GLOBAL NOTE
REPRESENTING
CLASS [A-1][A-2][B-1][B-2][C-1][C-2][D] [SENIOR] SECURED [DEFERRABLE] [FIXED]
[FLOATING] RATE NOTES DUE 2031

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO A "QUALIFIED PURCHASER" (AS DEFINED FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED) THAT IS EITHER (1) A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN RELIANCE ON THE EXEMPTION FROM SECURITIES ACT REGISTRATION PROVIDED BY SUCH RULE THAT IS NOT A BROKER-DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25 MILLION IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED PERSONS OF THE DEALER AND IS NOT A PLAN REFERRED TO IN PARAGRAPH (a)(1)(i)(D) OR (a)(1)(i)(E) OF RULE 144A UNDER THE SECURITIES ACT OR A TRUST FUND REFERRED TO IN PARAGRAPH (a)(1)(i)(F) OF RULE 144A UNDER THE SECURITIES ACT THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY THE BENEFICIARIES OF THE PLAN OR (2) SOLELY IN THE CASE OF NOTES ISSUED AS CERTIFICATED NOTES, AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT) (AN "IAI") OR (B) TO A NON-"U.S. PERSON" (AS DEFINED IN REGULATION S) IN RELIANCE ON THE EXEMPTION PROVIDED IN REGULATION S, IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, AND IN EACH CASE IN COMPLIANCE WITH THE CERTIFICATION AND OTHER REQUIREMENTS SPECIFIED IN THE INDENTURE REFERRED TO HEREIN AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY APPLICABLE JURISDICTION.

THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY HOLDER OF THIS NOTE (OR ANY INTEREST HEREIN) THAT IS A U.S. PERSON AND IS NOT BOTH (1) A QUALIFIED PURCHASER OR A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY (OTHER THAN A TRUST) EACH SHAREHOLDER, PARTNER, MEMBER OR OTHER EQUITY OWNER OF WHICH IS A QUALIFIED PURCHASER AND (2) A QUALIFIED INSTITUTIONAL BUYER OR, SOLELY IN THE CASE OF NOTES ISSUED AS CERTIFICATED NOTES, AN IAI, TO, IN EITHER CASE, SELL ITS INTEREST IN THIS NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER. THE ISSUER HAS THE RIGHT TO REQUIRE THE HOLDER OF THIS NOTE (OR ANY INTEREST HEREIN) TO SELL ITS INTEREST IN THIS NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER IN CERTAIN OTHER CIRCUMSTANCES IN ACCORDANCE WITH THE INDENTURE.

EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (ANY SUCH LAW OR REGULATION, AN "OTHER PLAN LAW"), ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY SUCH OTHER PLAN LAW. "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA AND 29 C.F.R. SECTION 2510.3-101 (TOGETHER, THE "PLAN ASSET REGULATION"), AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY.

ANY TRANSFER, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC"), NEW YORK, NEW YORK, TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO.).

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE.

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO HEREIN.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE TRUSTEE.

EACH PURCHASER OR TRANSFEREE OF THIS NOTE OR ANY INTEREST IN THIS NOTE WILL BE REQUIRED, OR, BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE, WILL BE DEEMED, TO REPRESENT AND WARRANT THAT: (A) IT HAS SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS TO BE CAPABLE OF MAKING ITS OWN INDEPENDENT EVALUATION OF THE REASONABLENESS AND ACCURACY OF THE INFORMATION CONTAINED UNDER THE "CREDIT RISK RETENTION" SECTION HEADING IN THE OFFERING CIRCULAR; (B) IT UNDERSTANDS THE INHERENT LIMITATIONS OF THE INFORMATION CONTAINED UNDER THE "CREDIT RISK RETENTION" SECTION HEADING IN THE OFFERING CIRCULAR AND HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST AND TO REVIEW, AND HAS RECEIVED, ALL ADDITIONAL INFORMATION CONSIDERED BY IT TO BE NECESSARY TO VERIFY THE ACCURACY OF, OR TO SUPPLEMENT THE INFORMATION UNDER, THE "CREDIT RISK RETENTION" SECTION HEADING IN THE OFFERING CIRCULAR; (C) IT APPROVES THE USE OF THE METHODOLOGY, INPUTS AND ASSUMPTIONS DESCRIBED UNDER THE "CREDIT RISK RETENTION" SECTION HEADING IN THE OFFERING CIRCULAR; (D) IT HAS MADE ITS OWN INDEPENDENT DECISION REGARDING AN INVESTMENT IN THE NOTES WITHOUT RELIANCE UPON, OR USE OF, IN ANY MANNER WHATSOEVER THE INFORMATION CONTAINED UNDER THE "CREDIT RISK RETENTION" SECTION HEADING IN THE OFFERING CIRCULAR; AND (E) IT UNDERSTANDS THAT THE CO-ISSUERS AND COLLATERAL MANAGER ARE RELYING ON THE FOREGOING AS A MATERIAL INDUCEMENT TO ENTER THIS TRANSACTION AND OTHERWISE WOULD NOT ENGAGE IN THIS TRANSACTION.

[THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") FOR U.S. FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THIS NOTE MAY BE OBTAINED BY WRITING TO THE ISSUER.][1]

1 Insert into the Class C Notes and the Class D Notes.

PENNANTPARK CLO I, LTD.

PENNANTPARK CLO I, LLC

[RULE 144A][REGULATION S] GLOBAL NOTE
REPRESENTING

CLASS [A-1][A-2][B-1][B-2][C-1][C-2][D] [SENIOR] SECURED [DEFERRABLE] [FIXED]
[FLOATING] RATE NOTES DUE 2031

[R][S]-1
CUSIP No.: [__]
ISIN: [__]

Up to U.S.$[__]

PennantPark CLO I, Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands (the "Issuer"), and PennantPark CLO I, LLC, a limited liability company organized under the laws of the State of Delaware (the "Co-Issuer" and, together with the Issuer, the "Co-Issuers"), for value received, hereby promises to pay to CEDE & CO. or registered assigns, upon presentation and surrender of this Note (except as otherwise permitted by the Indenture referred to below), the principal sum as indicated on Schedule A on the Payment Date occurring in October 2031 (the "Stated Maturity") except as provided below and in the Indenture. The obligations of the Co- Issuers under this Note and the Indenture are limited recourse obligations of the Co- Issuers payable solely from the Assets in accordance with the Indenture, and following realization of the Assets in accordance with the Indenture, all claims of Noteholders shall be extinguished and shall not thereafter revive.

The Co-Issuers promise to pay interest, if any, on the fifteenth (15th) day of January, April, July and October of each year, commencing on January 15, 2020 (or, if such day is not a Business Day, the next succeeding Business Day), at the rate equal to [LIBOR (or such Alternative Rate that is selected to replace LIBOR in accordance with the Indenture) *plus* [1.80] [2][2.90][3][4.00][4][4.75][5%] [3.66%][6] [4.266%][7] [5.379%][8] *per annum* [(or the Re-Pricing Rate if this Note has been subject to a Re-Pricing)][9] on the unpaid principal amount hereof until the principal hereof is paid or duly provided for. [Interest shall be calculated on the basis of the actual number of days elapsed in the applicable Interest Accrual Period *divided by* 360.][Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months; provided that if a

2 Applicable only to the Class A-1 Notes.
3 Applicable only to the Class B-1 Notes.
4 Applicable only to the Class C-1 Notes.
5 Applicable only to the Class D Notes.
6 Applicable only to the Class A-2 Notes.
7 Applicable only to the Class B-2 Notes.
8 Applicable only to the Class C-2 Notes.
9 Applicable only to the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes.

redemption occurs on a Business Day that would not otherwise be a Payment Date, interest shall be calculated on the basis of the actual number of days elapsed in the applicable Interest Accrual Period *divided by* 360.] The interest so payable on any Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Note (or one or more predecessor Notes) is registered at the close of business on the Record Date for such interest, which shall be the fifteenth day (whether or not a Business Day) prior to such Payment Date.

Interest will cease to accrue on each Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Note, or in the case of a partial repayment, on such repaid part, from the date of repayment or Stated Maturity unless payment of principal is improperly withheld or unless a default is otherwise made with respect to such payments. Payment of principal of this Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Note may only occur in accordance with the Priority of Payments. The principal of each Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Note shall be payable no later than the Stated Maturity unless such principal has been previously repaid or unless the unpaid principal of such Note becomes due and payable at an earlier date by declaration of acceleration, call for redemption or otherwise.

[Any interest on the Class [C-1][C-2][D] Notes that is not paid when due by operation of the Priority of Payments will be deferred and will bear interest at the Interest Rate applicable to the Class [C-1][C-2][D] Notes.][10]

Unless the certificate of authentication hereon has been executed by the Trustee or the Authenticating Agent by the manual signature of one of their authorized signatories, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

This Note is one of a duly authorized issue of Class [A-1][A-2][B-1][B-2][C-1][C-2][D] [Senior] Secured [Deferrable] [Fixed] [Floating] Rate Notes due 2031 (the "Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes" and, together with the other classes of Notes issued under the Indenture, the "Notes") issued under an indenture dated as of September 19, 2019 (the "Indenture") among the Issuer, the Co-Issuer and U.S. Bank National Association, as trustee (in such capacity, the "Trustee", which term includes any successor trustee as permitted under the Indenture) and as collateral agent. Reference is hereby made to the Indenture and all indentures supplemental thereto for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Issuer, the Co- Issuer, the Trustee, and the Holders of the Notes and the terms upon which the Notes are, and are to be, authenticated and delivered.

[This Note is subject to Re-Pricing as set forth in Section 9.7 of the Indenture. The Holders of the Notes will be provided notice of the Re-Pricing and the opportunity to consent thereto. The Notes subject to Re-Pricing held by the Holders that do not consent to such Re-Pricing will be required to be sold by such Holders at the applicable Redemption Price to transferees designated by, or on behalf of, the Co-Issuers.][11]

Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture.

---

10 Applicable only to the Class C Notes and the Class D Notes.

11 Applicable only to the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes.

This Note is subject to mandatory redemption if any Coverage Test is not satisfied as set forth in Section 9.1 of the Indenture, Optional Redemption, Tax Redemption, Clean-Up Call Redemption and Special Redemption in the manner and subject to the satisfaction of certain conditions set forth in the Indenture. The Redemption Price for this Note is set forth in the Indenture. In connection with any Tax Redemption, Clean-Up Call Redemption or Optional Redemption in whole or of any Class of Notes in connection with the Refinancing of such Class, holders of 100% of the Aggregate Outstanding Amount of any Class of Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class of Notes.

Transfers of this [Rule 144A][Regulation S] Global Note shall be limited to transfers of such Global Note in whole, but not in part, to a nominee of DTC or to a successor of DTC or such successor's nominee.

Interests in this [Rule 144A][Regulation S] Global Note will be transferable in accordance with DTC's rules and procedures in use at such time. Interests in this [Rule 144A][Regulation S] Global Note may be exchanged for an interest in, or transferred to a transferee acquiring a Certificated Note or taking an interest in a [Rule 144A][Regulation S] Global Note, subject to and in accordance with the restrictions set forth in the Indenture.

The Issuer, the Co-Issuer, the Trustee, and any agent of the Issuer, Co-Issuer, including the Note Registrar and the Paying Agent, or the Trustee, may treat the Person in whose name this Note is registered on the Note Register on the applicable Record Date as the owner of such Note for the purpose of receiving payments of principal of and interest on such Note and on any other date for all other purposes whatsoever (whether or not such Note is overdue), and none of the Issuer, Co-Issuer, the Trustee nor any agent of the Issuer, the Co-Issuer, including the Note Registrar and the Paying Agent, or the Trustee, shall be affected by notice to the contrary.

If an Event of Default shall occur and be continuing, the Notes of this Class may become or be declared due and payable in the manner and with the effect provided in the Indenture.

Upon redemption, exchange of or increase in any interest represented by this [Rule 144A][Regulation S] Global Note, this [Rule 144A] [Regulation S] Global Note shall be endorsed on Schedule A hereto to reflect the reduction of or increase in the principal amount evidenced hereby.

The Notes of this Class will be issued in minimum denominations of $250,000 and integral multiples of $1 in excess thereof.

Title to Notes shall pass by registration in the Note Register kept by the Note Registrar, acting through its Corporate Trust Office.

No service charge shall be made for registration of transfer or exchange of this Note, but the Co-Issuers or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Each holder and beneficial owner of this Note, by its acceptance of this Note, hereby agrees that they shall not institute against, or join any other Person in instituting against the Issuer, the Co-Issuer and any Equity Holder Subsidiary any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation Proceedings or other similar Proceedings under U.S. federal or state bankruptcy laws or any similar laws until at least one year and one day after payment in full of the Secured Debt, or, if longer, any applicable preference period then in effect plus one day following such payment in full.

AS PROVIDED IN THE INDENTURE, THE INDENTURE AND THE NOTES SHALL BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS CONFLICTS OF LAWS PROVISIONS (OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Co-Issuers have caused this Note to be duly executed.

PENNANTPARK CLO I, LTD.

By: _____
Name:
Title:

PENNANTPARK CLO I, LLC

By: PennantPark Investment Advisers, LLC, its Manager

By: _____
Name:
Title:

CERTIFICATE OF AUTHENTICATION

THIS IS ONE OF THE NOTES REFERRED TO IN THE WITHIN-MENTIONED INDENTURE.

U.S. BANK NATIONAL ASSOCIATION,
as Authenticating Agent

By: _____
Authorized Signatory

SCHEDULE A

SCHEDULE OF EXCHANGES OR REDEMPTIONS

The following exchanges, redemptions of or increase in the whole or a part of the Notes represented by this [Rule 144A][Regulation S] Global Note have been made:

Date exchange/ redemption/ increase made	Original principal amount of this [Rule 144A][Regulation S] Global Note	Part of principal amount of this [Rule 144A][Regulation S] Global Note exchanged/redeemed/ increased	Remaining principal amount of this [Rule 144A][Regulation S] Global Note following such exchange/redemption / increase	Notation made by or on behalf of the Issuer
	$ [_]			

ASSIGNMENT FORM

For value received _____

does hereby sell, assign, and transfer to

_____

_____

Please insert social security or
other identifying number of assignee

Please print or type name
and address, including zip code,
of assignee:

_____

_____

_____

_____

the within Note and does hereby irrevocably constitute and appoint _____ Attorney to transfer the Note on the books of the Trustee with full power of substitution in the premises.

Date: _____

Your Signature

_____
(Sign exactly as your name
appears in the security)

Signature Guaranteed*: _____

_____

* NOTE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular without alteration, enlargement or any change whatsoever. *Such signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Note Registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.*

FORM OF CERTIFICATED NOTE

CERTIFICATED NOTE
REPRESENTING
CLASS [A-1][A-2][B-1][B-2][C-1][C-2][D] [SENIOR] SECURED [DEFERRABLE] [FIXED]
[FLOATING] RATE NOTES DUE 2031

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO A "QUALIFIED PURCHASER" (AS DEFINED FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED) THAT IS EITHER (1) A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN RELIANCE ON THE EXEMPTION FROM SECURITIES ACT REGISTRATION PROVIDED BY SUCH RULE THAT IS NOT A BROKER-DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25 MILLION IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED PERSONS OF THE DEALER AND IS NOT A PLAN REFERRED TO IN PARAGRAPH (a)(1)(i)(D) OR (a)(1)(i)(E) OF RULE 144A UNDER THE SECURITIES ACT OR A TRUST FUND REFERRED TO IN PARAGRAPH (a)(1)(i)(F) OF RULE 144A UNDER THE SECURITIES ACT THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY THE BENEFICIARIES OF THE PLAN OR (2) SOLELY IN THE CASE OF NOTES ISSUED AS CERTIFICATED NOTES, AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT) (AN "IAI") OR (B) TO A NON-U.S. PERSON (AS DEFINED IN REGULATION S) IN RELIANCE ON THE EXEMPTION PROVIDED IN REGULATION S, IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, AND IN EACH CASE IN COMPLIANCE WITH THE CERTIFICATION AND OTHER REQUIREMENTS SPECIFIED IN THE INDENTURE REFERRED TO HEREIN AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY APPLICABLE JURISDICTION.

THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY HOLDER OF THIS NOTE (OR ANY INTEREST HEREIN) THAT IS A U.S. PERSON AND IS NOT BOTH (1) A QUALIFIED PURCHASER OR A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY (OTHER THAN A TRUST) EACH SHAREHOLDER, PARTNER, MEMBER OR OTHER EQUITY OWNER OF WHICH IS A QUALIFIED PURCHASER AND (2) A QUALIFIED INSTITUTIONAL BUYER OR, SOLELY IN THE CASE OF NOTES ISSUED AS CERTIFICATED NOTES, AN IAI, TO, IN EITHER CASE, SELL ITS INTEREST IN THIS NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER. THE ISSUER HAS THE RIGHT TO REQUIRE THE HOLDER OF THIS NOTE (OR ANY INTEREST HEREIN) TO SELL ITS INTEREST IN THIS NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER IN CERTAIN OTHER CIRCUMSTANCES IN ACCORDANCE WITH THE INDENTURE.

EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (ANY SUCH LAW OR REGULATION, AN "OTHER PLAN LAW"), ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY SUCH OTHER PLAN LAW. "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA AND 29 C.F.R. SECTION 2510.3-101 (TOGETHER, THE "PLAN ASSET REGULATION"), AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY.

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO HEREIN.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE TRUSTEE.

EACH PURCHASER OR TRANSFEREE OF THIS NOTE OR ANY INTEREST IN THIS NOTE WILL BE REQUIRED, OR, BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE, WILL BE DEEMED, TO REPRESENT AND WARRANT THAT: (A) IT HAS SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS TO BE CAPABLE OF MAKING ITS OWN INDEPENDENT EVALUATION OF THE REASONABLENESS AND ACCURACY OF THE INFORMATION CONTAINED UNDER THE "CREDIT RISK RETENTION" SECTION HEADING IN THE OFFERING CIRCULAR; (B) IT UNDERSTANDS THE INHERENT LIMITATIONS OF THE INFORMATION CONTAINED UNDER THE "CREDIT RISK RETENTION" SECTION HEADING IN THE OFFERING CIRCULAR AND HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST AND TO REVIEW, AND HAS RECEIVED, ALL ADDITIONAL INFORMATION

CONSIDERED BY IT TO BE NECESSARY TO VERIFY THE ACCURACY OF, OR TO SUPPLEMENT THE INFORMATION UNDER, THE "CREDIT RISK RETENTION" SECTION HEADING IN THE OFFERING CIRCULAR; (C) IT APPROVES THE USE OF THE METHODOLOGY, INPUTS AND ASSUMPTIONS DESCRIBED UNDER THE "CREDIT RISK RETENTION" SECTION HEADING IN THE OFFERING CIRCULAR; (D) IT HAS MADE ITS OWN INDEPENDENT DECISION REGARDING AN INVESTMENT IN THE NOTES WITHOUT RELIANCE UPON, OR USE OF, IN ANY MANNER WHATSOEVER THE INFORMATION CONTAINED UNDER THE "CREDIT RISK RETENTION" SECTION HEADING IN THE OFFERING CIRCULAR; AND (E) IT UNDERSTANDS THAT THE CO-ISSUERS AND COLLATERAL MANAGER ARE RELYING ON THE FOREGOING AS A MATERIAL INDUCEMENT TO ENTER THIS TRANSACTION AND OTHERWISE WOULD NOT ENGAGE IN THIS TRANSACTION.

[THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") FOR U.S. FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THIS NOTE MAY BE OBTAINED BY WRITING TO THE ISSUER.][1]

1 Insert into the Class C Notes and the Class D Notes

PENNANTPARK CLO I, LTD.

PENNANTPARK CLO I, LLC

CERTIFICATED NOTE
representing
CLASS [A-1][A-2][B-1][B-2][C-1][C-2][D] [SENIOR] SECURED [DEFERRABLE] [FIXED]
[FLOATING] RATE NOTES DUE 2031

U.S.$[__]

C-[_]
CUSIP No.: [_]

PennantPark CLO I, Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands (the "Issuer"), and PennantPark CLO I, LLC, a limited liability company organized under the laws of the State of Delaware (the "Co-Issuer" and, together with the Issuer, the "Co-Issuers"), for value received, hereby promises to pay to [_] or registered assigns, upon presentation and surrender of this Note (except as otherwise permitted by the Indenture referred to below), the principal sum of [_] United States Dollars (U.S.$[_]) on the Payment Date in October 2031 (the "Stated Maturity") except as provided below and in the Indenture. The obligations of the Co- Issuers under this Note and the Indenture are limited recourse obligations of the Co- Issuers payable solely from the Assets in accordance with the Indenture, and following realization of the Assets in accordance with the Indenture, all claims of Noteholders shall be extinguished and shall not thereafter revive.

The Co-Issuers promise to pay interest, if any, on the fifteenth (15th) day of January, April, July and October of each year, commencing on January 15, 2020 (or, if such day is not a Business Day, the next succeeding Business Day), at the rate equal to [LIBOR (or such Alternative Rate that is selected to replace LIBOR in accordance with the Indenture) *plus* [1.80] [2][2.90][3][4.00][4][4.75][5%] [3.66%][6] [4.266%][7] [5.379%][8] *per annum* [(or the Re-Pricing Rate if this Note has been subject to a Re-Pricing)][9] on the unpaid principal amount hereof until the principal hereof is paid or duly provided for. [Interest shall be calculated on the basis of the actual number of days elapsed in the applicable Interest Accrual Period *divided by* 360.][Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months; provided that if a

2 Applicable only to the Class A-1 Notes.
3 Applicable only to the Class B-1 Notes.
4 Applicable only to the Class C-1 Notes.
5 Applicable only to the Class D Notes.
6 Applicable only to the Class A-2 Notes.
7 Applicable only to the Class B-2 Notes.
8 Applicable only to the Class C-2 Notes.
9 Applicable only to the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes.

redemption occurs on a Business Day that would not otherwise be a Payment Date, interest shall be calculated on the basis of the actual number of days elapsed in the applicable Interest Accrual Period *divided by* 360.] The interest so payable on any Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Note (or one or more predecessor Notes) is registered at the close of business on the Record Date for such interest, which shall be the fifteenth day (whether or not a Business Day) prior to such Payment Date.

Interest will cease to accrue on each Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Note, or in the case of a partial repayment, on such repaid part, from the date of repayment or Stated Maturity unless payment of principal is improperly withheld or unless a default is otherwise made with respect to such payments. Payment of principal of this Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Note may only occur in accordance with the Priority of Payments. The principal of each Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Note shall be payable no later than the Stated Maturity unless such principal has been previously repaid or unless the unpaid principal of such Note becomes due and payable at an earlier date by declaration of acceleration, call for redemption or otherwise.

[Any interest on the Class [C-1][C-2][D] Notes that is not paid when due by operation of the Priority of Payments will be deferred and will bear interest at the Interest Rate applicable to the Class [C-1][C-2][D] Notes.][10]

Unless the certificate of authentication hereon has been executed by the Trustee or the Authenticating Agent by the manual signature of one of their authorized signatories, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

This Note is one of a duly authorized issue of Class [A-1][A-2][B-1][B-2][C-1][C-2][D] [Senior] Secured [Deferrable] [Fixed] [Floating] Rate Notes due 2031 (the "Class [[A-1][A-2][B-1][B-2][C-1][C-2][D] Notes" and, together with the other classes of Notes issued under the Indenture, the "Notes") issued under an indenture dated as of September 19, 2019 (the "Indenture") among the Issuer, the Co-Issuer and U.S. Bank National Association, as trustee (in such capacity, the "Trustee", which term includes any successor trustee as permitted under the Indenture) and as collateral agent. Reference is hereby made to the Indenture and all indentures supplemental thereto for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Issuer, the Co- Issuer, the Trustee, and the Holders of the Notes and the terms upon which the Notes are, and are to be, authenticated and delivered.

Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture.

This Note is subject to mandatory redemption if any Coverage Test is not satisfied as set forth in Section 9.1 of the Indenture, Optional Redemption, Tax Redemption, Clean-Up Call Redemption and Special Redemption in the manner and subject to the satisfaction of certain conditions set forth in the Indenture. The Redemption Price for this Note is set forth in the Indenture. In connection with any Tax Redemption, Clean-Up Call Redemption or Optional Redemption in whole or of any Class of Notes in connection with the Refinancing of such Class, holders of 100% of the Aggregate Outstanding Amount of any Class of Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class of Notes.

10 Applicable only to the Class C Notes and the Class D Notes.

[This Note is subject to Re-Pricing as set forth in Section 9.7 of the Indenture. The Holders of the Notes will be provided notice of the Re-Pricing and the opportunity to consent thereto. The Notes subject to Re-Pricing held by the Holders that do not consent to such Re-Pricing will be required to be sold by such Holders at the applicable Redemption Price to transferees designated by, or on behalf of, the Co-Issuers.][11]

This Note may be transferred to a transferee acquiring Certificated Notes, to a transferee taking an interest in a Rule 144A Global Note or to a transferee taking an interest in a Regulation S Global Note, subject to and in accordance with the restrictions set forth in the Indenture.

The Issuer, the Co-Issuer, the Trustee, and any agent of the Issuer, Co-Issuer, including the Note Registrar and the Paying Agent, or the Trustee, may treat the Person in whose name this Note is registered on the Note Register on the applicable Record Date as the owner of such Note for the purpose of receiving payments of principal of and interest on such Note and on any other date for all other purposes whatsoever (whether or not such Note is overdue), and none of the Issuer, Co-Issuer, the Trustee nor any agent of the Issuer, the Co-Issuer, including the Note Registrar and the Paying Agent, or the Trustee, shall be affected by notice to the contrary.

The Notes of this Class will be issued in minimum denominations of $250,000 and integral multiples of $1 in excess thereof.

If an Event of Default shall occur and be continuing, the Notes of this Class may become or be declared due and payable in the manner and with the effect provided in the Indenture.

Title to Notes shall pass by registration in the Note Register kept by the Note Registrar, acting through its Corporate Trust Office.

No service charge shall be made for registration of transfer or exchange of this Note, but the Co-Issuers or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Each holder and beneficial owner of this Note, by its acceptance of this Note, hereby agrees that they shall not institute against, or join any other Person in instituting against the Issuer, the Co-Issuer and any Equity Holder Subsidiary any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation Proceedings or other similar Proceedings under U.S. federal or state bankruptcy laws or any similar laws until at least one year and one day after payment in full of the Secured Debt, or, if longer, any applicable preference period then in effect plus one day following such payment in full.

---

11 Applicable only to the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes.

AS PROVIDED IN THE INDENTURE, THE INDENTURE AND THE NOTES SHALL BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS CONFLICTS OF LAWS PROVISIONS (OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Co-Issuers have caused this Note to be duly executed.

PENNANTPARK CLO I, LTD.

By: _____
Name:
Title:

PENNANTPARK CLO I, LLC

By: PennantPark Investment Advisers, LLC, its Manager

By: _____
Name:
Title:

CERTIFICATE OF AUTHENTICATION

THIS IS ONE OF THE NOTES REFERRED TO IN THE WITHIN-MENTIONED INDENTURE.

U.S. BANK NATIONAL ASSOCIATION,
as Authenticating Agent

By: _____
Authorized Signatory

ASSIGNMENT FORM

For value received _____

does hereby sell, assign, and transfer to

_____

_____

Please insert social security or
other identifying number of assignee

Please print or type name
and address, including zip code,
of assignee:

_____

_____

_____

_____

the within Note and does hereby irrevocably constitute and appoint _____ Attorney to transfer the Note on the books of the Trustee with full power of substitution in the premises.

Date: _____

Your Signature

_____
(Sign exactly as your name
appears in the security)

Signature Guaranteed*: _____

_____

* NOTE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular without alteration, enlargement or any change whatsoever. *Such signature must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Note Registrar, which requirements include membership or participation in STAMP or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.*

FORM OF TRANSFEROR CERTIFICATE FOR TRANSFER OF RULE 144A GLOBAL NOTE OR CERTIFICATED NOTE TO REGULATION S GLOBAL NOTE

U.S. Bank National Association, as Trustee
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402
Attention: Bondholder Services – EP-MN-WS2N
Reference: PennantPark CLO I, Ltd.

With a copy to:

U.S. Bank National Association, as Trustee
One Federal Street, Third Floor
Boston, Massachusetts 02110
Attention: Global Corporate Trust- PennantPark CLO I, Ltd.

Re: PennantPark CLO I, Ltd. ("Issuer") and PennantPark CLO I, LLC ("Co-Issuer" and, together with the Issuer, the "Co-Issuers"); Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes due 2031 (the "Notes")

Reference is hereby made to the Indenture dated as of September 19, 2019 (the "Indenture") among the Issuer, the Co-Issuer and U.S. Bank National Association, as Trustee (in such capacity, the "Trustee") and as collateral agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to U.S. $_____ Aggregate Outstanding Amount of Notes which are held in the form of a [Rule 144A Global Note representing Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes with DTC] [Certificated Secured Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes] in the name of _____ (the "Transferor") to effect the transfer of the Notes in exchange for an equivalent beneficial interest in a Regulation S Global Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Note.

In connection with such transfer, and in respect of such Notes, the Transferor does hereby certify that such Notes are being transferred to _____ (the "Transferee") in accordance with Regulation S and the transfer restrictions set forth in the Indenture and the Offering Circular defined in the Indenture relating to such Notes and that:

1. the offer of the Notes was not made to a person in the United States;

2. at the time the buy order was originated, the Transferee was not a "U.S. person" (as defined in Regulation S) or the Transferor and any person acting on its behalf reasonably believed that the Transferee was not a "U.S. person" (as defined in Regulation S);

3. no directed selling efforts have been made in contravention of the requirements of Rule 903 or 904 of Regulation S, as applicable;

4. the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act; and

5. the Transferee (and any account on behalf of the Transferee that is purchasing the Notes) is not a "U.S. person" (as defined in Regulation S).

The Transferor understands that the Co-Issuers, the Trustee, the Note Registrar, the Transfer Agent and their counsel will rely upon the accuracy and truth of the foregoing representations, and the Transferor hereby consents to such reliance.

(Name of Transferor)

By: _____
Name:
Title:

Dated: _____, ____

cc:

PennantPark CLO I, Ltd.
c/o Crestbridge Cayman Limited
9 Forum Lane
Camana Bay
P.O. Box 31243
Grand Cayman, KY1-1205
Cayman Islands
Attention: The Directors

EXHIBIT B-2

FORM OF PURCHASER/TRANSFEREE REPRESENTATION LETTER FOR CLASS [A-1][A-2][B-1][B-2][C-1][C-2][D] CERTIFICATED NOTES

[DATE]

U.S. Bank National Association, as Trustee
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402
Attention: Bondholder Services – EP-MN-WS2N
Reference: PennantPark CLO I, Ltd.

With a copy to:

U.S. Bank National Association, as Trustee
One Federal Street, Third Floor
Boston, Massachusetts 02110
Attention: Global Corporate Trust- PennantPark CLO I, Ltd.

Re: PennantPark CLO I, Ltd. ("Issuer") and PennantPark CLO I, LLC ("Co-Issuer" and, together with the Issuer, the "Co-Issuers"); Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes due 2031

Reference is hereby made to the Indenture dated as of September 19, 2019 (the "Indenture") among the Issuer, the Co-Issuer and U.S. Bank National Association, as trustee (in such capacity, the "Trustee") and as collateral agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to U.S.$_____ Aggregate Outstanding Amount of Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes (the "Notes"), in the form of one or more Certificated Notes [payable to _____ (the "Purchaser")] [to effect the transfer of the Notes to _____ (the "Transferee")].

In connection with such request, and in respect of such Notes, the [Purchaser/Transferee] does hereby certify that the Notes are being [purchased/transferred] (i) in accordance with the transfer restrictions set forth in the Indenture (including the Exhibits referenced therein), and (ii) pursuant to an exemption from registration under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In addition, the [Purchaser/Transferee] hereby represents, warrants and covenants for the benefit of the Co-Issuers and their counsel as follows:

1. It understands that the Notes have not been and will not be registered under the Securities Act, and, if in the future it decides to offer, resell, pledge or otherwise transfer the Notes, such Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture (and the Exhibits referenced therein) and the legends on such Notes, including the requirement for written certifications. In particular, it understands that the Notes

may be transferred only to a person that is either (a) a "qualified purchaser" as defined in the 1940 Act, or a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a "qualified purchaser" that in each case is either (i) a "qualified institutional buyer" as defined in Rule 144A who purchases such Notes in reliance on the exemption from Securities Act registration provided by Rule 144A or (ii) an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act, or (b) not a "U.S. person" (as defined in Regulation S) and is acquiring the Notes outside the United States in reliance on the exemption from registration provided by Regulation S. It acknowledges that no representation is made as to the availability of any exemption under the Securities Act or any state securities laws for resale of the Notes. It understands that the Co-Issuers have not been registered as an investment company under the 1940 Act and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the 1940 Act.

2. In connection with its purchase of the Notes: (i) none of the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Administrator, the Custodian, the Document Custodian, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates is acting as a fiduciary or financial or investment adviser for it; (ii) it is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Fiscal Agent, the Collateral Administrator, the Custodian, the Document Custodian, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates other than any statements in the final Offering Circular for such Notes, and it has read and understands such final Offering Circular (including, without limitation, the descriptions therein of the structure of the transaction in which the Notes are being issued and the risks to purchasers and transferees of the Notes); (iii) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Administrator, the Custodian, the Document Custodian, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates; (iv) it was not formed for the purpose of investing in the Notes; (v) it will hold and transfer at least the Minimum Denomination of such Notes; and (vii) it is a sophisticated investor and is purchasing the Notes with a full understanding of all of the terms, conditions and risks thereof, and it is capable of assuming and willing to assume those risks.

3. (i) It is either (a) a "qualified purchaser" (as defined in the 1940 Act) or a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a "qualified purchaser" that in each case is either (1) a "qualified institutional buyer" as defined in Rule 144A that is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(i)(D) or (a)(1)(i)(E) of Rule 144A or a trust fund referred to in paragraph (a)(1)(i)(F) of Rule

144A that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries of the plan, who purchases such Notes in reliance on the exemption from Securities Act registration provided by Rule 144A, or (2) an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act, or (b) not a "U.S. person" (as defined in Regulation S) and is acquiring the Notes outside the United States in reliance on the exemption from registration provided by Regulation S; (ii) it is acquiring the Notes for its own account and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (iii) it is not a (A) partnership, (B) common trust fund, or (C) special trust, pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants may designate the particular investments to be made; and (iv) it will provide notice of the relevant transfer restrictions, representations, warranties and agreements to subsequent transferees.

4. It represents, warrants and agrees that (a) if it is, or is acting on behalf of, a Benefit Plan Investor, as defined in Section 3(42) of ERISA and 29 C.F.R. Section 2510.3-101, its acquisition, holding and disposition of such Notes does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and

(b) if it is a governmental, church, non-U.S. or other plan subject to any Other Plan Law, its acquisition, holding and disposition of such Notes does not and will not constitute or give rise to a non-exempt violation of any Other Plan Law.

5. It agrees to treat the Issuer, the Co-Issuer and the Notes as described in the "Certain U.S. Federal Income Tax Considerations" section of the final Offering Circular for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

6. It will timely furnish the Issuer, the Trustee or their respective agents with any tax forms or certifications (including, without limitation, IRS Form W-9, an applicable IRS Form W-8 (together with all applicable attachments), or any successors to such IRS forms) that the Issuer, the Trustee or their respective agents reasonably request in order to (A) make payments to the beneficial owner without, or at a reduced rate of, withholding, (B) qualify for a reduced rate of withholding in any jurisdiction from or through which they receive payments, and (C) satisfy reporting and other obligations under the Code, Treasury Regulations, or any other applicable law or regulation (including the Cayman FATCA Legislation), and will update or replace such tax forms or certifications in accordance with their terms or subsequent amendments. Such beneficial owner acknowledges that the failure to provide, update or replace any such tax forms or certifications may result in the imposition of withholding or back-up withholding on payments to the beneficial owner, or to the Issuer. Amounts withheld by the Issuer or their agents that are, in their sole judgment, required to be withheld pursuant to applicable tax laws will be treated as having been paid to such beneficial owner by the Issuer.

7. It will provide the Issuer, the Trustee or their agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA, the Cayman FATCA Legislation and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer. It acknowledges that in the event such Holder fails to provide such information or documentation, or to the extent that its ownership of Notes would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer

(and any agent acting on its behalf) is authorized to withhold amounts otherwise distributable to the investor as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the investor to sell its Notes and, if such person does not sell its Notes within 10 Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account, in addition to other related costs and charges, any taxes incurred by the Issuer in connection with such sale) to such person as payment in full for such Notes. The Issuer may also assign each such Note a separate securities identifier in the Issuer's sole discretion. Each Holder agrees that the Issuer, the Trustee and/or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to the Cayman Islands Tax Information Authority, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and the Cayman FATCA Legislation.

8. It represents that it is not a member of an "expanded group" (as defined in Treasury Regulations section 1.385-1(c)(4)) with respect to which a beneficial owner of Preferred Shares is a "covered member" (as defined in Treasury Regulations section 1.385-1(c)(2)), except to the extent that the Issuer or its agents have provided such beneficial owner with an express waiver of this representation.

9. It agrees that for so long as the Issuer is treated as an entity disregarded as separate from such beneficial owner for U.S. federal income tax purposes, it will not transfer its interest in a Note unless it shall have obtained written advice of Dechert LLP or Cadwalader, Wickersham & Taft LLP, or an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters, in the form and substance reasonably satisfactory to the Collateral Manager, to the effect that (A) such transfer will not cause the Issuer to be treated as a publicly traded partnership taxable as a corporation or to be subject to U.S. federal income tax with respect to its net income or subject to tax liability under Section 1446 of the Code and (B) any such Note and any other outstanding Notes of the same Class (excluding any Notes of the same Class that will continue to be held by such beneficial owner immediately after such transfer) will be fungible for U.S. federal income tax purposes immediately after such transfer.

10. It represents that, if it is not a United States person for U.S. federal income tax purposes, it:

(i) is: (1) not a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business (within the meaning of section 881(c)(3)(A) of the Code); (2) not a "10-percent shareholder" with respect to the holder or any beneficial owners of the Preferred Shares within the meaning of section 871(h)(3) or section 881(c)(3)(B) of the Code; and (3) not a "controlled foreign corporation" that is related to the holder or any beneficial owners of the Preferred Shares within the meaning of section 881(c)(3)(C) of the Code;

(ii) has provided an IRS Form W-8ECI representing that all payments received or to be received by it from the Issuer are effectively connected with its conduct of a trade or business in the United States and includible in its gross income; or

(iii) is eligible for the benefits under an income tax treaty with the United States that eliminates U.S. federal income taxation of payments on the Notes.

11. It agrees not to seek to commence in respect of the Issuer, the Co-Issuer or any Equity Holder Subsidiary, or cause the Issuer, the Co-Issuer or any Equity Holder Subsidiary to commence, a bankruptcy proceeding before a year and a day has elapsed since the payment in full to the holders of the Secured Debt issued pursuant to the Indenture and incurred pursuant to the Credit Agreement or, if longer, the applicable preference period (plus one day) then in effect. It further agrees to the subordination provision set forth in Section 13.1(c) of the Indenture.

12. (a) (i) The express terms of the Indenture govern the rights of the holders to direct the commencement of a Proceeding against any Person, (ii) the Indenture contains limitations on the rights of the holders to direct the commencement of any such Proceeding, and (iii) it shall comply with such express terms if it seeks to direct the commencement of any such Proceeding; (b) there are no implied rights under the Indenture to direct the commencement of any such Proceeding; and (c) notwithstanding any provision of the Indenture, or any provision of the Notes or of any other agreement, the Issuer shall be under no duty or obligation of any kind to the holders of the Notes (or of any interest therein), or any of them, to institute any legal or other proceedings of any kind, against any person or entity, including, without limitation, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Manager, the Collateral Administrator, the Custodian, the Document Custodian or the Calculation Agent.

13. It agrees that the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, may enter into binding commitments to sell and transfer all Notes of a Re-Priced Class held by non-consenting holders pursuant to the Indenture, and if it is a non-consenting holder, hereby irrevocably appoints the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, as its true and lawful agent and attorney-in-fact (with full power of substitution) in its name, place and stead and at its expense, in connection with such sale and transfers, and agrees to cooperate with the Issuer, the Re-Pricing Intermediary on behalf of the Issuer, or the Trustee in connection with any such sale and transfers.

14. It acknowledges that, to the extent required by the Issuer, as determined by the Issuer or the Collateral Manager on behalf of the Issuer, the Issuer may, upon notice to the Trustee, impose additional transfer restrictions on the Notes to comply with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the "USA Patriot Act"), and other similar laws or regulations, including, without limitation, requiring each purchaser or transferee of a Note to make representations to the Issuer in connection with such compliance.

15. It is not a member of the public in the Cayman Islands.

16. It agrees to provide the Issuer and its agents with a properly completed and executed "Entity Self-Certification Form" or "Individual Self-Certification Form" (in the forms published by the Cayman Islands Department for International Tax Cooperation, which forms can be obtained at http://www.tia.gov.ky/pdf/CRS_Legislation.pdf) on or prior to the date on which it becomes a holder of the Notes.

17. It agrees to provide the Issuer, the Trustee and their agents with all documentation and information required for the Issuer to achieve AML Compliance, and to update or replace such documentation and information promptly, as necessary.

18. It understands that the Co-Issuers, the Trustee and the Placement Agent will rely upon the accuracy and truth of the foregoing representations, and it hereby consents to such reliance.

19. It will provide notice to each Person to whom it proposes to transfer any interest in such Notes of the transfer restrictions and representations set forth in Section 2.5 of the Indenture, including the Exhibits referenced therein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

Name of Purchaser:
Dated:

By: _____
Name:
Title:

Outstanding principal amount of Class [_____] Notes: U.S.$[_____]

Taxpayer identification number:

Address for notices: Wire transfer information for payments:

Bank:
Address:
Bank ABA#:
Account #:

Telephone: FAO:

Facsimile: Attention:

Attention:

Denominations of certificates (if more than one):
Registered name:

cc:

PennantPark CLO I, Ltd.
c/o Crestbridge Cayman Limited
9 Forum Lane
Camana Bay
P.O. Box 31243
Grand Cayman, KY1-1205
Cayman Islands
Attention: The Directors

FORM OF TRANSFEROR CERTIFICATE FOR TRANSFER OF REGULATIONS GLOBAL NOTE OR CERTIFICATED NOTE TO RULE 144A GLOBAL NOTE

U.S. Bank National Association, as Trustee
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402
Attention: Bondholder Services – EP-MN-WS2N
Reference: PennantPark CLO I, Ltd.

With a copy to:

U.S. Bank National Association, as Trustee
One Federal Street, Third Floor
Boston, Massachusetts 02110
Attention: Global Corporate Trust- PennantPark CLO I, Ltd.

Re: PennantPark CLO I, Ltd. ("Issuer") and PennantPark CLO I, LLC ("Co-Issuer" and, together with the Issuer, the "Co-Issuers"); Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes due 2031

Reference is hereby made to the Indenture dated as of September 19, 2019 (the "Indenture") among the Issuer, the Co-Issuer and U.S. Bank National Association, as trustee (in such capacity, the "Trustee") and as collateral agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to U.S. $_____ Aggregate Outstanding Amount of Notes (the "Notes") which are held in the form of a [Regulation S Global Note representing Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes with DTC] [Certificated Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes] in the name of _____ (the "Transferor") to effect the transfer of the Notes in exchange for an equivalent beneficial interest in a Rule 144A Global Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Note.

In connection with such transfer, and in respect of such Notes, the Transferor does hereby certify that such Notes are being transferred to _____ (the "Transferee") in accordance with (i) the transfer restrictions set forth in the Indenture (including the Exhibits referenced therein) and the Offering Circular relating to such Notes and (ii) Rule 144A and it reasonably believes that the Transferee is purchasing the Notes for its own account, is a Qualified Purchaser and a Qualified Institutional Buyer and is obtaining such beneficial interest in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

The Transferor understands that the Co-Issuers, the Trustee, the Note Registrar, the Transfer Agent and their respective counsel will rely upon the accuracy and truth of the foregoing representations, and the Transferor hereby consents to such reliance.

(Name of Transferor)

By: _____
Name:
Title:

Dated: _____, ____

cc:

PennantPark CLO I, Ltd.
c/o Crestbridge Cayman Limited
9 Forum Lane
Camana Bay
P.O. Box 31243
Grand Cayman, KY1-1205
Cayman Islands
Attention: The Directors

FORM OF TRANSFEREE CERTIFICATE FOR
RULE 144A GLOBAL NOTE

U.S. Bank National Association, as Trustee
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402
Attention: Bondholder Services – EP-MN-WS2N
Reference: PennantPark CLO I, Ltd.

With a copy to:

U.S. Bank National Association, as Trustee
One Federal Street, Third Floor
Boston, Massachusetts 02110
Attention: Global Corporate Trust- PennantPark CLO I, Ltd.

Re: PennantPark CLO I, Ltd. ("Issuer") and PennantPark CLO I, LLC ("Co-Issuer" and, together with the Issuer, the "Co-Issuers"); Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes due 2031

Reference is hereby made to the Indenture dated as of September 19, 2019 (the "Indenture") among the Issuer, the Co-Issuer and U.S. Bank National Association, as trustee (in such capacity, the "Trustee") and as collateral agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to U.S.$_____ Aggregate Outstanding Amount of Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes (the "Notes"), which are to be transferred to the undersigned transferee (the "Transferee") in the form of a Rule 144A Global Note of such Class pursuant to Section [2.5(f)] of the Indenture.

In connection with such request, and in respect of such Notes, the Transferee does hereby certify that the Notes are being transferred (i) in accordance with the transfer restrictions set forth in the Indenture, and (ii) pursuant to an exemption from registration under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In addition, the Transferee hereby represents, warrants and covenants for the benefit of the Co-Issuers and their counsel as follows:

1. It understands that the Notes have not been and will not be registered under the Securities Act, and, if in the future it decides to offer, resell, pledge or otherwise transfer the Notes, such Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture (including the Exhibits referenced therein) and the legends on such Notes, including the requirement for written certifications. In particular, it understands that the Notes may be transferred only to a person that is either (a) a "qualified purchaser" as defined in

the 1940 Act, or a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a "qualified purchaser" that in each case is either (i) a "qualified institutional buyer" as defined in Rule 144A who purchases such Notes in reliance on the exemption from Securities Act registration provided by Rule 144A or (ii) an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act, or (b) not a "U.S. person" (as defined in Regulation S) and is acquiring the Notes outside the United States in reliance on the exemption from registration provided by Regulation S. It acknowledges that no representation is made as to the availability of any exemption under the Securities Act or any state securities laws for resale of the Notes. It understands that the Co-Issuers have not been registered as an investment company under the 1940 Act and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the 1940 Act.

2. In connection with its purchase of the Notes: (i) none of the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Administrator, the Custodian, the Document Custodian, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates is acting as a fiduciary or financial or investment adviser for it; (ii) it is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Fiscal Agent, the Collateral Administrator, the Custodian, the Document Custodian, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates other than any statements in the final Offering Circular for such Notes, and it has read and understands such final Offering Circular (including, without limitation, the descriptions therein of the structure of the transaction in which the Notes are being issued and the risks to purchasers and transferees of the Notes); (iii) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Administrator, the Custodian, the Document Custodian, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates; (iv) it was not formed for the purpose of investing in the Notes; (v) it will hold and transfer at least the Minimum Denomination of such Notes; and (vii) it is a sophisticated investor and is purchasing the Notes with a full understanding of all of the terms, conditions and risks thereof, and it is capable of assuming and willing to assume those risks.

3. (i) It is a "qualified purchaser" (as defined in the 1940 Act) or a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a "qualified purchaser" that in each case is a "qualified institutional buyer" as defined in Rule 144A that is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(i)(D) or (a)(1)(i)(E) of Rule 144A or a trust fund referred to in paragraph (a)(1)(i)(F) of Rule 144A that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries of the plan, who

purchases such Notes in reliance on the exemption from Securities Act registration provided by Rule 144A; (ii) it is acquiring the Notes for its own account and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (iii) it is not a (A) partnership, (B) common trust fund, or (C) special trust, pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants may designate the particular investments to be made; and (iv) it will provide notice of the relevant transfer restrictions, representations, warranties and agreements to subsequent transferees.

4. It represents, warrants and agrees that (a) if it is, or is acting on behalf of, a Benefit Plan Investor, as defined in Section 3(42) of ERISA and 29 C.F.R. Section 2510.3-101, its acquisition, holding and disposition of such Notes does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (b) if it is a governmental, church, non-U.S. or other plan subject to any Other Plan Law, its acquisition, holding and disposition of such Notes does not and will not constitute or give rise to a non-exempt violation of any Other Plan Law.

5. It agrees to treat the Issuer, the Co-Issuer and the Notes as described in the "Certain U.S. Federal Income Tax Considerations" section of the final Offering Circular for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

6. It will timely furnish the Issuer, the Trustee or their respective agents with any tax forms or certifications (including, without limitation, IRS Form W-9, an applicable IRS Form W-8 (together with all applicable attachments), or any successors to such IRS forms) that the Issuer, the Trustee or their respective agents reasonably request in order to (A) make payments to the beneficial owner without, or at a reduced rate of, withholding, (B) qualify for a reduced rate of withholding in any jurisdiction from or through which they receive payments, and (C) satisfy reporting and other obligations under the Code, Treasury Regulations, or any other applicable law or regulation (including the Cayman FATCA Legislation), and will update or replace such tax forms or certifications in accordance with their terms or subsequent amendments. Such beneficial owner acknowledges that the failure to provide, update or replace any such tax forms or certifications may result in the imposition of withholding or back-up withholding on payments to the beneficial owner, or to the Issuer. Amounts withheld by the Issuer or their agents that are, in their sole judgment, required to be withheld pursuant to applicable tax laws will be treated as having been paid to such beneficial owner by the Issuer.

7. It will provide the Issuer, the Trustee or their agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA, the Cayman FATCA Legislation and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer. It acknowledges that in the event such Holder fails to provide such information or documentation, or to the extent that its ownership of Notes would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer (and any agent acting on its behalf) is authorized to withhold amounts otherwise distributable to the investor as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the investor to sell its Notes and, if such person does not sell its Notes within 10

Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account, in addition to other related costs and charges, any taxes incurred by the Issuer in connection with such sale) to such person as payment in full for such Notes. The Issuer may also assign each such Note a separate securities identifier in the Issuer's sole discretion. Each Holder agrees that the Issuer, the Trustee and/or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to the Cayman Islands Tax Information Authority, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and the Cayman FATCA Legislation.

8. It represents that it is not a member of an "expanded group" (as defined in Treasury Regulations section 1.385-1(c)(4)) with respect to which a beneficial owner of Preferred Shares is a "covered member" (as defined in Treasury Regulations section 1.385-1(c)(2)), except to the extent that the Issuer or its agents have provided such beneficial owner with an express waiver of this representation.

9. It agrees that for so long as the Issuer is treated as an entity disregarded as separate from such beneficial owner for U.S. federal income tax purposes, it will not transfer its interest in a Note unless it shall have obtained written advice of Dechert LLP or Cadwalader, Wickersham & Taft LLP, or an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters, in the form and substance reasonably satisfactory to the Collateral Manager, to the effect that (A) such transfer will not cause the Issuer to be treated as a publicly traded partnership taxable as a corporation or to be subject to U.S. federal income tax with respect to its net income or subject to tax liability under Section 1446 of the Code and (B) any such Note and any other outstanding Notes of the same Class (excluding any Notes of the same Class that will continue to be held by such beneficial owner immediately after such transfer) will be fungible for U.S. federal income tax purposes immediately after such transfer.

10. It represents that, if it is not a United States person for U.S. federal income tax purposes, it:

(i) is: (1) not a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business (within the meaning of section 881(c)(3)(A) of the Code); (2) not a "10-percent shareholder" with respect to the holder or any beneficial owners of the Preferred Shares within the meaning of section 871(h)(3) or section 881(c)(3)(B) of the Code; and (3) not a "controlled foreign corporation" that is related to the holder or any beneficial owners of the Preferred Shares within the meaning of section 881(c)(3)(C) of the Code;

(ii) has provided an IRS Form W-8ECI representing that all payments received or to be received by it from the Issuer are effectively connected with its conduct of a trade or business in the United States and includible in its gross income; or

(iii) is eligible for the benefits under an income tax treaty with the United States that eliminates U.S. federal income taxation of payments on the Notes.

11. It agrees not to seek to commence in respect of the Issuer, the Co-Issuer or any Equity Holder Subsidiary, or cause the Issuer, the Co-Issuer or any Equity Holder Subsidiary to commence, a bankruptcy proceeding before a year and a day has elapsed since the payment in full to the holders of the Secured Debt issued pursuant to the Indenture and incurred pursuant to the Credit Agreement or, if longer, the applicable preference period (plus one day) then in effect. It further agrees to the subordination provision set forth in Section 13.1(c) of the Indenture.

12. (a) (i) The express terms of the Indenture govern the rights of the holders to direct the commencement of a Proceeding against any Person, (ii) the Indenture contains limitations on the rights of the holders to direct the commencement of any such Proceeding, and (iii) it shall comply with such express terms if it seeks to direct the commencement of any such Proceeding; (b) there are no implied rights under the Indenture to direct the commencement of any such Proceeding; and (c) notwithstanding any provision of the Indenture, or any provision of the Notes or of any other agreement, the Issuer shall be under no duty or obligation of any kind to the holders of the Notes (or of any interest therein), or any of them, to institute any legal or other proceedings of any kind, against any person or entity, including, without limitation, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Manager, the Collateral Administrator, the Custodian, the Document Custodian or the Calculation Agent.

13. It agrees that the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, may enter into binding commitments to sell and transfer all Notes of a Re-Priced Class held by non-consenting holders pursuant to the Indenture, and if it is a non-consenting holder, hereby irrevocably appoints the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, as its true and lawful agent and attorney-in-fact (with full power of substitution) in its name, place and stead and at its expense, in connection with such sale and transfers, and agrees to cooperate with the Issuer, the Re-Pricing Intermediary on behalf of the Issuer, or the Trustee in connection with any such sale and transfers.

14. It acknowledges that, to the extent required by the Issuer, as determined by the Issuer or the Collateral Manager on behalf of the Issuer, the Issuer may, upon notice to the Trustee, impose additional transfer restrictions on the Notes to comply with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the "USA Patriot Act"), and other similar laws or regulations, including, without limitation, requiring each purchaser or transferee of a Note to make representations to the Issuer in connection with such compliance.

15. It is not a member of the public in the Cayman Islands.

16. It understands that the Co-Issuers, the Trustee and the Placement Agent will rely upon the accuracy and truth of the foregoing representations, and it hereby consents to such reliance.

17. It will provide notice to each Person to whom it proposes to transfer any interest in such Notes of the transfer restrictions and representations set forth in Section 2.5 of the Indenture, including the Exhibits referenced therein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

Name of Purchaser:

Dated:

By: _____
Name:
Title:

Aggregate Outstanding Amount of Notes: U.S.$[_____]

cc:

PennantPark CLO I, Ltd.
c/o Crestbridge Cayman Limited
9 Forum Lane
Camana Bay
P.O. Box 31243
Grand Cayman, KY1-1205
Cayman Islands
Attention: The Directors

FORM OF TRANSFEREE CERTIFICATE FOR REGULATION S GLOBAL NOTE

U.S. Bank National Association, as Trustee
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402
Attention: Bondholder Services – EP-MN-WS2N
Reference: PennantPark CLO I, Ltd.

With a copy to:

U.S. Bank National Association, as Trustee
One Federal Street, Third Floor
Boston, Massachusetts 02110
Attention: Global Corporate Trust- PennantPark CLO I, Ltd.

Re: PennantPark CLO I, Ltd. ("Issuer") and PennantPark CLO I, LLC ("Co-Issuer" and, together with the Issuer, the "Co-Issuers"); Class [A-1][A-2][B-1][B-2][C-1][C-2][D] Notes due 2031

Reference is hereby made to the Indenture dated as of September 19, 2019 (the "Indenture") among the Issuer, the Co-Issuer and U.S. Bank National Association, as trustee (in such capacity, the "Trustee") and as collateral agent. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to U.S.$_____ Aggregate Outstanding Amount of Class [A-1][A- 2][B-1][B-2][C-1][C-2][D] Notes (the "Notes"), which are to be transferred to the undersigned transferee (the "Transferee") in the form of a Regulation S Global Note of such Class pursuant to Section [2.5(e)] of the Indenture.

In connection with such request, and in respect of such Notes, the Transferee does hereby certify that the Notes are being transferred (i) in accordance with the transfer restrictions set forth in the Indenture (including the Exhibits referenced therein) and (ii) pursuant to an exemption from registration under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In addition, the Transferee hereby represents, warrants and covenants for the benefit of the Co-Issuers and their counsel that it is a person that is a non-"U.S. person" (as defined in Regulation S) acquiring the Notes outside the United States in reliance on the exemption from Securities Act registration provided by Regulation S.

The Transferee further represents, warrants and agrees for the benefit of the Co-Issuers and their counsel as follows:

1. It understands that the Notes have not been and will not be registered under the Securities Act, and, if in the future it decides to offer, resell, pledge or otherwise transfer the Notes, such Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture and the legends on such Notes, including the requirement for written certifications. In particular, it understands that the Notes may be transferred only to a person that is either (a) a "qualified purchaser" as defined in the 1940 Act, or a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a "qualified purchaser" that in each case is either (i) a "qualified institutional buyer" as defined in Rule 144A who purchases such Notes in reliance on the exemption from Securities Act registration provided by Rule 144A or (ii) an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act, or (b) not a "U.S. person" (as defined in Regulation S) and is acquiring the Notes outside the United States in reliance on the exemption from registration provided by Regulation S. It acknowledges that no representation is made as to the availability of any exemption under the Securities Act or any state securities laws for resale of the Notes. It understands that the Co-Issuers have not been registered as an investment company under the 1940 Act and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the 1940 Act.

2. In connection with its purchase of the Notes: (i) none of the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Administrator, the Custodian, the Document Custodian, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates is acting as a fiduciary or financial or investment adviser for it; (ii) it is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Fiscal Agent, the Collateral Administrator, the Custodian, the Document Custodian, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates other than any statements in the final Offering Circular for such Notes, and it has read and understands such final Offering Circular (including, without limitation, the descriptions therein of the structure of the transaction in which the Notes are being issued and the risks to purchasers and transferees of the Notes); (iii) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Co-Issuers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Administrator, the Custodian, the Document Custodian, the Administrator, the Share Registrar, the Transferor, the Depositor or any of their respective affiliates; (iv) it was not formed for the purpose of investing in the Notes; (v) it will hold and transfer at least the Minimum Denomination of such Notes; and (vii) it is a sophisticated investor and is purchasing the Notes with a full understanding of all of the terms, conditions and risks thereof, and it is capable of assuming and willing to assume those risks.

3. (i) It is not a "U.S. person" (as defined in Regulation S) and is acquiring the Notes outside the United States in reliance on the exemption from registration provided by Regulation S; (ii) it is acquiring the Notes for its own account and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (iii) it is not a (A) partnership, (B) common trust fund, or (C) special trust, pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants may designate the particular investments to be made; and (iv) it will provide notice of the relevant transfer restrictions, representations, warranties and agreements to subsequent transferees.

4. It represents, warrants and agrees that (a) if it is, or is acting on behalf of, a Benefit Plan Investor, as defined in Section 3(42) of ERISA and 29 C.F.R. Section 2510.3-101, its acquisition, holding and disposition of such Notes does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (b) if it is a governmental, church, non-U.S. or other plan subject to any Other Plan Law, its acquisition, holding and disposition of such Notes does not and will not constitute or give rise to a non-exempt violation of any Other Plan Law.

5. It agrees to treat the Issuer, the Co-Issuer and the Notes as described in the "Certain U.S. Federal Income Tax Considerations" section of the final Offering Circular for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

6. It will timely furnish the Issuer, the Trustee or their respective agents with any tax forms or certifications (including, without limitation, IRS Form W-9, an applicable IRS Form W-8 (together with all applicable attachments), or any successors to such IRS forms) that the Issuer, the Trustee or their respective agents reasonably request in order to (A) make payments to the beneficial owner without, or at a reduced rate of, withholding, (B) qualify for a reduced rate of withholding in any jurisdiction from or through which they receive payments, and (C) satisfy reporting and other obligations under the Code, Treasury Regulations, or any other applicable law or regulation (including the Cayman FATCA Legislation), and will update or replace such tax forms or certifications in accordance with their terms or subsequent amendments. Such beneficial owner acknowledges that the failure to provide, update or replace any such tax forms or certifications may result in the imposition of withholding or back-up withholding on payments to the beneficial owner, or to the Issuer. Amounts withheld by the Issuer or their agents that are, in their sole judgment, required to be withheld pursuant to applicable tax laws will be treated as having been paid to such beneficial owner by the Issuer.

7. It will provide the Issuer, the Trustee or their agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA, the Cayman FATCA Legislation and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer. It acknowledges that in the event such Holder fails to provide such information or documentation, or to the extent that its ownership of Notes would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer (and any agent acting on its behalf) is authorized to withhold amounts otherwise distributable to the investor as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the investor to sell its Notes and, if such person does not sell its Notes within 10 Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account, in addition to other related costs and charges, any taxes incurred by the Issuer in connection with such sale) to such person as payment in full for

such Notes. The Issuer may also assign each such Note a separate securities identifier in the Issuer's sole discretion. Each Holder agrees that the Issuer, the Trustee and/or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to the Cayman Islands Tax Information Authority, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and the Cayman FATCA Legislation.

8. It represents that it is not a member of an "expanded group" (as defined in Treasury Regulations section 1.385-1(c)(4)) with respect to which a beneficial owner of Preferred Shares is a "covered member" (as defined in Treasury Regulations section 1.385-1(c)(2)), except to the extent that the Issuer or its agents have provided such beneficial owner with an express waiver of this representation.

9. It agrees that for so long as the Issuer is treated as an entity disregarded as separate from such beneficial owner for U.S. federal income tax purposes, it will not transfer its interest in a Note unless it shall have obtained written advice of Dechert LLP or Cadwalader, Wickersham & Taft LLP, or an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters, in the form and substance reasonably satisfactory to the Collateral Manager, to the effect that (A) such transfer will not cause the Issuer to be treated as a publicly traded partnership taxable as a corporation or to be subject to U.S. federal income tax with respect to its net income or subject to tax liability under Section 1446 of the Code and (B) any such Note and any other outstanding Notes of the same Class (excluding any Notes of the same Class that will continue to be held by such beneficial owner immediately after such transfer) will be fungible for U.S. federal income tax purposes immediately after such transfer.

10. It represents that, if it is not a United States person for U.S. federal income tax purposes, it:

(i) is: (1) not a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business (within the meaning of section 881(c)(3)(A) of the Code); (2) not a "10-percent shareholder" with respect to the holder or any beneficial owners of the Preferred Shares within the meaning of section 871(h)(3) or section 881(c)(3)(B) of the Code; and (3) not a "controlled foreign corporation" that is related to the holder or any beneficial owners of the Preferred Shares within the meaning of section 881(c)(3)(C) of the Code;

(ii) has provided an IRS Form W-8ECI representing that all payments received or to be received by it from the Issuer are effectively connected with its conduct of a trade or business in the United States and includible in its gross income; or

(iii) is eligible for the benefits under an income tax treaty with the United States that eliminates U.S. federal income taxation of payments on the Notes.

11. It agrees not to seek to commence in respect of the Issuer, the Co-Issuer or any Equity Holder Subsidiary, or cause the Issuer, the Co-Issuer or any Equity Holder Subsidiary to commence, a bankruptcy proceeding before a year and a day has elapsed since the payment in full to the holders of the Secured Debt issued pursuant to the Indenture and incurred pursuant to the Credit Agreement or, if longer, the applicable preference period (plus one day) then in effect. It further agrees to the subordination provision set forth in Section 13.1(c) of the Indenture.

12. (a) (i) The express terms of the Indenture govern the rights of the holders to direct the commencement of a Proceeding against any Person, (ii) the Indenture contains limitations on the rights of the holders to direct the commencement of any such Proceeding, and (iii) it shall comply with such express terms if it seeks to direct the commencement of any such Proceeding; (b) there are no implied rights under the Indenture to direct the commencement of any such Proceeding; and (c) notwithstanding any provision of the Indenture, or any provision of the Notes or of any other agreement, the Issuer shall be under no duty or obligation of any kind to the holders of the Notes (or of any interest therein), or any of them, to institute any legal or other proceedings of any kind, against any person or entity, including, without limitation, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Manager, the Collateral Administrator, the Custodian, the Document Custodian or the Calculation Agent.

13. It agrees that the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, may enter into binding commitments to sell and transfer all Notes of a Re-Priced Class held by non-consenting holders pursuant to the Indenture, and if it is a non-consenting holder, hereby irrevocably appoints the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, as its true and lawful agent and attorney-in-fact (with full power of substitution) in its name, place and stead and at its expense, in connection with such sale and transfers, and agrees to cooperate with the Issuer, the Re-Pricing Intermediary on behalf of the Issuer, or the Trustee in connection with any such sale and transfers.

14. It acknowledges that, to the extent required by the Issuer, as determined by the Issuer or the Collateral Manager on behalf of the Issuer, the Issuer may, upon notice to the Trustee, impose additional transfer restrictions on the Notes to comply with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the "USA Patriot Act"), and other similar laws or regulations, including, without limitation, requiring each purchaser or transferee of a Note to make representations to the Issuer in connection with such compliance.

15. It is not a member of the public in the Cayman Islands.

16. It understands that the Co-Issuers, the Trustee and the Placement Agent will rely upon the accuracy and truth of the foregoing representations, and it hereby consents to such reliance.

17. It will provide notice to each Person to whom it proposes to transfer any interest in such Notes of the transfer restrictions and representations set forth in Section 2.5 of the Indenture, including the Exhibits referenced therein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

Name of Purchaser:

Dated:

By: _____
Name:
Title:

Aggregate Outstanding Amount of Notes: U.S.$[_____]

cc:

PennantPark CLO I, Ltd.
c/o Crestbridge Cayman Limited
9 Forum Lane
Camana Bay
P.O. Box 31243
Grand Cayman, KY1-1205
Cayman Islands
Attention: The Directors

EXHIBIT C

FORM OF SECURITIES ACCOUNT CONTROL AGREEMENT

[TO BE ATTACHED]

EXHIBIT D

FORM OF BENEFICIAL OWNERSHIP CERTIFICATE

U.S. Bank National Association, as Trustee
One Federal Street, Third Floor
Boston, Massachusetts 02110
Attention: Global Corporate Trust- PennantPark CLO I, Ltd.

PennantPark CLO I, Ltd.
c/o Crestbridge Cayman Limited
9 Forum Lane
Camana Bay
P.O. Box 31243
Grand Cayman, KY1-1205
Cayman Islands
Attention: The Directors

Re: Reports Prepared Pursuant to the Indenture, dated as of September 19, 2019 (the "Indenture"), among PennantPark CLO I, Ltd. (the "Issuer"), PennantPark CLO I, LLC (the "Co-Issuer" and, together with the Issuer, the "Co-Issuers") and U.S. Bank National Association, as trustee (in such capacity, the "Trustee") and as collateral agent.

Ladies and Gentlemen:

The undersigned hereby certifies that it is the beneficial owner of U.S.$_____ in principal amount of the [Class A-1 Senior Secured Floating Rate Notes due 2031][Class A-2 Senior Secured Fixed Rate Notes due 2031][Class B-1 Senior Secured Floating Rate Notes due 2031][Class B-2 Senior Secured Fixed Rate Notes due 2031][Class C-1 Secured Deferrable Floating Rate Notes due 2031][Class C-2 Secured Deferrable Fixed Rate Notes due 2031][Class D Secured Deferrable Floating Rate Notes due 2031] of the Co-Issuers and hereby requests the Collateral Administrator, the Trustee and the Collateral Agent grant it access to or deliver to it, as applicable, and as and when granted or delivered to any Holder or Noteholder under the Indenture, all notices, reports or other communications required to be delivered to any Holder or Noteholder under the Indenture or any Transaction Document. Capitalized terms used but not defined herein shall have the meaning given them in the Indenture.

In consideration of the physical or electronic signature hereof by the beneficial owner, the Co-Issuers, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Administrator, the Collateral Manager, the Administrator, the Share Registrar, the Transferor, the Depositor or their respective agents may from time to time communicate or transmit to the beneficial owner (a) information upon the request of the beneficial owner pursuant to the Indenture and (b) other information or communications marked or otherwise identified as confidential (collectively, but subject to the following sentence, "Confidential Information"). Confidential

Information relating to the Co-Issuers shall not include, however, any information that (i) was publicly known or otherwise known to the beneficial owner prior to the time of such communication or transmission; (ii) subsequently becomes publicly known through no act or omission by the beneficial owner or any Person acting on behalf of beneficial owner; (iii) otherwise is known or becomes known to the beneficial owner other than (x) through disclosure by the Co-Issuers or (y) to the knowledge of the beneficial owner after reasonable inquiry, as a result of the breach of a fiduciary duty to the Co-Issuers or a contractual duty to the Co-Issuers; or (iv) is allowed to be treated as non-confidential by consent of the Co-Issuers.

The beneficial owner will maintain the confidentiality of all Confidential Information in accordance with procedures adopted by the beneficial owner in good faith to protect Confidential Information of third parties delivered to the beneficial owner; provided that the beneficial owner may deliver or disclose Confidential Information to: (i) its directors, trustees, officers, employees, agents, attorneys and affiliates who agree to hold confidential the Confidential Information substantially in accordance with these terms and to the extent such disclosure is reasonably required for the administration of the matters contemplated hereby or the investment represented by the Notes; (ii) its legal advisors, financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with these terms and to the extent such disclosure is reasonably required for the matters contemplated hereby or the investment represented by the Notes; (iii) any other Holder, or any of the other parties to the Indenture, the Collateral Management Agreement or the Collateral Administration Agreement; (iv) except for Specified Obligor Information, any Person of the type that would be, to such Person's knowledge, permitted to acquire Notes or any other security of the Co-Issuers in accordance with the requirements of Section [2.5] of the Indenture to which such Person sells or offers to sell any such Note or any part thereof; (v) any federal or state or other regulatory, governmental or judicial authority having jurisdiction over such Person; (vi) the National Association of Insurance Commissioners or any similar organization, or any nationally recognized rating agency that requires access to information about the investment portfolio of such Person, reinsurers and liquidity and credit providers that agree to hold confidential the Confidential Information substantially in accordance with these provisions; (vii) either Rating Agency or any other NRSRO (subject to Section [14.15] of the Indenture); (viii) any other Person with the consent of the Co-Issuers and the Collateral Manager; or (ix) any other Person to which such delivery or disclosure may be necessary or appropriate (A) to effect compliance with any law, rule, regulation or order applicable to such Person, (B) in response to any subpoena or other legal process (unless prohibited by applicable law, rule, order or decree or other requirement having the force of law), (C) in connection with any litigation to which such Person is a party (unless prohibited by applicable law, rule, order or decree or other requirement having the force of law) or (D) if an Event of Default has occurred and is continuing, to the extent such Person may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under the Secured Debt or the Indenture. The beneficial owner agrees that it shall use the Confidential Information for the sole purpose of making an investment in the Notes or administering its investment in the Notes; and that the Trustee and the Collateral Administrator shall neither be required nor authorized to disclose to it any Confidential Information in violation of these provisions. In the event of any required disclosure of the Confidential Information by the beneficial owner, it hereby agrees to use reasonable efforts to protect the confidentiality of the Confidential Information.

Submission of this certificate bearing the beneficial owner's physical or electronic signature shall constitute effective delivery hereof. This certificate shall be construed in accordance with, and this certificate and all matters arising out of or relating in any way whatsoever (whether in contract, tort or otherwise) to this certificate shall be governed by, the law of the State of New York without reference to its conflicts of law provisions (other than Section 5-1401 of the New York General Obligations Law).

IN WITNESS WHEREOF, the undersigned has caused this certificate to be duly executed this ___ day of _____, ____.

[NAME OF BENEFICIAL OWNER]

By: _____
Name:
Title: Authorized Signatory

Tel: _____
Fax: _____

EXHIBIT E

FORM OF WEIGHTED AVERAGE S&P RECOVERY RATE NOTICE

U.S. Bank National Association, as Trustee and as Collateral Administrator
One Federal Street, Third Floor
Boston, Massachusetts 02110
Attentional: Global Corporate Trust – PennantPark CLO I, Ltd.

Standard & Poor's Ratings Services
a Standard & Poor's Financial Services LLC business
55 Water Street, 41st Floor
New York, New York 10041-0003
Attention: CDO Surveillance Group
Facsimile: (212) 438 2655
Email: CDO_Surveillance@sandp.com

Re: Weighted Average S&P Recovery Rate Notice Pursuant to Section [7.18(i)] of the Indenture referred to below

Ladies and Gentlemen:

Reference is made to the Indenture, dated as of September 19, 2019, among PennantPark CLO I, Ltd., PennantPark CLO I, LLC, and U.S. Bank National Association (as amended, supplemented or otherwise modified from time to time, the "Indenture"). Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

1. Pursuant to Section 7.18(i) of the Indenture, the Collateral Manager hereby notifies the Trustee, the Collateral Administrator and S&P that the Weighted Average S&P Recovery Rate that shall apply to the Collateral Obligations for purposes of determining compliance with the Minimum Weighted Average S&P Recovery Rate Test is, with respect to the [AAA]: _____.

2. The Collateral Manager hereby requests that such election be made effective on the following date: _____.

3. The Collateral Manager hereby certifies that all conditions applicable to the election of a different Weighted Average S&P Recovery Rate to apply to the Collateral Obligations have been satisfied as of the date hereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned has caused this notice to be duly executed this ___ day of _____, ____.

PENNANTPARK INVESTMENT ADVISERS, LLC, as the Collateral Manager

By: _____
Name:
Title:

EXHIBIT F

FORM OF NOTICE OF SUBSTITUTION OR REPURCHASE

(OPTIONAL REPURCHASES OR SUBSTITUTIONS PURSUANT TO SECTION [12.3] OF THE INDENTURE)

U.S. Bank National Association, as Trustee
111 Fillmore Avenue East
St. Paul, Minnesota 55107-1402
Attention: Bondholder Services – EP-MN-WS2N
Reference: PennantPark CLO I, Ltd.

With a copy to:

U.S. Bank National Association, as Trustee and as Collateral Agent
One Federal Street, Third Floor
Boston, Massachusetts 02110
Attention: Global Corporate Trust- PennantPark CLO I, Ltd.

U.S. Bank National Association, as Loan Agent
Global Corporate Trust/CDO Department
214 N. Tryon Street, 26th Floor
Charlotte, North Carolina 28202
Attention: Jim Hanley
Ref: PennantPark CLO I, Ltd.
Email: agency.services@usbank.com

PennantPark CLO I, Ltd., as Issuer
c/o Crestbridge Cayman Limited
9 Forum Lane
Camana Bay
P.O. Box 31243
Grand Cayman, KY1-1205
Cayman Islands
Attention: The Directors

PennantPark Investment Advisers, LLC, as Collateral Manager
590 Madison Avenue
New York, New York 10022
Attention: Arthur H. Penn, Chief Executive Officer and Managing Member

PennantPark Floating Rate Capital Ltd.

RE: [Substitution][Repurchase] of Collateral Obligation

I. Notification

Pursuant to the Indenture, dated as of September 19, 2019 (such agreement as amended, modified, waived, supplemented or restated from time to time, the "Indenture"), among PennantPark CLO I, Ltd., PennantPark CLO I, LLC, and U.S. Bank National Association, PennantPark Floating Rate Capital Ltd. (the "Transferor")] hereby notifies you that it intends to [substitute a Collateral Obligation pursuant to Section 12.3(a) of the Indenture] [repurchase a Collateral Obligation pursuant to Section 12.3(b) of the Indenture]. Capitalized terms used but not defined herein shall have the meanings given such terms in the Indenture.

Pursuant to Section [12.3] of the Indenture, the Transferor hereby provides notice that that:

The Collateral Obligation for which a Substitution Event has occurred and/or which is to be [substituted] [repurchased] is:	[_____]
The reason for such [substitution][repurchase] is:	[_____]
The Collateral Obligation(s) to be Delivered in Exchange for the Collateral Obligation to be Substituted is:	[_____]
The Transfer Deposit Amount (if any) with respect to the Collateral Obligation is:	[_____]
The date of the deposit or substitution is:	[_____]

Upon such [substitution][repurchase], the Schedule of Collateral Obligations shall be deemed amended to reflect the [substitution][inclusion] of the Collateral Obligation. Such substitution or exchange is permitted under and is being made in compliance with the applicable provisions of the Indenture, including without limitation, the Substitution Period. As of the related Cut-Off Date, the Substitute Collateral Obligation Conditions have been satisfied.

II. Calculations

[If applicable, provide calculations used in determining compliance with Section [12.3] of the Indenture – "Optional Repurchase or Substitution of Collateral Obligations," including the Repurchase and Substitution Limit as defined in Section [12.3(c)] of the Indenture.]

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have caused this notice to be duly executed this ___ day of _____, ____.

PENNANTPARK FLOATING RATE CAPITAL LTD.
as the Transferor

By: _____
Name:
Title:]

PENNANTPARK INVESTMENT ADVISERS, LLC, as the Collateral Manager on behalf of the Issuer

By: _____
Name:
Title:

Exhibit 99.3

EXECUTION VERSION

CREDIT AGREEMENT

dated as of September 19, 2019

among

PENNANTPARK CLO I, LTD.,
as Borrower,

PENNANTPARK CLO I, LLC,
as Co-Borrower,

VARIOUS FINANCIAL INSTITUTIONS AND OTHER PERSONS,
as Lenders,

U.S. BANK NATIONAL ASSOCIATION,
as Loan Agent

and

U.S. BANK NATIONAL ASSOCIATION,
as Collateral Agent

TABLE OF CONTENTS

		Page
ARTICLE I DEFINITIONS AND INTERPRETATION		1
Section 1.1	Defined Terms	1
Section 1.2	Use of Defined Terms	1
Section 1.3	Interpretation	2
Section 1.4	Accounting Matters	2
Section 1.5	Collateral Documents	2
Section 1.6	Conflict between Credit Documents	2
Section 1.7	Legal Representation of the Parties	2
ARTICLE II COMMITMENTS		3
Section 2.1	Commitments of Each Lender	3
Section 2.2	Fees	3
ARTICLE III LOANS AND LENDER NOTES		3
Section 3.1	Borrowing Procedure	3
Section 3.2	Lender Notes	4
Section 3.3	Principal Payments	5
Section 3.4	Interest	6
Section 3.5	Method and Place of Payment	7
Section 3.6	Subordination	7
Section 3.7	Conversion	8
Section 3.8	Additional Loans	9
ARTICLE IV CONDITIONS TO CREDIT EXTENSIONS		9
Section 4.1	Loan Date	9
ARTICLE V REPRESENTATIONS, WARRANTIES, AND COVENANTS		9
Section 5.1	Payment of Principal and Interest	9
Section 5.2	Maintenance of Office or Agency	9
Section 5.3	Money for Loan Payments to be Held in Trust	10
Section 5.4	Existence of Borrowers	10
Section 5.5	Protection of Assets	10
Section 5.6	Opinions as to Assets	10
Section 5.7	Performance of Obligations	10

TABLE OF CONTENTS
(continued)

		Page
Section 5.8	Negative Covenants	10
Section 5.9	Statement as to Compliance	10
Section 5.10	Successor Substituted	11
Section 5.11	No Other Business	11
Section 5.12	Annual Rating Review	11
Section 5.13	Calculation Agent	11
Section 5.14	Certain Tax Matters	11
Section 5.15	Representations Relating to Security Interests in the Assets	12
ARTICLE VI EVENTS OF DEFAULT		14
Section 6.1	Default and Events of Default	14
Section 6.2	Acceleration	14
Section 6.3	Remedies	14
ARTICLE VII THE AGENTS		14
Section 7.1	Appointment	14
Section 7.2	Nature of Duties	15
Section 7.3	Lack of Reliance on the Agents	15
Section 7.4	Certain Rights of the Agents	15
Section 7.5	Not Responsible for Recitals, Incurrence of Loans or Issuance of Notes	19
Section 7.6	May Hold Loans or Notes	19
Section 7.7	Holders of Lender Notes; Transferee of Assignment Agreement	19
Section 7.8	Compensation and Reimbursement	20
Section 7.9	Agents Required; Eligibility	21
Section 7.10	Resignation and Removal of Agents; Appointment of Successor Agents	21
Section 7.11	Acceptance of Appointment by Successor Agents	23
Section 7.12	Merger, Conversion, Consolidation or Succession to Business of Agents	23
Section 7.13	Representations and Warranties of U.S. Bank National Association	24

		Page
ARTICLE VIII MISCELLANEOUS		24
Section 8.1	Payment of Expenses, Etc.	24
Section 8.2	Right of Setoff	25
Section 8.3	Notices	25
Section 8.4	Benefit of Agreement	26
Section 8.5	No Waiver; Remedies Cumulative	27
Section 8.6	Payments Pro Rata	27
Section 8.7	Calculations; Computations	28
Section 8.8	Governing Law; Submission to Jurisdiction; Venue; Waiver of Jury Trial	28
Section 8.9	Counterparts	29
Section 8.10	Effectiveness	29
Section 8.11	Headings Descriptive	29
Section 8.12	Amendment or Waiver	29
Section 8.13	Survival	30
Section 8.14	Domicile of Loans	31
Section 8.15	Confidentiality	31
Section 8.16	Register	31
Section 8.17	Marshalling; Recapture	32
Section 8.18	Lender Representations, etc.; Non-Recourse Obligations	32
Section 8.19	Co-Borrower’s Obligations	36
Section 8.20	No Petition	36
Section 8.21	Acknowledgment	36
Section 8.22	Limitation on Suits	37
Section 8.23	Unconditional Rights of Lenders to Receive Principal and Interest	37
Section 8.24	Termination of Agreement	37
Section 8.25	Lender Information	37
Section 8.26	Lender Consent	37
Section 8.27	Cayman AML Regulations	37
Section 8.28	Cayman Islands Self-Certification	37
Section 8.29	USA PATRIOT Act	37

ANNEXES, EXHIBITS AND SCHEDULES

ANNEX X – Definitions

EXHIBIT A – Form of Lender Note
EXHIBIT B – Form of Assignment and Assumption Agreement
EXHIBIT C – Form of Conversion Notice
EXHIBIT D – Confirmation of Registration

SCHEDULE 1 – Commitments and Percentages
SCHEDULE 2 – Lending Offices and Notice Data
SCHEDULE 3 – Payment Instructions for Lenders
SCHEDULE 4 – Loan Agent Wiring Instructions

CREDIT AGREEMENT

THIS CREDIT AGREEMENT (this "Agreement"), dated as of September 19, 2019, is entered into by and among PENNANTPARK CLO I, LTD., an exempted company incorporated with limited liability under the laws of the Cayman Islands (the "Borrower"), PENNANTPARK CLO I, LLC, a limited liability company organized under the laws of the State of Delaware (the "Co-Borrower" and, together with the Borrower, the "Borrowers"), VARIOUS FINANCIAL INSTITUTIONS AND OTHER PERSONS which are, or may become, parties hereto as Lenders (the "Lenders"), and U.S. BANK NATIONAL ASSOCIATION, not in its individual capacity but as Loan Agent (in such capacity, the "Loan Agent") and as Collateral Agent (in such capacity, the "Collateral Agent").

W I T N E S S E T H:

WHEREAS, the Borrower is an exempted company with limited liability incorporated under the laws of the Cayman Islands organized for the purpose of investing on a leveraged basis and actively managing a diversified pool of Collateral Obligations (as such term and the other capitalized terms used in these recitals are defined in Section 1.1 below);

WHEREAS, the Borrower and Co-Borrower will be issuing Notes under the Indenture as Issuer and as Co-Issuer, respectively, subject to the terms and conditions set forth therein, and will pledge as security for the Secured Notes and the Loans all of the Assets, as set forth in the Indenture;

WHEREAS, the Borrower desires to obtain Commitments from the Lenders, pursuant to which Loans shall be made, subject to the terms and conditions set forth herein, in a maximum aggregate principal amount not to exceed at any time the Aggregate Commitment at such time; and

WHEREAS, the Lenders are willing, on the terms and conditions hereinafter set forth, to extend such Commitments;

NOW, THEREFORE, the parties hereto, intending to be legally bound hereby, agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.1 Defined Terms. As used in this Agreement, and unless the context requires a different meaning, capitalized terms used but not defined herein shall have the respective meanings set forth in Annex X hereto (or, if not so defined, in the Indenture). The parties hereto acknowledge and agree that the Loans made under this Agreement are the "Class A-1 Loans" referred to in the Indenture.

Section 1.2 Use of Defined Terms. Unless otherwise defined or the context otherwise requires, terms for which meanings are provided in this Agreement shall have such meanings when used in each Assignment Agreement, notice and other communication delivered from time to time in connection with this Agreement or any other Credit Document.

Section 1.3 Interpretation. In this Agreement, unless a clear contrary intention appears:

(a) the singular includes the plural and the plural the singular;

(b) words importing any gender include the other genders;

(c) references to "writing" include printing, typing, lithography and other means of reproducing words in a visible form;

(d) references to agreements (including this Agreement and the Annex and Exhibits and Schedules hereto) and other contractual instruments include all amendments, modifications and supplements thereto or any changes therein entered into in accordance with their respective terms and not prohibited by the Indenture or this Agreement;

(e) references to Persons include their permitted successors and assigns but if applicable, only if such successors and assigns are permitted by this agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually; and

(f) the term "including" means "including without limitation".

Section 1.4 Accounting Matters. For purposes of this Agreement, all accounting terms not otherwise defined herein shall have the meanings assigned to them in conformity with GAAP.

Section 1.5 Collateral Documents. References in this Agreement to the Indenture or any other Collateral Document, in a case where such Collateral Document is or would be governed by the laws of any jurisdiction other than the State of New York, shall mean and be a reference to a document having a purpose and effect under the laws of such other jurisdiction substantially similar to the purpose and effect of the corresponding Collateral Document.

Section 1.6 Conflict between Credit Documents. If there is any conflict between this Agreement and the Indenture or any other Credit Document, this Agreement, the Indenture and such other Credit Document shall be interpreted and construed, if possible, so as to avoid or minimize such conflict but, to the extent (and only to the extent) of such conflict, the Indenture shall prevail and control and in any other case this Agreement shall prevail and control.

Section 1.7 Legal Representation of the Parties. This Agreement was negotiated by the parties with the benefit of legal representation and any rule of construction or interpretation otherwise requiring this Agreement or any other Credit Document to be construed or interpreted against any party shall not apply to any construction or interpretation hereof or thereof.

ARTICLE II

COMMITMENTS

Section 2.1 Commitments of Each Lender. (a) Subject to the terms and conditions of this Agreement, each Lender severally and for itself alone agrees to make a Loan (as defined below) to the Borrower in a principal amount equal to such Lender's Percentage of the Aggregate Commitment.

(b) Each Lender shall, on the Closing Date and subject to the terms and conditions hereof, severally, but not jointly, make a term loan (a "Loan" and, collectively, the "Loans") to the Borrower (the payment of which may be made to the Collateral Agent on behalf of the Borrower) for deposit in the Ramp-Up Account (pursuant to the wiring instructions on Schedule 4 hereto) in a principal amount equal to such Lender's Percentage of the Aggregate Commitment. The commitment of each Lender to make Loans under this Section 2.1(b) is herein referred to as its "Commitment" and, together with its Percentage of the Aggregate Commitment, is set forth in Schedule 1 hereto.

(c) Each Loan shall be denominated in Dollars. Subject to the terms hereof, the Borrower may from time to time prepay the Loans in accordance with the Priority of Payments and in connection with a redemption of the Secured Debt in accordance with Article IX of the Indenture; *provided* that the Borrower may not borrow or re-borrow any Loans after prepayment or repayment thereof.

Section 2.2 Fees. The Borrower shall pay fees to the Loan Agent and the Collateral Agent in the amount specified in the Agent Fee Letter, for all services rendered by each hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a collateral agent or loan agent, as applicable, of an express trust), subject to and in accordance with the Indenture, including the Priority of Payments. Such fees shall constitute Administrative Expenses and shall be payable solely from available funds in accordance with the Priority of Payments (or in such other manner in which Administrative Expenses are payable under the Indenture).

ARTICLE III

LOANS AND LENDER NOTES

Section 3.1 Borrowing Procedure. Borrowings of Loans shall be made in accordance with this Section 3.1.

Section 3.1.1 Funding of the Borrowing. (a) Upon receipt of confirmation from the Borrower (or its counsel on its behalf) that the conditions set forth in Section 4.1 have been satisfied, each Lender shall make available its *pro rata* share (based on such Lender's Percentage) of the Aggregate Commitments in the manner provided below. All such amounts shall be made available in Dollars, and in immediately available funds to the Collateral Agent for deposit into the Ramp-Up Account pursuant to the Indenture.

(b) Nothing herein shall be deemed to relieve any Lender from its obligation to fulfill its Commitments and other commitments hereunder or to prejudice any rights which the Borrower may have against any Lender as a result of any default by such Lender hereunder.

Section 3.2 Lender Notes. (a) On the Loan Date to the extent requested by any Lender, the Borrowers shall (i) sign a Lender Note in the name of such Lender in a maximum principal amount equal to such Lender's Percentage of the Aggregate Commitments, which such Lender Notes shall be dated the Loan Date and substantially in the form of Exhibit A (a "Lender Note") and (ii) deliver such Lender Note to such Lender (with a copy to the Loan Agent). If requested by any Lender, the Borrower shall obtain a CUSIP or other loan identification number that is customary for the nature of the Loans made hereunder. To the extent any Lender does not elect to receive a Lender Note, the Registrar shall, upon instruction of the Borrower, deliver to such Lender a Confirmation of Registration in the form of Exhibit D hereto.

(b) The Borrower hereby irrevocably authorizes the Loan Agent to make (or cause to be made) appropriate notations on its internal records, which notations shall evidence, *inter alia*, the date of, the Aggregate Outstanding Amount of, and the Interest Rate applicable to, the Loans evidenced thereby. The notations on such internal records indicating the Aggregate Outstanding Amount of the Loans made by such Lender shall be *prima facie* evidence (absent manifest error) of the principal amount thereof owing and unpaid, but the failure to record any such amount, or any error therein, shall not limit or otherwise affect the obligations of the Borrower hereunder or under any Lender Note to make payment of principal of or interest on such Loans when due. At any time (including to replace any Lender Note that has been destroyed or lost) when any Lender requests the delivery of a new Lender Note to evidence any of its Loans, the Borrower shall promptly execute and deliver to such Lender the Lender Note in the appropriate amount or amounts to evidence such Loans; *provided*, for the avoidance of doubt, that, other than in the case of a substitute or replacement Lender Note to replace a Lender Note that has been destroyed or lost, only one Lender Note shall be issued to any Lender and the Loan Agent shall not deliver a new Lender Note to any requesting Lender until such Lender surrenders the Lender Note currently held by such Lender; *provided*, *further*, that, in the case of a substitute or replacement Lender Note, the Borrowers and the Loan Agent shall have received from such requesting Lender (i) evidence to their reasonable satisfaction of the destruction, loss or theft of any Lender Note and (ii) there is delivered to the Borrowers, the Loan Agent, the Collateral Agent and the Transfer Agent such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Borrowers, the Loan Agent, the Collateral Agent and/or such Transfer Agent that such Lender Note has been acquired by a "protected purchaser" (within the meaning of Section 8-303 of the UCC), the Borrowers shall execute and, upon receipt of such executed Lender Note, the Collateral Agent shall deliver to the Holder, in lieu of any such mutilated, defaced, destroyed, lost or stolen Lender Note, the new Lender Note, of like tenor (including the same date of issuance) and equal principal or face amount, registered in the same manner, dated the date of its issuance, bearing interest from the date to which interest has been paid on the mutilated, defaced, destroyed, lost or stolen Lender Note; *provided*, *further*, that, in connection with the Stated Maturity or Redemption Date of the Loans, each Lender shall surrender the Lender Notes to the Loan Agent for payment of the Redemption Price or final payment of principal of such Loans in accordance with the Priority of Payments. Such surrender shall occur either at the address specified herein for the Loan Agent or, with respect to any Redemption Date, in accordance with the redemption notice delivered pursuant to Section 9.4 of the Indenture.

If, after delivery of such new Lender Note, a protected purchaser of the predecessor Lender Note presents for payment, transfer or exchange such predecessor Lender Note, the Borrowers, the Collateral Agent, the Loan Agent and such Transfer Agent shall be entitled to recover such new Lender Note from the Person to whom it was delivered or any Person taking therefrom, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Borrowers, the Collateral Agent, the Loan Agent and such Transfer Agent in connection therewith.

In case any such mutilated, defaced, destroyed, lost or stolen Lender Note has become due and payable, the Borrowers in their discretion may, instead of issuing a new Lender Note pay such Lender Note without requiring surrender thereof except that any mutilated or defaced Lender Note shall be surrendered.

Upon the issuance of any new Note under this Section 3.2, the Borrowers may require the payment by the Lender thereof of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Collateral Agent and the Loan Agent) connected therewith.

All Lender Notes surrendered for payment, registration of transfer, conversion, exchange or redemption, or mutilated, defaced or deemed lost or stolen, shall be promptly canceled by the Loan Agent and may not be reissued or resold. No Lender Note may be surrendered (including any surrender in connection with any abandonment, donation, gift, contribution or other event or circumstance) except for payment as provided herein, or for registration of transfer, exchange, conversion or redemption, or for replacement in connection with any Lender Note mutilated, defaced or deemed lost or stolen. Any such Lender Note shall, if surrendered to any Person other than the Loan Agent, be delivered to the Loan Agent. All canceled Lender Notes held by the Loan Agent shall be destroyed or held by the Loan Agent in accordance with its standard retention policy unless the Borrowers shall direct by an Issuer Order received prior to destruction that they be returned to it.

The provisions of this Section 3.2 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, defaced, destroyed, lost or stolen Lender Notes.

Section 3.3 Principal Payments.

Section 3.3.1 Repayments and Prepayments. The Borrowers shall make payments of unpaid principal of each Loan on each Payment Date to the extent provided in the Priority of Payments and Article IX of the Indenture.

Section 3.3.2 Application. Each repayment and prepayment of a Loan shall be subject to the terms of the Indenture (including the subordination provisions set forth in Section 13.1 thereof and the Priority of Payments set forth in Section 11.1(a) thereof) and the requirement to pay Lenders on a *pro rata* basis as set forth in Section 8.6. Without limiting the generality of the foregoing, the Loans shall comprise and be a part of the Class A-1 Debt and, as such, shall be subject to the terms and conditions of the Indenture applicable to the Class A-1 Debt, and shall have the rights afforded in the Indenture to the Class A-1 Debt (to the extent of the component thereof consisting of the Loans).

Section 3.3.3 Mandatory Prepayment. The Loans are subject to prepayment in connection with a mandatory redemption of the Secured Debt as set forth in Section 9.1 of the Indenture (a "Mandatory Prepayment").

Section 3.3.4 Special Prepayment. The Loans are subject to prepayment in connection with a Special Redemption as set forth in Section 9.6 of the Indenture.

Section 3.3.5 Optional Prepayment. The Loans are subject to prepayment in connection with an Optional Redemption as set forth in Section 9.2 of the Indenture or a Tax Redemption as set forth in Section 9.3 of the Indenture.

Section 3.3.6 Prepayment in Connection with Clean-Up Call Redemption of Notes. The Loans are subject to prepayment in connection with a Clean-Up Call Redemption as set forth in Section 9.8 of the Indenture.

Section 3.3.7 Re-Pricing. The Loans and the Class A-1 Notes issued as a result of the Loans being converted into the Class A-1 Notes in accordance with this Agreement and the Indenture will not be subject to Re-Pricing.

Section 3.4 Interest.

Section 3.4.1 Interest Rules and Calculations. (a) Interest on each Loan shall be payable in respect of each Loan, on each Payment Date and on any date of prepayment or repayment of such Loan, commencing on the first Payment Date following the Loan Date in accordance with the terms of the Indenture (including the subordination provisions set forth in Section 13.1 thereof and the Priority of Payments set forth in Section 11.1(a) thereof). For each Loan, interest shall accrue during each Interest Accrual Period on the unpaid Aggregate Outstanding Amount of such Loan on the first day of the applicable Interest Accrual Period (after giving effect to payments of principal thereon on such date).

(b) Interest due and payable shall be determined in accordance with Section 2.7 of the Indenture.

(c) The Borrower shall make all payments of interest to the Loan Agent for the account of each Lender in accordance with Section 3.5.

(d) The Lenders hereby consent to the Borrower's appointment of the Collateral Administrator to serve as Calculation Agent under the Indenture. All computations of interest due shall be made by the Calculation Agent in accordance with Section 8.7 hereof. The Borrower hereby agrees that for so long as any Loans remain Outstanding, there will at all times be a Calculation Agent appointed under the Indenture to calculate LIBOR (or after the election of an Alternative Rate, such Alternative Rate) in respect of the Secured Debt.

(e) In no event shall the rate of interest applicable to any Loan exceed the maximum rate permitted by applicable law.

(f) Upon an assignment of Loans pursuant to Section 8.3, unless otherwise directed by the assignor Lender, the assigned Loans shall trade without accrued interest and the Loan Agent shall, in accordance with the Priority of Payments on the Payment Date immediately succeeding the date of assignment, disburse to (x) the assignor Lender, the interest accrued on such assigned Loan from and including the previous Payment Date (or, in the case of the first Interest Accrual Period, the Closing Date) to but excluding such date of assignment and (y) the assignee Lender, the interest accrued on such assigned Loan from and including such date of assignment to but excluding such Payment Date.

Section 3.5 Method and Place of Payment. (a) To the extent funds are available pursuant to the Priority of Payments, all payments by the Borrowers of principal and interest in respect of Loans hereunder and all fees and all other Loans hereunder shall be made in accordance with Sections 2.7 and 11.1 of the Indenture. Except as otherwise specifically provided herein, all payments under this Agreement shall be made to the Loan Agent for the ratable (based on their applicable Percentages) account of the Lenders entitled thereto (which funds, if delivered to the Loan Agent, the Loan Agent shall promptly forward to such Lenders), on the date when due and shall be made in immediately available funds to the account with the wire instructions specified in Schedule 3 (or in the Assignment Agreement, as applicable). For the avoidance of doubt, all payments by the Borrower of principal and interest in respect of Loans, or any other amounts owed to a Lender hereunder, payable on a Payment Date shall be made to the Lender of record as of the corresponding Record Date.

Section 3.6 Subordination.

(a) Incorporation of Subordination Provisions of the Indenture. All Loans incurred pursuant to this Agreement are subject to, and each Lender hereby consents and agrees to, the subordination and remedy provisions set forth in Section 13.1 of the Indenture. Article XIII of the Indenture shall be binding upon each Lender as though such sections (and the corresponding defined terms) had been set forth herein in their entirety.

(b) Each Lender hereby acknowledges and agrees that all of its Loans are subject to the terms and conditions of this Agreement and the Indenture and shall be paid solely to the extent of available funds in accordance with the Priority of Payments. Each Lender hereby agrees and acknowledges that its right to payment shall be subordinate and junior to any payments owed under Sections 11.1(a)(i)(A) and (B) of the Indenture and, any applicable payments owed under Section 11.1(a)(ii)(A) of the Indenture senior to payments with respect to the Loans and any payments owed under Sections 11.1(a)(iii)(A) and (B) of the Indenture (collectively, the "Senior Items") of the Indenture, as applicable. In the event that, notwithstanding the provisions of this Agreement and the Indenture, any Lender shall have received any payment or distribution in respect of its Loans contrary to the provisions of the Indenture or this Agreement, then, unless and until each Senior Item shall have been paid in full in Cash or, to the extent each recipient of such Senior Item consents, such payment or distribution shall be received and held in trust for the benefit of, and shall forthwith be paid over and delivered to, the Collateral Agent, which shall pay and deliver the same in respect of the

Senior Items in accordance with the Indenture; *provided*, *however*, that if any such payment or distribution is made other than in Cash, it shall be held by the Collateral Agent as part of the Assets and subject in all respects to the provisions of the Indenture. Each Lender agrees with all recipients of Senior Items that such Lender shall not demand, accept, or receive any payment or distribution in respect of its Loans in violation of the provisions of the Indenture. Nothing in this Section 3.6(b) shall affect the obligation of the Borrower to pay the Lenders hereunder.

(c) Agents Entitled to Assume Payment Not Prohibited in Absence of Notice. Each of the Agents shall not at any time be charged with knowledge of the existence of any facts which would prohibit the making of any payment to or by such Agent unless and until such Agent has actual knowledge thereof or unless and until such Agent shall have received and accepted (in its role as Agent) written notice thereof from the Borrower (in the form of an Officer's Certificate reasonably satisfactory to such Agent) or Persons representing themselves to be other holders of obligations payable hereunder or under any Credit Document by the Borrower, and, prior to the receipt of any such written notice, such Agent, subject to the provisions of this Agreement, shall be entitled in all respects conclusively to assume that no such fact exists, and such Agent shall have no liability hereunder for any payment made, or action taken, by it without such knowledge or notice.

Section 3.7 Conversion. (a) Notwithstanding anything contained herein to the contrary, upon delivery from a Converting Lender to the Collateral Agent, the Trustee, the Loan Agent, each Rating Agency and the Borrowers of a notice substantially in the form of Exhibit C hereto, a Converting Lender may elect any Payment Date (such Payment Date, a "Conversion Date") upon which all or a portion of the Aggregate Outstanding Amount of the Loans held by such Converting Lender shall be converted into Class A-1 Notes of an equal aggregate principal amount in accordance with Section 2.5 of the Indenture; *provided* that (i) each Conversion Date shall be no earlier than the fifth Business Day following the date such notice is delivered (or such earlier date as may be reasonably agreed to by the Lender, the Collateral Agent, the Loan Agent and the Trustee) and (ii) each Conversion Date shall only occur on a Payment Date. On each Conversion Date, the Aggregate Outstanding Amount of the Class A-1 Notes shall be increased by the Aggregate Outstanding Amount of the Loans so converted. The Loans so converted will cease to be outstanding and will be deemed to have been repaid in full for all purposes under the Indenture and under this Agreement. No Class A-1 Notes may be converted into Loans.

(b) The Lenders agree to provide reasonable assistance to the Trustee, the Collateral Agent and the Loan Agent in connection with such conversion, including, but not limited to, providing applicable instructions to DTC.

(c) Notwithstanding anything herein to the contrary, each Lender may elect, in its sole discretion, to exercise the Conversion Option concurrently with an assignment of all or a portion of its Loans (an "Assignment/Conversion") such that the Effective Date (as defined in the Assignment Agreement attached as Exhibit B hereto) of the assignment occurs on the related Conversion Date and the assignee receives Class A-1 Notes in lieu of the portion of the Loans being assigned. Any assignment made in connection with an Assignment/Conversion shall meet the requirements for an assignment set forth in Section 8.4. Any Lender electing to make an Assignment/Conversion shall deliver to the Collateral Agent, the Trustee, the Loan Agent and the Borrowers at least five Business Days prior to the Conversion Date, (x) an executed Assignment Agreement, (y) a completed notice substantially in the form of Exhibit C hereto and (z) the assignment fee required to be paid pursuant to Section 8.4(c) hereof.

Section 3.8 Additional Loans. On any Business Day, the Borrowers may, in accordance with Section 2.13 of the Indenture and in connection with an additional issuance pursuant thereto, incur additional Loans hereunder (any such Loans, "Additional Loans"). The incurrence of Additional Loans under this Agreement shall be subject to (i) satisfaction of the conditions set forth in Section 2.13 of the Indenture and (ii) the execution and delivery of an amendment to this Agreement in accordance with Section 8.12 that reflects the incurrence of such Additional Loans and the terms thereof, which amendment will be acknowledged by the Loan Agent and the Collateral Agent. If a Person that was not previously a party to this Agreement extends any such Additional Loan, it will be required to be made a party to this Agreement by executing such amendment and adding such Person as a Lender.

ARTICLE IV

CONDITIONS TO CREDIT EXTENSIONS

Section 4.1 Loan Date. The obligations of the Lenders to make Loans on the Loan Date shall not become effective until the date on which all conditions precedent to the issuance of the Notes set forth Section 3.1 of the Indenture have been satisfied.

ARTICLE V

REPRESENTATIONS, WARRANTIES, AND COVENANTS

Section 5.1 Payment of Principal and Interest. The Borrowers shall duly and punctually pay the principal of and interest on the Secured Debt, in accordance with the terms of this Agreement and the Indenture pursuant to the Priority of Payments.

Amounts properly withheld under the Code or other applicable law by any Person from a payment to any Lender shall be considered as having been paid by the Borrower or Co-Borrower to such Lender for all purposes of this Agreement.

Section 5.2 Maintenance of Office or Agency. The Borrowers hereby appoint the Bank as the Loan Agent and appoint the Collateral Agent as a paying agent for payments on the Loans and the Loan Agent to maintain the register as set forth in Section 8.16. The Borrowers hereby appoint The Corporation Trust Company as their agent upon whom process or demands may be served in any action arising out of or based on this Agreement or the transactions contemplated hereby.

The Borrowers may at any time and from time to time vary or terminate the appointment of any such agent or appoint any additional agents for any or all of such purposes; *provided*, *however*, that the Borrowers will maintain in the Borough of Manhattan, The City of New York, an office or agency where notices and demands to or upon the Borrowers in respect of the Notes, the Loans and this Agreement may be served. The Borrowers shall give prompt written notice to the Trustee, the Collateral Agent, the Loan Agent, each Rating Agency and the Lenders of the appointment or termination of any such agent and of the location and any change in the location of any such office or agency.

If at any time the Borrowers shall fail to maintain any such required office or agency in the Borough of Manhattan, The City of New York or shall fail to furnish the Trustee, the Collateral Agent or the Loan Agent with the address thereof, notices and demands may be served on the Borrowers by mailing a copy thereof by registered or certified mail or by overnight courier, postage prepaid, to the Borrower or Co-Borrower, respectively, at its address specified in Section 14.3 of the Indenture for notices.

Section 5.3 Money for Loan Payments to be Held in Trust. All payments of amounts due and payable with respect to any Loans that are to be made from amounts withdrawn by the Collateral Agent from the Payment Account shall be made on behalf of the Borrowers by the Collateral Agent with respect to payments on the Loans.

Section 5.4 Existence of Borrowers. Each of the Borrowers shall comply with the provisions of Section 7.4 of the Indenture with respect to the existence of the Borrowers and the provisions of Section 7.4 of the Indenture are incorporated by reference *mutatis mutandis*.

Section 5.5 Protection of Assets. Each of the Borrowers shall comply with (and the Borrower shall cause the Collateral Manager to comply with) the provisions of Section 7.5 of the Indenture with respect to the protection of the Assets and the provisions of Section 7.5 of the Indenture are incorporated by reference *mutatis mutandis*.

Section 5.6 Opinions as to Assets. The Borrower shall comply with the provisions of Section 7.6 of the Indenture with respect to the opinions as to the Assets and the provisions of Section 7.6 of the Indenture are incorporated by reference *mutatis mutandis*.

Section 5.7 Performance of Obligations. The Borrowers, each as to itself, shall not take any action, and shall use their best efforts not to permit any action to be taken by others, that would release any Person from any of such Person's covenants or obligations under any instrument included in the Assets, except in the case of enforcement action taken with respect to any Defaulted Obligation in accordance with the provisions hereof and actions by the Collateral Manager under the Collateral Management Agreement and in conformity with this Agreement and the Indenture or as otherwise required hereby.

Section 5.8 Negative Covenants. Each of the Borrowers shall, from the Closing Date through the date on which no Loans are Outstanding, comply with its obligations under Article VII of the Indenture, including by not taking any action prohibited by Section 7.8 of the Indenture.

Section 5.9 Statement as to Compliance. On or before December 31 of each year commencing in 2020, or immediately if there has been a Default under the Indenture and prior to the issuance of any additional Secured Debt pursuant to the Indenture, the Borrower shall deliver to the Collateral Agent and the Administrator (to be forwarded by the Collateral Agent or the Administrator, as applicable, to the Collateral Manager, the Loan Agent (for each Lender making a written request therefor) and each Rating Agency) an Officer's Certificate of the Borrower that,

having made reasonable inquiries of the Collateral Manager, and to the best of the knowledge, information and belief of the Borrower, there did not exist, as at a date not more than five days prior to the date of the certificate, nor had there existed at any time prior thereto since the date of the last certificate (if any), any Default under the Indenture or, if such Default did then exist or had existed, specifying the same and the nature and status thereof, including actions undertaken to remedy the same, and that the Borrower has complied with all of its obligations under this Agreement and the Indenture or, if such is not the case, specifying those obligations with which it has not complied.

Section 5.10 Successor Substituted. Upon any consolidation or merger, or transfer or conveyance of all or substantially all of the assets of the Borrower or the Co-Borrower in accordance with Section 7.10 of the Indenture in which the Merging Entity is not the surviving entity, the Successor Entity shall succeed to, and be substituted for, and may exercise every right and power of, the Merging Entity under the Indenture with the same effect as if such Person had been named as the Borrower or the Co-Borrower, as the case may be, herein, and the Successor Entity shall deliver to the Loan Agent the Officer's Certificate and Opinion of Counsel required by Section 7.10(d) of the Indenture. In the event of any such consolidation, merger, transfer or conveyance, the Person named as the "Borrower" or the "Co-Borrower" in this Agreement or any successor which shall theretofore have become such in the manner prescribed in Article VII of the Indenture may be dissolved, wound up and liquidated at any time thereafter, and such Person thereafter shall be released, without further action by any Person, from its liabilities as obligor and maker on all the Loans and from its obligations under this Agreement and the other Transaction Documents to which it is a party.

Section 5.11 No Other Business. Each of the Borrowers shall comply with the provisions of Section 7.12 of the Indenture with respect to the business of the Borrowers and the provisions of Section 7.12 of the Indenture are incorporated by reference *mutatis mutandis*.

Section 5.12 Annual Rating Review. Each of the Borrowers shall comply with the provisions of Section 7.14 of the Indenture with respect to (i) the annual rating review of the Secured Debt as set forth in clause (a) thereof and (ii) the annual review of Collateral Obligations and middle market loans as set forth in clause (b) thereof, and the provisions of Section 7.14 of the Indenture are incorporated by reference *mutatis mutandis*.

Section 5.13 Calculation Agent. Each of the Borrowers shall comply with the provisions of Section 7.16 of the Indenture with respect to the Calculation Agent and the provisions of Section 7.16 of the Indenture are incorporated by reference *mutatis mutandis*.

Section 5.14 Certain Tax Matters. The Borrowers and the Lenders shall be required to comply with the provisions of Section 7.17 of the Indenture with respect to Certain Tax Matters and the provisions of Section 7.17 of the Indenture are hereby incorporated by reference *mutatis mutandis.*

Section 5.15 Representations Relating to Security Interests in the Assets. (a) The Borrower hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of this Agreement and be deemed to be repeated on each date on which an Asset is Granted to the Collateral Agent under the Indenture), with respect to the Assets:

(i) The Borrower owns such Asset free and clear of any lien, claim or encumbrance of any Person, other than such as are being released on the Closing Date contemporaneously with the sale of the Notes on the Closing Date or on the related Cut-Off Date contemporaneously with the purchase of such Asset on the Cut-Off Date, created under, or permitted by, the Indenture and any other Permitted Liens.

(ii) Other than the security interest Granted to the Collateral Agent for the benefit of the Secured Parties pursuant to the Indenture, except as permitted by the Indenture, the Borrower has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Assets. The Borrower has not authorized the filing of and is not aware of any Financing Statements against the Borrower that include a description of collateral covering the Assets other than any Financing Statement relating to the security interest granted to the Collateral Agent under the Indenture or that has been terminated; the Borrower is not aware of any judgment, PBGC liens or tax lien filings against the Borrower.

(iii) All Assets constitute Cash, accounts (as defined in Section 9-102(a)(2) of the UCC), Instruments, general intangibles (as defined in Section 9-102(a)(42) of the UCC), uncertificated securities (as defined in Section 8-102(a)(18) of the UCC), Certificated Securities or security entitlements to financial assets resulting from the crediting of financial assets to a "securities account" (as defined in Section 8-501(a) of the UCC).

(iv) All Accounts constitute "securities accounts" under Section 8-501(a) of the UCC.

(v) The Indenture creates a valid and continuing security interest (as defined in Section 1-201(37) of the UCC) in such Assets in favor of the Collateral Agent, for the benefit and security of the Secured Parties, which security interest is prior to all other liens, claims and encumbrances (except as permitted otherwise in the Indenture), and is enforceable as such against creditors of and purchasers from the Borrower.

(b) The Borrower hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of this Agreement and be deemed to be repeated on each date on which an Asset is Granted to the Collateral Agent under the Indenture), with respect to Assets that constitute Instruments:

(i) Either (x) the Borrower has caused or shall have caused, within ten days after the Closing Date, the filing of all appropriate Financing Statements in the proper office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Instruments granted to the Collateral Agent, for the benefit and security of the Secured Parties or (y)(A) all original executed copies of each promissory note or mortgage note that constitutes or evidences the Instruments have been delivered to the Collateral Agent or the Borrower has received written acknowledgement from a

custodian that such custodian is holding the mortgage notes or promissory notes that constitute evidence of the Instruments solely on behalf of the Collateral Agent and for the benefit of the Secured Parties and (B) none of the Instruments that constitute or evidence the Assets has any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Collateral Agent, for the benefit of the Secured Parties.

(ii) The Borrower has received all consents and approvals required by the terms of the Assets to the pledge under the Indenture to the Collateral Agent of its interest and rights in the Assets.

(c) The Borrower hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of the Indenture and be deemed to be repeated on each date on which an Asset is Granted to the Collateral Agent under the Indenture), with respect to the Assets that constitute Security Entitlements:

(i) All of such Assets have been and will have been credited to one of the Accounts which are securities accounts within the meaning of Section 8-501(a) of the UCC. The Securities Intermediary for each Account has agreed to treat all assets credited to such Accounts as "financial assets" within the meaning of Section 8-102(a)(9) the UCC.

(ii) The Borrower has received all consents and approvals required by the terms of the Assets to the pledge under the Indenture to the Collateral Agent of its interest and rights in the Assets.

(iii) (x) the Borrower has caused or shall have caused, within ten days after the Closing Date, the filing of all appropriate Financing Statements in the proper office in the appropriate jurisdictions under applicable law in order to perfect the security interest granted to the Collateral Agent, for the benefit and security of the Secured Parties under the Indenture and (y)(A) the Borrower has delivered to the Collateral Agent a fully executed Securities Account Control Agreement pursuant to which the Custodian has agreed to comply with all instructions and Entitlement Orders originated by the Collateral Agent relating to the Accounts without further consent by the Borrower or (B) the Borrower has taken all steps necessary to cause the Custodian to identify in its records the Collateral Agent as the Person having a security entitlement against the Custodian in each of the Accounts.

(iv) The Accounts are not in the name of any Person other than the Borrower or the Collateral Agent. The Borrower has not consented to the Custodian complying with the Entitlement Order of any Person other than the Collateral Agent (and the Borrower prior to a notice of exclusive control being provided by the Collateral Agent, which notice the Collateral Agent agrees it shall not deliver except after the occurrence and during the continuance of an Event of Default).

(d) The Borrower hereby represents and warrants that, as of the Closing Date (which representations and warranties shall survive the execution of this Agreement and be deemed to be repeated on each date on which an Asset is Granted to the Collateral Agent under the Indenture), with respect to Assets that constitute general intangibles:

(i) The Borrower has caused or shall have caused, within ten days of the Closing Date, the filing of all appropriate Financing Statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Assets granted to the Collateral Agent, for the benefit and security of the Secured Parties.

(ii) The Borrower has received, or shall receive, all consents and approvals required by the terms of the Assets to the pledge under the Indenture to the Collateral Agent of its interest and rights in the Assets.

ARTICLE VI

EVENTS OF DEFAULT

Section 6.1 Default and Events of Default. "Default" or "Event of Default," wherever used herein, means any Default or Event of Default, respectively, under the Indenture.

Section 6.2 Acceleration. Upon the occurrence of an Event of Default and the acceleration of the Borrowers' obligations under the Indenture pursuant to the terms of Section 5.2 of the Indenture, the unpaid principal amount of the Loans, together with the interest accrued thereon and all other amounts payable by the Borrower hereunder in respect of the Loans, shall automatically become immediately due and payable by the Borrower hereunder without any declaration or other act on the part of the Collateral Agent or any Lender, subject to and in accordance with the applicable provisions of the Indenture; *provided* that upon the rescission or annulment of an acceleration under the Indenture in accordance with the terms of Section 5.2 thereof, any such acceleration shall automatically be rescinded and annulled for all purposes hereunder; *provided*, *however*, that, no such action shall affect any subsequent Default or Event of Default or impair any right consequent thereon.

Section 6.3 Remedies. Remedies for an Event of Default are granted to the Collateral Agent for the benefit of the Secured Parties under the Indenture. Each of the Lenders agrees and acknowledges that the remedies for an Event of Default hereunder are governed by, and subject to the terms and conditions of, the Indenture.

ARTICLE VII

THE AGENTS

Section 7.1 Appointment. The Lenders hereby designate (i) the Bank to act as Collateral Agent as specified herein and in the other Credit Documents and (ii) the Bank to act as Loan Agent as specified herein and in the other Credit Documents. By becoming a party to this Agreement, each Lender hereby irrevocably authorizes the Loan Agent and the Collateral Agent (together, the "Agents") to take such action under the provisions of this Agreement, the other Credit Documents and any other instruments and agreements referred to herein or therein and to

exercise such powers and to perform such duties hereunder and thereunder as are specifically delegated to or required of the Agents by the terms hereof and thereof and such other powers as are reasonably incidental thereto. The Agents may perform any of their duties hereunder or under the other Credit Documents by or through their respective officers, directors, agents, employees or affiliates. For the avoidance of doubt, the Collateral Agent and Loan Agent hereby agree to forward or make available any notices that it receives to the appropriate parties so required by the Indenture.

Section 7.2 Nature of Duties. The Agents shall not have any duties or responsibilities except those expressly set forth in this Agreement and the other Collateral Documents. None of the Agents or any of their respective officers, directors, employees or affiliates shall be liable for any action taken or omitted by it or them hereunder or under any other Credit Document or in connection herewith or therewith, unless caused by its or their gross negligence, willful misconduct or bad faith. The duties of the Agents shall be mechanical and administrative in nature; the Agents shall not have by reason of this Agreement or any other Credit Document a fiduciary relationship in respect of any Lender; and nothing in this Agreement or any other Credit Document, expressed or implied, is intended to or shall be so construed as to impose upon the Agents any obligations in respect of this Agreement or any other Credit Document except as expressly set forth herein or therein.

Section 7.3 Lack of Reliance on the Agents. Independently and without reliance upon the Agents, each Lender, to the extent it deems appropriate, has made and shall continue to make (i) its own independent investigation of the financial condition and affairs of the Borrowers in connection with the making and the continuance of the Loans and the taking or not taking of any action in connection herewith and (ii) its own appraisal of the creditworthiness of the Borrowers and, except as expressly provided in this Agreement and the other Credit Documents, the Agents shall not have any duty or responsibility, either initially or on a continuing basis, to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter. The Agents shall not be responsible to any Lender for any recitals, statements, information, representations or warranties herein or in any document, certificate or other writing delivered in connection herewith or for the execution, effectiveness, genuineness, validity, enforceability, perfection, collectability, priority or sufficiency of this Agreement or any other Credit Document or the financial condition of the Borrowers or be required to make any inquiry concerning either the performance or observance of any of the terms, provisions or conditions of this Agreement or any other Credit Document, or the satisfaction of any of the conditions precedent set forth in Article IV or the financial condition of the Borrowers or the existence or possible existence of any Default.

Section 7.4 Certain Rights of the Agents. (a) The Agents may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the provisions hereof, the Agents shall be entitled to the rights, benefits, immunities, indemnities and protections of the Trustee and the Collateral Agent as set forth in Article VI of the Indenture as if such rights, benefits, immunities, indemnities and protections were fully set forth herein; *provided* that such rights, protections, immunities, indemnities and benefits shall be in addition to any rights, protections and benefits afforded to the Agents under this Agreement. Any request or direction of either of the Borrowers mentioned herein may be sufficiently evidenced by an Issuer Order.

(b) Whenever in the administration of this Agreement or the Indenture the Agents shall (i) deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Agents (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate or Issuer Order or (ii) be required to determine the value of any Assets or funds hereunder or the cash flows projected to be received therefrom, the Agents may, in the absence of bad faith on its part, rely on reports of nationally recognized accountants, investment bankers or other Persons qualified to provide the information required to make such determination, including nationally recognized dealers in Assets of the type being valued, securities quotation services, loan pricing services and loan valuation agents.

(c) As a condition to the taking or omitting of any action by it hereunder, the Agents may consult with counsel and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in reliance thereon.

(d) The Agents shall be under no obligation to exercise or to honor any of the rights or powers vested in it by this Agreement at the request or direction of any Lenders pursuant to this Agreement and the Indenture, unless such Lenders shall have offered to the Agents security or indemnity reasonably satisfactory to the Agents against the costs, expenses (including reasonable attorneys' fees and expenses) and liabilities which might reasonably be incurred by it in compliance with such request or direction. The Loan Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Credit Document in accordance with a request or consent of the Majority of the Lenders (or such other percentage of the Lenders expressly specified in this Agreement or such Credit Document with respect to a particular matter) given in accordance with this Agreement or any other Credit Document and such request and any action taken or failure to act pursuant thereto shall be binding upon all of the Lenders.

(e) The Agents shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, note or other paper or document, but each Agent, in its discretion, may, and upon the written direction of a Majority of the Controlling Class or of each Rating Agency shall (subject to the right hereunder to be reasonably satisfactorily indemnified for associated expense (including the reasonable fees and expenses of agents and counsel) and liability), make such further inquiry or investigation into such facts or matters as it may see fit or as it shall be directed, and the Agents shall be entitled, on reasonable prior notice to the Borrowers and the Collateral Manager, to examine the books and records relating to the Loans, the Notes and the Assets, personally or by agent or attorney, during the Borrowers' or the Collateral Manager's normal business hours; *provided* that the Agents shall, and shall cause their respective agents to, hold in confidence all such information, except (A) to the extent disclosure may be required by law or by any regulatory, administrative or Governmental Authority, (B) as otherwise required pursuant to this Agreement or (C) to the extent that the Agent, in its sole

discretion, may determine that such disclosure is consistent with its obligations hereunder; *provided*, *further*, that each Agent may disclose on a confidential basis any such information to its agents, attorneys and auditors in connection with the performance of its responsibilities hereunder or under the Indenture.

(f) The Agents may execute any of the rights, privileges or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys; *provided* that neither of the Agents shall be responsible for any misconduct or negligence on the part of any such agent appointed or attorney appointed with due care.

(g) Neither of the Agents shall be liable for any action it takes or omits to take in good faith that it reasonably believes to be authorized or within its rights or powers hereunder, including actions or omissions to act at the direction of the Collateral Manager.

(h) Any permissive rights of the Agents to take or refrain from taking actions enumerated in this Agreement or the Indenture shall not be construed as a duty and the Agents shall not be answerable for other than their respective gross negligence, willful misconduct or bad faith.

(i) Nothing herein shall be construed to impose an obligation on the part of the Agents to monitor, recalculate, evaluate or verify or independently determine the accuracy of any report, certificate or information received from the Borrower or Collateral Manager (unless and except to the extent otherwise expressly set forth herein) and all calculations made by the Agents in their respective roles hereunder shall (in the absence of manifest error) be final and binding on all parties.

(j) The Agents shall not be liable for the actions or omissions of, or any inaccuracies in the records of, any non-Affiliated custodian, transfer agent, paying agent or calculation agent (other than itself in such capacities), DTC, Euroclear, Clearstream or any other clearing agency or depository, and without limiting the foregoing, the Agents shall not be under any obligation to monitor, evaluate, or verify compliance by the Collateral Manager with the terms hereof or of the Indenture or the Collateral Management Agreement, or to verify or independently determine the accuracy of information received by the Agents from the Collateral Manager (or from any selling institution, agent bank, trustee or similar source) with respect to the Assets.

(k) To the extent permitted by applicable law, the Agents shall not be required to give any bond or surety in respect of the execution of this Agreement or the Indenture or otherwise.

(l) In making or disposing of any investment permitted by this Agreement or the Indenture, each of the Agents is authorized to deal with itself (in its individual capacity) or with any one or more of its Affiliates, in each case on an arm’s-length basis, whether it or such Affiliate is acting as a sub-agent of the Agent or for any third Person or dealing as principal for its own account. If otherwise qualified, obligations of the Bank or any of its Affiliates shall qualify as Eligible Investments under the Indenture.

(m) The Agents shall not be responsible for delays or failures in performance resulting from circumstances beyond its control (such circumstances include but are not limited to acts of God, strikes, lockouts, riots, acts of war and interruptions, losses or malfunctions of utilities, computer (hardware or software) or communications services).

(n) No provision of this Agreement or any other Credit Document shall require either of the Agents to expend or risk its own funds or otherwise incur any financial or other liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers contemplated hereunder, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risk or liability is not reasonably assured to it unless such risk or liability relates to the performance of its ordinary incidental services, including mailing of notices under this Agreement.

(o) To the extent any defined term hereunder, or any calculation required to be made or determined by the Agents hereunder, is dependent upon or defined by reference to GAAP, the Agents shall be entitled to request and receive (and conclusively rely upon) instruction from the Borrower or the accountants identified in the Accountants' Certificate (and in the absence of its receipt of timely instruction therefrom, shall be entitled to obtain from an Independent accountant at the expense of the Borrower) as to the application of GAAP in such connection, in any instance.

(p) The Agents or their Affiliates are permitted to receive additional compensation that could be deemed to be in the Agents' economic self-interest for (i) serving as investment adviser, administrator, shareholder, servicing agent, custodian or sub-custodian with respect to certain of the Eligible Investments, (ii) using Affiliates to effect transactions in certain Eligible Investments and (iii) effecting transactions in certain Eligible Investments. Such compensation is not payable or reimbursable under the Indenture or this Agreement.

(q) The Agents shall not be deemed to have notice or knowledge of any matter unless a Responsible Officer has actual knowledge thereof or unless written notice thereof is received by a Responsible Officer at the Corporate Trust Office and such notice references the Loans generally, the Borrower or this Agreement. Whenever reference is made in this Agreement to a Default or an Event of Default such reference shall, insofar as determining any liability on the part of the Agents is concerned, be construed to refer only to a Default or an Event of Default of which the applicable Agent is deemed to have knowledge in accordance with this paragraph.

(r) Neither Agent shall have any liability for the acts or omissions of the Collateral Manager, the Collateral Administrator, the Borrower or the Co-Borrower, any Paying Agent (if such Person is not an Agent) or any Authenticating Agent (if such Person is not an Agent) appointed under or pursuant to this Agreement or the other Credit Documents.

(s) No Agent shall be liable for any error of judgment made in good faith by an Agent, unless it shall be proven that such Agent was grossly negligent in ascertaining the pertinent facts.

(t) The Agents shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Borrower, the Co-Borrower, the Lenders or the Collateral Manager.

(u) To help fight the funding of terrorism and money laundering activities, the Agents shall obtain, verify, and record information that identifies individuals or entities that establish a relationship or open an account with the Agents. The Agents shall ask for the name, address, tax identification number and other information that shall allow the Agents to identify the individual or entity who is establishing the relationship or opening the account. The Agents may also ask for formation documents such as articles of incorporation, an offering memorandum or other identifying documents to be provided.

(v) Notwithstanding any term hereof (or any term of the UCC that might otherwise be construed to be applicable to a "securities intermediary" as defined in the UCC) to the contrary, the Loan Agent shall not be under a duty or obligation in connection with the acquisition or Grant by the Borrower to the Collateral Agent of any item constituting the Assets, or to evaluate the sufficiency of the documents or instruments delivered to it by or on behalf of the Borrower in connection with its Grant or otherwise, or in that regard to examine any Underlying Document, in each case, in order to determine compliance with applicable requirements of and restrictions on transfer in respect of such Assets.

Section 7.5 Not Responsible for Recitals, Incurrence of Loans or Issuance of Notes. The recitals contained herein, shall be taken as the statements of the Borrowers and the Agents assume no responsibility for their correctness. The Agents make no representation as to the validity or sufficiency of this Agreement or the Indenture (except as may be made with respect to the validity of the Agents obligations hereunder), the Assets, the Loans or the Notes. The Agents shall not be accountable for the use or application by either of the Borrowers of the Loans or the Notes or the proceeds thereof or any amounts paid to either of the Borrowers pursuant to the provisions hereof.

Section 7.6 May Hold Loans or Notes. The Agents or any other agent of either of the Borrowers, in their individual or any other capacities, may become the owner or pledgee of a Loan or a Note and may otherwise deal with either of the Borrowers or any of their Affiliates with the same rights it would have if it were not an agent.

Section 7.7 Holders of Lender Notes; Transferee of Assignment Agreement. (a) The Agents may deem and treat the Person in whose name such Loan is registered on the Register as described in Section 8.16 as the owner thereof for all purposes hereof unless and until a written notice of the assignment, transfer or endorsement thereof, as the case may be, shall have been filed with the Agents and the requirements set forth in Section 8.16 have been satisfied. Any request, authority or consent of any Person who, at the time of making such request or giving such authority or consent, is the Holder of any Lender Note (or the registered Holder of a Loan in the form of a Conformation of Registration) shall be conclusive and binding on any subsequent holder, transferee, assignee or indorsee, as the case may be, of such Lender Note (or Confirmation of Registration) or of any Lender Note or Lender Notes (or Confirmation of Registration) or Class A-1 Notes issued in exchange therefor.

(b) The Agents may deem and treat the transferee of a properly executed and delivered Assignment Agreement pursuant to Section 8.4(b) whose name is recorded in the Register as set forth in Section 8.16 as a Lender under this Agreement with all of the same rights and obligations as a Holder of a Lender Note, whether or not such Lender requests a Lender Note pursuant to Section 3.2, for all purposes hereof unless and until the Agents receive and accept a subsequent Assignment Agreement properly executed and delivered pursuant to Section 8.4(b).

Section 7.8 Compensation and Reimbursement. (a) The Borrower agrees:

(i) to pay each of the Loan Agent and the Collateral Agent on each Payment Date, in accordance with the Priority of Payments, reasonable compensation for all services rendered by it hereunder as set forth in Section 2.2 hereof;

(ii) except as otherwise expressly provided herein and subject to the Priority of Payments, to reimburse each of the Agents (subject to any written agreement between the Borrower and the applicable Agent) in a timely manner upon its request for all reasonable expenses, disbursements and advances incurred or made by such Agent in accordance with any provision of this Agreement or other Transaction Document (including, without limitation, securities transaction charges and the reasonable compensation and expenses and disbursements of its agents and legal counsel and of any accounting firm or investment banking firm employed by the Agents pursuant to this Agreement or the Indenture, except any such expense, disbursement or advance as may be attributable to the applicable Agent's gross negligence, willful misconduct or bad faith) but with respect to securities transaction charges, only to the extent any such charges have not been waived during a Collection Period due to the Agent's receipt of a payment from a financial institution with respect to certain Eligible Investments, as specified by the Collateral Manager in writing; and

(iii) to indemnify each of the Agents and its respective officers, directors, employees and agents for, and to hold them harmless against, any loss, liability or expense (including reasonable fees and expenses of attorneys and experts) incurred without gross negligence, willful misconduct or bad faith on their part, arising out of or in connection with acting or serving as an Agent hereunder, including the costs and expenses of defending themselves (including reasonable attorneys' fees and costs) against any claim (whether brought by or involving the Borrower or any third party) or liability in connection with the administration, exercise or performance of any of their powers or duties hereunder and any other agreement or instrument related hereto and of enforcing this Agreement and any indemnification rights hereunder.

This Section 7.8 shall survive the termination of this Agreement or the removal or resignation of the applicable Agent.

(b) The Agents hereby agree not to cause the filing of a petition in bankruptcy against either of the Borrowers or any Equity Holder Subsidiary for the non-payment to the Agents of any amounts provided by this Section 7.8 until at least one year and one day, or, if longer, the applicable preference period then in effect, *plus* one day, after the payment in full of all Secured Debt issued under the Indenture and incurred under this Agreement. Nothing in this

Section 7.8 shall preclude, or be deemed to stop, the Agents (i) from taking any action prior to the expiration of the aforementioned period in (A) any case or Proceeding voluntarily filed or commenced by either of the Borrowers or any Equity Holder Subsidiary or (B) any involuntary insolvency Proceeding filed or commenced by a Person other than the applicable Agent, or (ii) from commencing against either of the Borrowers, any Equity Holder Subsidiary or any of their properties any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation Proceeding. This Section 7.8(b) shall survive the termination of this Agreement or the removal or resignation of the applicable Agent.

(c) Each of the Agents acknowledges that all payments payable to it under this Agreement shall be subject to the Priority of Payments in the Indenture and payable as Administrative Expenses. If, on any date when any amount shall be payable to the Agents pursuant to this Agreement, insufficient funds are available for the payment thereof, any portion of a fee or expense not so paid shall be deferred and payable on such later date on which a fee or expense shall be payable and sufficient funds are available. Following realization of the Assets and distribution of proceeds in the manner provided in the Priority of Payments in the Indenture, any obligations of either of the Borrowers and any claims of the Agents against either of the Borrowers shall be extinguished and shall not thereafter revive. This Section 7.8(c) shall survive the termination of this Agreement or the removal or resignation or the applicable Agent.

(d) In no event shall the Agents be liable for special, indirect, punitive or consequential loss or damage (including but not limited to lost profits) even if the Agents have been advised of the likelihood of such damages and regardless of the form of action.

(e) The Borrowers' payment obligations to each of the Agents under this Section 7.8 shall be secured by the lien of the Indenture, and shall survive the termination of this Agreement, and the resignation or removal of such Agent, as applicable. When either Agent incurs expenses after the occurrence of a Default or an Event of Default under Section 5.1(e) or Section 5.1(f) of the Indenture, the expenses are intended to constitute expenses of administration under the Bankruptcy Code or any other applicable federal or state bankruptcy, insolvency or similar law.

Section 7.9 Agents Required; Eligibility. There shall at all times be Agents hereunder which shall be organizations or entities organized and doing business under the laws of the United States of America or of any state thereof, each having a combined capital and surplus of at least $200,000,000 and meeting the eligibility criteria specified in Section 6.25 of the Indenture. If at any time either Agent shall cease to be eligible in accordance with the provisions of this Section 7.9, it shall resign immediately in the manner and with the effect hereinafter specified in this Article VII.

Section 7.10 Resignation and Removal of Agents; Appointment of Successor Agents. (a) No resignation or removal of either of the Agents and no appointment of a successor agent with respect to the applicable Agent (the "Successor Agent") pursuant to this Article shall become effective until the acceptance of appointment by the Successor Agent under Section 7.11. The indemnification in favor of the Agents in Section 7.8 hereof shall survive any resignation or removal.

(b) Subject to and in accordance with Section 6.26 of the Indenture, the Loan Agent may resign at any time by giving not less than 30 days written notice thereof to each of the Borrowers, the Collateral Manager, each Lender and each Rating Agency. If the Loan Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Loan Agent for any reason, the Borrowers shall promptly appoint a Successor Agent by Issuer Order, one copy of which shall be delivered to each of the Agents, the Successor Agent, each Lender and the Collateral Manager; *provided* that such Successor Agent shall be appointed only upon the Act of a Majority of each Class of Secured Debt or, at any time when an Event of Default shall have occurred and be continuing, by an Act of a Majority of the Controlling Class. The Successor Agent so appointed shall, forthwith upon its acceptance of such appointment, become the Successor Agent and supersede any Successor Agent proposed by the Borrowers. If no Successor Agent shall have been appointed and an instrument of acceptance by a Successor Agent shall not have been delivered to the Agents within 30 days after the giving of such notice of resignation, the resigning Agent, or any Lender, on behalf of itself and all others similarly situated, may petition any court of competent jurisdiction for the appointment of a Successor Agent satisfying the requirements of Section 7.9 hereof. The resignation or removal of the Collateral Agent and/or the appointment of a successor Collateral Agent shall be governed by Section 6.26 of the Indenture.

(c) The Loan Agent may be removed at any time upon 30 days' written notice by Act of a Majority of each Class of Secured Debt voting separately or, at any time when an Event of Default shall have occurred and be continuing, by an Act of a Majority of the Controlling Class, delivered to the Agents and the Borrower.

(d) If at any time:

(i) the Loan Agent shall cease to be eligible under Section 7.9 hereof and shall fail to resign after written request therefor by the Borrower or by a Majority of the Lenders; or

(ii) the Loan Agent shall become incapable of acting or shall be adjudged as bankrupt or insolvent or a receiver or liquidator of the Loan Agent or of its property shall be appointed or any public officer shall take charge or control of the Loan Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation;

then, in any such case (subject to Section 7.10(a) hereof), (A) the Borrower, by an Issuer Order, may remove the Loan Agent, or (B) any Lender may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Loan Agent and the appointment of a Successor Agent.

(e) If the Loan Agent shall be removed or become incapable of acting, or if a vacancy shall occur in the office of the Loan Agent for any reason (other than resignation), the Borrowers, by Issuer Order, shall promptly appoint a successor Loan Agent. If the Borrowers shall fail to appoint a successor Loan Agent within 30 days after such removal or incapability or the occurrence of such vacancy, a Successor Agent may be appointed by a Majority of the Controlling Class by written instrument delivered to the Borrower and the retiring Loan Agent.

The successor Loan Agent so appointed shall, forthwith upon its acceptance of such appointment, become the successor Loan Agent and supersede any successor Loan Agent proposed by the Borrowers. If no successor Loan Agent shall have been so appointed by the Borrowers or a Majority of the Controlling Class and shall have accepted appointment in the manner hereinafter provided, subject to Section 6.26 of the Indenture, any Lender or the Loan Agent may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Loan Agent.

(f) The Borrower shall give prompt notice of each resignation and each removal of the Loan Agent and each appointment of a Successor Agent to the Trustee, the Collateral Agent, each Rating Agency and to each Lender. Such notice shall include the name of the Successor Agent and the address of its Corporate Trust Office. If the Borrower fails to provide such notice within 10 days after acceptance of appointment by the Successor Agent, the Successor Agent shall cause such notice to be given at the expense of the Borrower.

(g) If the Bank shall resign or be removed as Trustee, the Bank shall also resign or be removed as Loan Agent and as Collateral Agent and as any other capacity in which the Bank is then acting pursuant to this Agreement, the Indenture or any other Transaction Document.

Section 7.11 Acceptance of Appointment by Successor Agents. Every Successor Agent appointed hereunder and qualified under Section 7.9 hereof shall execute, acknowledge and deliver to the Borrowers and the retiring Agent an instrument accepting such appointment and agreeing to be bound by this Agreement and, to the extent such Successor Agent shall be a party thereto, the Indenture and the Securities Account Control Agreement. Upon delivery of the required instruments, the resignation or removal of the retiring Agent shall become effective and such Successor Agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of the retiring Agent; but, on request of the Borrowers or a Majority of the Lenders or the Successor Agent, such retiring Agent shall, upon payment of its charges then unpaid, execute and deliver an instrument transferring to such Successor Agent all the rights, powers and trusts of the retiring Agent, and shall duly assign, transfer and deliver to such Successor Agent all property held by such retiring Agent hereunder. Upon request of any such Successor Agent, each of the Borrowers shall execute any and all instruments for more fully and certainly vesting in and confirming to such Successor Agent all such rights, powers and trusts.

Section 7.12 Merger, Conversion, Consolidation or Succession to Business of Agents. Any organization or entity into which an Agent may be merged or converted or with which it may be consolidated, or any organization or entity resulting from any merger, conversion or consolidation to which such Agent shall be a party, or any organization or entity succeeding to all or substantially all of the corporate trust business of such Agent, shall be the successor of such Agent hereunder; *provided* that such organization or entity shall be otherwise qualified and eligible under this Article VII, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

Section 7.13 Representations and Warranties of U.S. Bank National Association. The Bank hereby represents and warrants as follows:

(a) Organization. It has been duly organized and is validly existing as a national banking association with trust powers under the laws of the United States and has the power to conduct its business and affairs as Loan Agent and as Collateral Agent.

(b) Authorization; Binding Obligations. It has the corporate power and authority to perform the duties and obligations of the Loan Agent and the Collateral Agent, as applicable, under this Agreement. It has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement and the Indenture and all of the documents required to be executed by it pursuant hereto. This Agreement and the Indenture have been duly authorized, executed and delivered by the Bank and constitute the legal, valid and binding obligation of the Bank enforceable in accordance with its terms subject, as to enforcement, (i) to the effect of bankruptcy, insolvency, fraudulent conveyance, liquidation or similar laws affecting generally the enforcement of creditors' rights as such laws would apply in the event of any bankruptcy, receivership, insolvency or similar event applicable to the Bank and (ii) to general equitable principles (whether enforcement is considered in a proceeding at law or in equity).

(c) Eligibility. It is eligible under Section 7.9 hereof to serve as Loan Agent and as Collateral Agent hereunder.

(d) No Conflict. Neither the execution, delivery and performance of the Indenture or this Agreement, nor the consummation of the transactions contemplated by the Indenture or this Agreement, (i) is prohibited by, or requires the Bank to obtain any consent, authorization, approval or registration under, any law, statute, rule, regulation, judgment, order, writ, injunction or decree that is binding upon the Bank or any of its properties or assets, or (ii) will violate any provision of, result in any default or acceleration of any obligations under, result in the creation or imposition of any lien pursuant to, or require any consent under, any material agreement to which it is a party or by which it or any of its property is bound.

ARTICLE VIII

MISCELLANEOUS

Section 8.1 Payment of Expenses, Etc. The Borrower agrees to pay all reasonable out of pocket costs and expenses (A) of the Loan Agent and the Collateral Agent in connection with any amendment, waiver or consent of the Credit Documents and the documents and instruments referred to therein and (B) of the Loan Agent and the Collateral Agent in connection with any Default or Event of Default or with the enforcement of the Credit Documents and the documents and instruments referred to therein (including the reasonable fees and disbursements of counsel for the Collateral Agent, counsel and agents for the Loan Agent and one (1) counsel in total for all Lenders, collectively). To the extent that the undertaking to pay the Loan Agent or the Collateral Agent set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, the Borrower shall make the maximum contribution to the payment and satisfaction of each of the covered expenses which is permissible under applicable law, subject to the limitations and qualifications set forth in the preceding sentence and the Priority of Payments. Any payments made pursuant to this Section 8.1 shall be made on the first Payment Date that funds are available for such payments as an Administrative Expense in accordance with the Priority of Payments. This Section 8.1 shall survive the termination of this Agreement or the removal or resignation of the applicable Agent.

Section 8.2 Right of Setoff. Each Lender hereby waives any right of setoff that the Lender may have against the Borrower in respect of any Obligation arising hereunder or under the Lender Notes.

Section 8.3 Notices. (a) all notices and other communications provided for hereunder shall be in writing (including telecopier or electronic mail (if an e-mail address for the relevant party is set forth in the Indenture)) and mailed or delivered, if to the Borrower, the Collateral Manager, each Rating Agency, the Loan Agent, the Collateral Agent and/or any Lender, at its address specified in the Indenture (or, in the case of any Lender and the Loan Agent, in Schedule 2 hereof), and in the case of any Lender becoming party hereto after the Closing Date, the related Assignment Agreement; or, at such other address as shall be designated by any party in a written notice to the other parties hereto. Any such notice or communication shall be deemed to have been given on the date of such delivery.

(b) [Reserved].

(c) In the event that any provision in this Agreement calls for any notice or document to be delivered simultaneously to the Trustee, the Collateral Agent and the Loan Agent and any other Person, the Trustee's, the Collateral Agent's or the Loan Agent's receipt of such notice or document shall entitle the Trustee, the Collateral Agent and the Loan Agent to assume that such notice was delivered to such other Person or entity.

(d) Notwithstanding any provision to the contrary in this Agreement or in any agreement or document related hereto, any documents (including reports, notices or supplemental indentures) required to be provided by the Trustee, the Loan Agent or the Collateral Agent to the Lenders may be provided by providing notice of, and access to, the Collateral Agent's website containing such document.

(e) The Bank (in each of its capacities hereunder) agrees to accept and act upon instructions or directions pursuant to this Agreement, the Indenture or any other Transaction Document sent by unsecured email, facsimile transmission or other similar unsecured electronic methods. If such Person elects to give the Bank email or facsimile instructions (or instructions by a similar electronic method) and the Bank in its discretion elects to act upon such instructions, the Bank's reasonable understanding of such instructions shall be deemed controlling. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions notwithstanding such instructions conflicting with or being inconsistent with a subsequent written instruction. Any Person providing such instructions agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Bank, including without limitation the risk of the Bank acting on unauthorized instructions accompanied by an incumbency certificate, and the risk of interception and misuse by third parties. Any Person providing such instructions acknowledges and agrees that there may be more secure methods of transmitting such instructions than the method(s) selected by such Person and agrees that the security procedures (if any) to be followed in connection with such Person's transmission of such instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

Section 8.4 Benefit of Agreement. (a) This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and the respective successors and assigns of the parties hereto to the extent permitted under this Section 8.4; *provided* that, except as provided in Section 5.10 of this Agreement, the Borrower may not assign or transfer any of its rights or obligations hereunder without the prior written consent of each Lender. Each Lender may at any time grant participations in any of its rights hereunder to one or more commercial banks, insurance companies, funds or other financial institutions; *provided* that in the case of any such participation, the participant shall not have any rights under this Agreement or any of the other Credit Documents (the participant's rights against such Lender in respect of such participation to be those set forth in the agreement executed by such Lender in favor of the participant relating thereto) and all amounts payable by the Borrower hereunder shall be determined as if such Lender had not sold such participation; and *provided, further*, that, no Lender shall transfer, grant or assign any participation under which the participant shall have rights to approve any amendment to or waiver of this Agreement or any other Credit Documents except to the extent such amendment or waiver would (x) extend the final scheduled maturity of any Loan or Lender Note in which such participant is participating or waive any Mandatory Prepayment thereof, or reduce the rate or extend the time of payment of interest or fees thereon (except in connection with a waiver of the applicability of any post-default increase in interest rates), or reduce the principal amount thereof, or increase such participant's participating interest in any Lender Note over the amount thereof then in effect (it being understood that a waiver of any Default or a Mandatory Prepayment, shall not constitute a change in the terms of any Lender Note), (y) release all or substantially all of the Assets (in each case, except as expressly provided in the Credit Documents), or (z) consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement (except as provided in Section 5.10 of this Agreement); and *provided, further*, that, each participation shall be subject to the related participant providing a representation and warranty to the Lender from which it is acquiring its participation that it is a Qualified Purchaser and a Qualified Institutional Buyer and making representations substantially in the form set forth under Section 8.18(a)(i), Section 8.18(a)(ii), Section 8.18(a)(iv) and Section 8.18(a)(v).

(b) Any Lender may assign all or a portion of its rights and obligations under this Agreement (including, such Lender's Loans, Lender Note and other Loans) to one or more commercial banks, insurance companies, funds or other financial institutions (including one or more Lenders) that is a Qualified Institutional Buyer and a Qualified Purchaser and can make all of the other representations set forth in Section 8.18. No assignment pursuant to the immediately preceding sentence to an institution other than an Affiliate of such Lender or another Lender shall be in an aggregate amount less than (unless the entire outstanding Loan of the assigning Lender is so assigned) $250,000. No consent of the Borrower or the Loan Agent shall be required for any assignment by a Lender to another Lender. If any Lender so sells or assigns all or a part of its rights hereunder or under the Lender Notes, any reference in this Agreement or the Lender Notes to such assigning Lender shall thereafter refer to such Lender and to the respective assignee to the extent of their respective interests and the respective assignee shall have, to the extent of such assignment (unless otherwise provided therein), the same rights and benefits as it would if it were such assigning Lender.

(c) Each assignment pursuant to Section 8.4(b) shall be effected by the assigning Lender and the assignee Lender executing an Assignment and Assumption Agreement (an "Assignment Agreement"), which Assignment Agreement shall be substantially in the form of Exhibit B (appropriately completed); *provided* that, in each case, unless otherwise consented to by the Borrower, the Assignment Agreement shall contain a representation and warranty by the assignee to the Loan Agent and the Borrower that such assignee is an Approved Lender. In the event of (and at the time of) any such assignment, either the assigning Lender or the assignee Lender shall pay to the Loan Agent a nonrefundable assignment fee of $3,500, and at the time of any assignment pursuant to clause (b) of this Section 8.4, (i) this Agreement shall be deemed to be amended to reflect the Lender Note (or the Confirmation of Registration in lieu thereof) of the respective assignee (which shall result in a direct reduction to the Lender Note of the assigning Lender) and of the other Lenders, and (ii) the Borrower shall issue new Lender Notes (or Confirmation of Registration) to the respective assignee and/or to the assigning Lender, as applicable, in conformity with the requirements of Sections 3.2 and 8.16. No transfer or assignment under clause (b) of this Section 8.4 shall be effective until recorded by the Loan Agent on the Register pursuant to Section 8.16. To the extent of any assignment pursuant to clause (b) of this Section 8.4, the assigning Lender shall be relieved of its obligations hereunder with respect to its assigned Lender Note (or Confirmation of Registration). Each Lender and the Borrower agree to execute such documents (including amendments to this Agreement and the other Credit Documents) as shall be necessary to effect the foregoing. Nothing in this Agreement shall prevent or prohibit any Lender from pledging its Lender Notes or Loans to a Federal Reserve Bank in support of borrowings made by such Lender from such Federal Reserve Bank.

Section 8.5 No Waiver; Remedies Cumulative. No failure or delay on the part of the Loan Agent, the Collateral Agent or any Lender in exercising any right, power or privilege hereunder or under any other Credit Document and no course of dealing between the Borrowers and the Loan Agent, the Collateral Agent or any Lender shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or under any other Credit Document preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder or thereunder. The rights and remedies herein expressly provided are cumulative and not exclusive of any rights or remedies which the Loan Agent, the Collateral Agent or any Lender would otherwise have. No notice to or demand on the Borrower in any case shall entitle the Borrower or any other Person to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Loan Agent, the Collateral Agent or the Lenders to any other or further action in any circumstances without notice or demand.

Section 8.6 Payments Pro Rata. (a) The Collateral Agent agrees that promptly after its receipt of each payment from or on behalf of the Borrower in respect of any Loans hereunder and pursuant to the Indenture, it shall distribute such payment to the Lenders (other than any Lender that has expressly waived its right to receive its *pro rata* share thereof) *pro rata* based upon their respective Percentages, if any, of the Loans with respect to which such payment was received.

(b) Each of the Lenders agrees that, if it should receive any amount hereunder (whether by voluntary payment, by realization upon security, by the exercise of the right of setoff or banker's lien, by counterclaim or cross action, by the enforcement of any right under the Credit Documents, or otherwise) which is applicable to the payment of the principal of, or interest on, the Loans or fees, of a sum which with respect to the related sum or sums received by other Lenders is in a greater proportion than the total of such Commitment then owed and due to such Lender bears to the total of such Commitment then owed and due to all of the Lenders immediately prior to such receipt, then such Lender receiving such excess payment shall purchase for Cash without recourse or warranty from the other Lenders an interest in the Loans to such other Lenders in such amount as shall result in a proportional participation by all of the Lenders in such disproportionate sum received; *provided* that, if all or any portion of such excess amount is thereafter recovered from such Lender, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

Section 8.7 Calculations; Computations. All computations of interest hereunder shall be made on the actual number of days elapsed in the applicable Interest Accrual Period divided by 360.

Section 8.8 Governing Law; Submission to Jurisdiction; Venue; Waiver of Jury Trial. (a) THIS AGREEMENT AND THE LOANS AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF, UNDER OR RELATING TO THIS AGREEMENT OR ANY THE LOANS (EXCEPT, AS TO ANY OTHER CREDIT DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) With respect to any suit, action or proceedings relating to this Agreement or any matter between the parties arising under or in connection with this Agreement ("Proceedings"), each party irrevocably: (i) submits to the non-exclusive jurisdiction of the Supreme Court of the State of New York sitting in the Borough of Manhattan and the United States District Court for the Southern District of New York, and any appellate court from any thereof; and (ii) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party. Nothing in this Agreement precludes any of the parties from bringing Proceedings in any other jurisdiction, nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

(c) EACH OF THE PARTIES HERETO AND ANY LENDER BECOMING A PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE LOANS OR THE TRANSACTIONS CONTEMPLATED HEREBY. Each party hereby (i) certifies that no representative, agent or attorney of the other has represented, expressly or otherwise, that the other would not, in the event of a Proceeding, seek to enforce the foregoing waiver and (ii) acknowledges that it has been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this paragraph.

(d) Each Party (other than the Borrowers and the Agents) to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 8.3.

Section 8.9 Counterparts. This Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (and by different parties hereto in different counterparts) (including by e-mail (.pdf) or facsimile transmission), each of which will be deemed an original, and all of which together constitute one and the same instrument. Delivery of an executed counterpart signature page of this Agreement by e-mail (.pdf) or facsimile shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 8.10 Effectiveness. This Agreement shall become effective on the Closing Date upon satisfaction of the conditions set forth in Section 4.1.

Section 8.11 Headings Descriptive. The headings of the several sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

Section 8.12 Amendment or Waiver. (a) Except as set forth in clause (c) of this Section 8.12, this Agreement may not be amended or waived other than in accordance with Article VIII of the Indenture, which is hereby incorporated by reference *mutatis mutandis*.

(b) Upon the execution of any supplemental indenture under Article VIII of the Indenture, any provisions of the Indenture that are incorporated by reference in this Agreement, *mutatis mutandis*, as if fully set forth herein, shall be modified in accordance therewith, and such supplemental Indenture shall form a part of this Agreement for all purposes; and every Lender theretofore and thereafter authenticated and delivered hereunder shall be bound thereby.

(c) (i) Other than any amendment or modification that could be effected under Article VIII of the Indenture without the consent of the Lenders, terms of this Agreement that are not related to provisions of the Indenture and that are terms uniquely affecting the Lenders may not be changed, waived, discharged or terminated unless such change, waiver, discharge or termination is in writing signed by the Borrowers, the Agents and a Majority of the Lenders and is consented to by the Collateral Manager; *provided* that no such change, waiver, discharge or termination shall, without the consent of each Lender (with Loans being directly affected thereby in the case of the following subclause (A)), (A) extend any time fixed for the payment of any principal of the Loans, or reduce the rate or extend the time of payment of interest (other than as a result of waiving the applicability of any post-default increase in interest rates) or fees thereon, or reduce the principal amount thereof, or change the currency of payment thereof or change any Lender's Commitment, (B) release all or substantially all of the Assets (in each case, except as expressly provided in the Credit Documents), (C) amend, modify or waive any provision of Section 8.6 or clause (a) of this Section 8.12, (D) reduce the percentage specified in the definition of Majority (it being understood that, with the consent of a Majority of the Lenders, additional extensions of credit pursuant to this Agreement may be included in the determination of a Majority of the Lenders on substantially the same basis as the extensions of Commitments are included on the Closing Date), (E) consent to the assignment or transfer by the

Borrower of any of its rights and obligations under this Agreement (except as permitted by Section 5.10), (F) waive any Mandatory Prepayment of Loans required pursuant to Section 3.3.3 or (G) amend, modify or waive any provision of Section 8.20; *provided*, *further*, that, no such change, waiver, discharge or termination shall increase the Commitment of any Lender over the amount thereof then in effect without the consent of such Lender (it being understood that waivers or modifications (otherwise permitted hereunder) of conditions precedent, covenants, Defaults or Events of Default shall not constitute an increase of the Commitment of any Lender, and that an increase in the available portion of any Commitment of any Lender shall not constitute an increase in the Commitment of such Lender) or without the consent of the Agents amend, modify or waive any provision of Article VII or Section 3.6 as the same applies to the Agents. Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Lenders and shall be binding upon the Borrower, the Lenders, the Loan Agent, the Collateral Agent and all future holders of the Loans and the Lender Notes (or a Holder taking such interest in the form of a Confirmation of Registration).

(ii) No change, waiver, discharge or termination of this Agreement shall affect in any manner, amend, waive or modify the terms of the Indenture;

(iii) In the case of any waiver, the Borrower, the Lenders, the Collateral Agent and the Loan Agent shall be restored to their former position and rights hereunder and under the other Credit Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing, to the extent so provided herein; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon. In executing or accepting any change, waiver, discharge or termination of this Agreement permitted by this Section 8.12, the Loan Agent and Collateral Agent shall be entitled to receive, and (subject to Section 7.2 and 7.4 herein and the Indenture) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such change, waiver, discharge or termination is authorized or permitted by this Agreement and that all conditions precedent thereto have been satisfied. The Collateral Agent and Loan Agent shall not be liable for any reliance made in good faith upon such Opinion of Counsel; and

(iv) Notwithstanding anything herein to the contrary, Section 3.7 of this Agreement may be removed with the consent of 100% of the Lenders; *provided* that no Class of Note shall have the right to object or be required to consent to the removal of Section 3.7; *provided*, *further*, that upon the removal of Section 3.7 any provision of the Indenture related to Section 3.7, including, without limitation, Section 2.5(n) of the Indenture, shall have no further force or effect for the purposes of this Agreement.

(d) Prior to the effectiveness of any amendment to this Agreement pursuant to clause (c) of this Section 8.12, S&P shall be given written notice thereof.

Section 8.13 Survival. All indemnities set forth herein, including in Section 7.8 and Section 8.1 and the provisions in Section 3.7(c) shall survive the termination of this Agreement and the making and repayment of the Loans.

Section 8.14 Domicile of Loans. Subject to the limitations of Section 8.4, each Lender may transfer and carry its Loans at, to or for the account of any branch office, Subsidiary or Affiliate of such Lender.

Section 8.15 Confidentiality. Each Lender shall be required to comply with the provisions of the Indenture, including Section 14.15 of the Indenture, with respect to Confidential Information and the provisions of Section 14.15 of the Indenture are incorporated by reference *mutatis mutandis*; *provided* that in no event shall any Lender or any Affiliate thereof be obligated or required to return any materials furnished by the Borrower.

Section 8.16 Register. (a) The Borrower hereby acknowledges that the Loan Agent will serve as the Borrower's agent, solely for purposes of this Section 8.16, to serve as registrar (the "Registrar") by maintaining a register (the "Register") on which it shall record the names and addresses of each Lender, the Loans (and transfers thereof) made by each such Persons and each repayment in respect of the principal amount of the Loans. Failure to make any such recordation, or any error in such recordation shall not affect the Borrower's obligations in respect of such Loans. With respect to any Lender, the transfer of the rights to the principal of, and interest on, any Loan made by such Lender shall not be effective until such transfer is recorded on the Register maintained by the Loan Agent with respect to ownership of such Loan as provided in this Section 8.16 and prior to such recordation all amounts owing to the transferor with respect to such Loan shall remain owing to the transferor. The registration of assignment or transfer of all or part of any Loan shall be recorded by the Loan Agent on the Register only upon the acceptance by the Loan Agent of a properly executed and delivered Assignment Agreement pursuant to Section 8.4(b). Each Lender shall promptly provide the Loan Agent any information reasonably requested by it for purposes of maintaining the Register. Coincident with the delivery of such an Assignment Agreement to the Loan Agent for acceptance and registration of assignment or transfer of all or part of a Loan, or as soon thereafter as practicable, the assigning or transferor Lender shall surrender its Lender Notes and thereupon one or more new Lender Notes (or Confirmation of Registration) in the same aggregate principal amount shall, if requested by the assigning or transferor Lender and/or new Lender, be issued to the assigning or transferor Lender and/or the new Lender, as applicable. The entries in the Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(b) Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's interest in the Loans or other obligations under the Transaction Documents (the "Participant Register"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any Commitments, Loans, or its other obligations under any Transaction Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Loan, or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, no Agent (in its capacity as Agent) shall have responsibility for maintaining a Participant Register.

Section 8.17 Marshalling; Recapture. None of the Collateral Agent, the Loan Agent nor any Lender shall be under any obligation to marshal any assets in favor of the Borrower or any other party or against or in payment of any or all of the Loans. To the extent any Lender receives any payment by or on behalf of the Borrower, which payment or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to the Borrower or its estate, trustee, receiver, custodian or any other party under any bankruptcy law, state or Federal law, common law or equitable cause, then to the extent of such payment or repayment, the obligation or part thereof which has been paid, reduced or satisfied by the amount so repaid shall be reinstated by the amount so repaid and shall be included within the liabilities of the Borrower to such Lender as of the date such initial payment, reduction or satisfaction occurred.

Section 8.18 Lender Representations, etc.; Non-Recourse Obligations. (a) By executing this Agreement, whether on the date hereof or pursuant to an assignment permitted hereunder, each Lender represents, warrants and covenants as follows:

(i) In connection with the Loans: (A) none of the Borrowers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Administrator, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Share Registrar, the Transferor, the Depositor, or any of their respective Affiliates is acting as a fiduciary or financial or investment adviser for such Lender; (B) such Lender is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Borrowers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Administrator, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Share Registrar, the Transferor, the Depositor or any of their respective Affiliates other than any statements herein, and such Lender has read and understands this Agreement and the final Offering Circular (including the descriptions therein of the structure of the transaction in which the Loans are being offered and the risks to the Lenders); (C) such Lender has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to this Agreement and the Indenture) based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Borrowers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Administrator, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Share Registrar, the Transferor, the Depositor or any of their respective Affiliates; (D) such Lender is both (x) a Qualified Institutional Buyer that is not a broker-dealer which owns and invests on a discretionary basis less than $25 million in securities of issuers that are not affiliated Persons of the dealer and is not a plan referred to in paragraph (a)(1)(d) or (a)(1)(e) of Rule 144A or a trust fund referred to in paragraph (a)(1)(f) of Rule 144A that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries of the plan and (y) a Qualified Purchaser; (E) such Lender was not formed for the purpose of acquiring such

Loans and is acquiring its interest in such Loans for its own account; (F) such Lender will hold and transfer the minimum required amount of the Loans; (G) such Lender is a sophisticated investor and is making the Loans with a full understanding of all of the terms, conditions and risks thereof, and it is capable of assuming and willing to assume those risks; (H) such Lender has had access to such financial and other information concerning the Borrower and the Loans as it has deemed necessary or appropriate in order to make an informed decision with respect to making the Loans, including an opportunity to ask questions of and request information from the Borrower and the Collateral Manager and (I) such Lender will provide notice of the relevant transfer restrictions, representations, warranties and agreements to subsequent transferees.

(ii) on each day from the date on which such Lender acquires its interest in the Loans through and including the date on which such Lender disposes of its interest in such Loans, either (A) if it is, or is acting on behalf of, a Plan, its acquisition, holding and disposition of such Loans do not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (B) if it is a governmental, church, non-U.S. or other plan which is subject to any Other Plan Law, its acquisition, holding and disposition of such Loans will not constitute or result in a non-exempt violation of any Other Plan Law. If the purchaser or transferee of any Loans or beneficial interest therein is a Plan, it will be deemed to represent, warrant and agree that (x) none of the Borrower, the Placement Agent, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Collateral Administrator or the Collateral Manager or any of their affiliates has provided any investment advice within the meaning of Section 3(21)(A)(ii) of ERISA to the Plan, or to any fiduciary or other Person investing the assets of the Plan ("Fiduciary"), in connection with its acquisition of the Loans, and (y) the Fiduciary is exercising its own independent judgment in evaluating the investment in the Loans. Any purported transfer of a Loan or any interest therein to a purchaser or transferee that does not comply with the requirements specified in the applicable documents will be of no force and effect and shall be null and void *ab initio*;

(iii) the Lender has not assigned and will not assign any of its rights under this Agreement to anyone other than a Person that is a Qualified Institutional Buyer and a Qualified Purchaser and each party to whom it assigns any or all of its rights under this Agreement represents and warrants to the Borrower on the date it becomes a party to this Agreement and each date upon which a Loan is made hereunder after such date that it is a Qualified Institutional Buyer and a Qualified Purchaser and that it has not assigned or will not assign any or all of its rights under this Agreement to anyone other than a Person that is a Qualified Institutional Buyer and a Qualified Purchaser;

(iv) the Lender agrees that if it no longer qualifies as a Qualified Institutional Buyer or a Qualified Purchaser, it shall notify the Borrower thereof immediately in writing and, from such time, no further Loans shall be made to the Borrower by such Lender pursuant to this Agreement;

(v) Each Lender (and each beneficial owner of a Loan) agrees to treat the Issuer, the Co-Issuer and the Loans as described in the "Certain U.S. Federal Income Tax Considerations" section of the Offering Circular for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law;

(vi) Each Lender (and each beneficial owner of a Loan) will timely furnish the Issuer, the Trustee, the Collateral Agent or their respective agents with any tax forms or certifications (including, without limitation, IRS Form W-9, an applicable IRS Form W-8 (together with all applicable attachments), or any successors to such IRS forms) that the Issuer, the Trustee, the Collateral Agent or their respective agents reasonably request in order to (A) make payments to the Lender without, or at a reduced rate of, withholding, (B) qualify for a reduced rate of withholding in any jurisdiction from or through which they receive payments, and (C) satisfy reporting and other obligations under the Code, Treasury Regulations, or any other applicable law or regulation (including the Cayman FATCA Legislation), and will update or replace such tax forms or certifications in accordance with their terms or subsequent amendments. Each Lender acknowledges that the failure to provide, update or replace any such tax forms or certifications may result in the imposition of withholding or back-up withholding on payments to the Lender, or to the Issuer. Amounts withheld by the Issuer or their agents that are, in their sole judgment, required to be withheld pursuant to applicable tax laws will be treated as having been paid to such Lender owner by the Issuer;

(vii) Each Lender (and each beneficial owner of a Loan) will provide the Issuer or its agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA and the Cayman FATCA Legislation and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer. In the event a Lender fails to provide such information or documentation, or to the extent that its ownership of the Loans would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer (and any agent acting on its behalf) is authorized to withhold amounts otherwise distributable to such Lender as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel such Lender to sell its Loans and, if such Person does not sell its Loans within 10 Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Loans at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account, in addition to other related costs and charges, any taxes incurred by the Issuer in connection with such sale) to such person as payment in full for such Loans. The Issuer may also assign each such Loan a separate securities identifier in the Issuer's sole discretion. Each Lender agrees that the Issuer, the Trustee and/or their agents or representatives may (1) provide any information and documentation concerning its investment in its Loans to the Cayman Islands Tax Information Authority, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and the Cayman FATCA Legislation;

(viii) Each Lender (and each beneficial owner of a Loan) represents that, if it is not a United States person for U.S. federal income tax purposes, it: (a) is (1) not a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business (within the meaning of section 881(c)(3)(A) of the Code); (2) not a "10-percent shareholder" with respect to the holder or any beneficial owners of the Preferred Shares within the meaning of section 871(h)(3) or section 881(c)(3)(B) of the Code; and (3) not a "controlled foreign corporation" that is related to the holder or any beneficial owners of the Preferred Shares within the meaning of section 881(c)(3)(C) of the Code; (b) has provided an IRS Form W-8ECI representing that all payments received or to be received by it from the Issuer are effectively connected with its conduct of a trade or business in the United States and includible in its gross income; or (c) is eligible for the benefits under an income tax treaty with the United States that eliminates U.S. federal income taxation of payments on the Loan;

(ix) Each Lender (and each beneficial owner of a Loan) agrees that for so long as the Issuer is treated as an entity disregarded as separate from it for U.S. federal income tax purposes, it will not transfer its interest in a Loan unless it shall have obtained written advice of Dechert LLP or Cadwalader, Wickersham & Taft LLP, or an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters, in the form and substance reasonably satisfactory to the Collateral Manager, to the effect that (A) such transfer will not cause the Issuer to be treated as a publicly traded partnership taxable as a corporation or to be subject to U.S. federal income tax with respect to its net income or subject to tax liability under Section 1446 of the Code and (B) any such Loan and any other outstanding Loan of the same Class (excluding any Loans of the same Class that will continue to be held by such Lender or beneficial owner immediately after such transfer) will be fungible for U.S. federal income tax purposes immediately after such transfer;

(x) Each Lender (and each beneficial owner of a Loan) represents that it is not a member of an "expanded group" (as defined in Treasury Regulations section 1.385-1(c)(4)) with respect to which a beneficial owner of Preferred Shares is a "covered member" (as defined in Treasury Regulations section 1.385-1(c)(2)), except to the extent that the Issuer or its agents have provided such beneficial owner with an express waiver of this representation; and

(xi) Each Lender (and each beneficial owner of a Loan) will indemnify the Borrower, the Trustee, the Collateral Manager, the Loan Agent, the Collateral Agent and their respective agents from any and all damages, cost and expenses (including any amount of taxes, fees, interest, additions to tax, or penalties) resulting from the failure by such Lender (or such beneficial owner of a Loan) to comply with its obligations under the Loan or this Agreement. The indemnification will continue with respect to any period during which the Lender held a Loan (and any interest therein), notwithstanding the Lender ceasing to be a Lender.

Each Lender understands that the Borrowers, the Collateral Manager, the Placement Agent, the Co-Structuring Agent, the Trustee, the Collateral Administrator, the Collateral Agent, the Loan Agent, the Fiscal Agent, the Share Registrar, the Transferor, the Depositor and their respective counsel will rely upon the accuracy and truth of the foregoing representations, and it hereby consents to such reliance. Each Lender understands that by entering into the transactions contemplated hereby it is making a loan under a commercial credit facility and that by making the foregoing representation, no Lender is characterizing the transactions contemplated herein as the making of an investment in "securities" as defined in the Securities Act.

(b) The Loan Agent, the Collateral Agent and each Lender covenants and agrees that the obligations of the Borrowers under the Loans and this Agreement are limited recourse obligations of the Borrowers, payable solely from the Assets in accordance with the terms of the Transaction Documents, and, following repayment and realization of the Assets, any claims of the Loan Agent or the Lenders and obligations of the Borrowers hereunder shall be extinguished and shall not thereafter revive, in accordance with Section 2.7 of the Indenture. No recourse shall be had for the payment of any amount owing in respect of the Loans against any member, shareholder, owner, employee, officer, director, manager, authorized Person, advisor, agent or incorporator or organizer of the Borrower, Co-Borrower or Collateral Manager or their respective successors or assigns for any amounts payable under the Loans, this Agreement or the Indenture. It is understood that the foregoing provisions of this Section 8.18(b) shall not (i) prevent recourse to the Assets for the sums due or to become due under any security, instrument or agreement which is part of the Assets or (ii) constitute a waiver, release or discharge of any indebtedness or obligation evidenced by the Loans until the Assets has been realized, whereupon any outstanding indebtedness or obligation shall be extinguished and shall not thereafter revive. The provisions of this Section 8.18(b) shall survive the termination of this Agreement.

Section 8.19 Co-Borrower's Obligations. The Co-Borrower is a party hereto for purposes of providing co-extensive obligors for the Secured Debt (on a joint and several basis), although the parties acknowledge that the Co-Borrower shall have no interest in the Collateral Obligations and is not expected to have any substantial assets or other property; *provided* that the Co-Borrower shall not be permitted to take any action (or omit to take any action) which, if taken (or omitted to be taken) by the Borrower would be contrary to the terms hereof or any of the Transaction Documents and any obligations by any of the parties hereto to the Borrower shall be deemed fulfilled with respect to the Co-Borrower when fulfilled with respect to the Borrower.

Section 8.20 No Petition. (a) The Collateral Agent, Loan Agent and each Lender or holder of an interest herein hereby covenants and agrees that it shall not institute against, or join any other Person in instituting against, the Borrower or the Co-Borrower or any Equity Holder Subsidiary until one year (or if longer, the then applicable preference period) and one day after all Debt has been paid in full, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other similar proceedings under any federal or state bankruptcy or similar law.

(b) This Section 8.20 shall survive the termination of this Agreement and the payment of all amounts payable hereunder.

Section 8.21 Acknowledgment. The Borrower hereby acknowledges that none of the parties hereto has any fiduciary relationship with or fiduciary duty to the Borrower pursuant to the terms of this Agreement, and the relationship between the Collateral Agent, the Lenders and the Loan Agent on the one hand, and the Borrower, on the other hand, in connection herewith is solely that of debtor and creditor.

Section 8.22 Limitation on Suits. No Lender shall have any right to institute any Proceedings, judicial or otherwise, with respect to this Agreement or the Indenture except as provided in Section 5.3 of the Indenture.

Section 8.23 Unconditional Rights of Lenders to Receive Principal and Interest. Notwithstanding any other provision in this Agreement, the Lenders shall have the right, which is absolute and unconditional, to receive payment of the principal of and interest on the Loans as such principal and interest become due and payable in accordance with the Priority of Payments and Section 3.6 and Section 8.20, and, subject to the provisions of Section 8.22, to institute proceedings for the enforcement of any such payment, and such right shall not be impaired without the consent of such Lender.

Section 8.24 Termination of Agreement. Without prejudice to any provision of the Indenture, this Agreement and all rights and obligations hereunder, other than those expressly specified as surviving the termination of the Agreement and the repayment of the Loans and those set forth in Sections 4.1 of the Indenture with respect to the Lenders, the Loans or the Agents, shall terminate (a) at such time that all of the Loans are repaid in full in accordance with the terms herein, (b) upon conversion of all of the Loans pursuant to Section 3.7 hereof or (iii) upon the final distribution of all proceeds of any liquidation of the Collateral Obligations, Equity Securities and Eligible Investments effected pursuant to Article V of the Indenture.

Section 8.25 Lender Information. Notice to Lenders shall be provided as set forth in Section 14.4 of the Indenture.

Section 8.26 Lender Consent. By its execution and making of Loans hereunder, each Lender shall be deemed to have consented to the terms applicable to it in its capacity as a holder of the Loans and, upon any conversion, the Class A-1 Notes, and the execution of the Indenture.

Section 8.27 Cayman AML Regulations. Each Lender shall (i) provide the Borrower and its agents with any correct, complete and accurate information and documentation that the Borrower may require to achieve compliance with the Cayman AML Regulations and (ii) shall update or replace such information or documentation, as may be necessary.

Section 8.28 Cayman Islands Self-Certification. Each Lender shall provide the Borrower and its agents with a properly completed and executed "Entity Self-Certification Form" or "Individual Self-Certification Form", as applicable (in the forms published by the Cayman Islands Department for International Tax Cooperation, which forms can be obtained at http://tia.gov.ky/CRS_Legislation.pdf), as applicable, on or prior to the date on which it becomes a Lender.

Section 8.29 USA PATRIOT Act. In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including, without limitation, those relating to the funding of terrorist activities and money laundering, including Section 326 of the USA PATRIOT Act, the Agents are required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Agents. Accordingly, each of the parties agrees to provide to the Agents upon request from time to time such identifying information and documentation as may be available for such party in order to enable the Agents to comply with the USA PATRIOT Act.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the day and year first above written.

PENNANTPARK CLO I, LTD., as Borrower

By: /s/ Jonathan Bain
Name: Jonathan Bain
Title: Director

PENNANTPARK CLO I, LLC, as Co-Borrower

By: PennantPark Investment Advisers, LLC, its Manager

By: /s/ Arthur H. Penn
Name: Arthur H. Penn
Title: Managing Member

U.S. BANK NATIONAL ASSOCIATION,
not in its individual capacity, but solely as Collateral Agent and as Loan Agent

By: /s/ Ralph J. Creasia, Jr.
Name: Ralph J. Creasia, Jr.
Title: Senior Vice President

CAPITAL ONE, NATIONAL ASSOCIATION, as Lender

By: /s/ Alexander Dennis
Name: Alexander Dennis
Title: Director

CITY NATIONAL BANK, as Lender

By: /s/ Adam Strauss
Name: Adam Strauss
Title: Vice President

DEFINITIONS

Any defined terms used herein shall have the respective meanings set forth herein.

"Agent" has the meaning assigned to such term in Section 7.1.

"Agent Fee Letter" means the fee letter between the Borrower (or the Collateral Manager on behalf of the Borrower) and the Bank relating to the Debt and the transactions contemplated by the Indenture and this Agreement.

"Aggregate Commitment" means (i) as of the Closing Date, $77,500,000 and (ii) upon an amendment of Schedule 1 to this Agreement pursuant to Section 2.1, such other amount as may be set forth on such Schedule 1 (as so amended).

"Agreement" has the meaning assigned to such term in the preamble.

"Approved Lender" means a financial institution or other institutional lender that makes each of the representations set forth in Section 8.18(a).

"Assignment Agreement" has the meaning assigned to such term in Section 8.4(c).

"Assignment/Conversion" has the meaning assigned to such term in Section 3.7(c).

"Bank" means U.S. Bank National Association.

"Bankruptcy Code" means the federal Bankruptcy Code, Title 11 of the United States Code, as amended from time to time, and any successor statute or any other applicable federal or state bankruptcy law or similar law, and any bankruptcy, insolvency, winding up, reorganization or similar law enacted under the laws of the Cayman Islands or any other applicable jurisdiction, including without limitation, Part V of the Companies Law (as amended) of the Cayman Islands and the Companies Winding Up Rules of the Cayman Islands, each as amended from time to time.

"Borrower" has the meaning assigned to such term in the preamble.

"Borrowers" has the meaning assigned to such term in the preamble.

"Borrowing" means Loans made by all Lenders on the Loan Date in accordance with Section 3.1.

"Business Day(s)": Any day other than (i) a Saturday or a Sunday or (ii) a day on which commercial banks are authorized or required by applicable law, regulation or executive order to close in New York, New York or in the city in which the Corporate Trust Office is located or, for any final payment of principal, in the relevant place of presentation.

"Calculation Agent" has the meaning assigned to such term in Section 5.13(a).

"Co-Borrower" has the meaning assigned to such term in the preamble.

"Collateral Agent" has the meaning assigned to such term in the preamble.

"Collateral Documents" means the Indenture, the Securities Account Control Agreement and any other agreement, instrument or document executed and delivered by or on behalf of the Borrower in connection with the foregoing or pursuant to which a Lien is granted in accordance with the terms of the Indenture as security for any of the Loans.

"Collateral Manager" means PennantPark Investment Advisers, LLC, a Delaware limited liability company, in its capacity as Collateral Manager to the Borrower under the Collateral Management Agreement, until such time, if any, as a successor Person shall have become the Collateral Manager pursuant to provisions of the Collateral Management Agreement, and thereafter "Collateral Manager" shall mean such successor Person.

"Commitment" has the meaning assigned to such term in Section 2.1.

"Confirmation of Registration": With respect to an uncertificated interest in the Loans, a confirmation of registration, substantially in the form of Exhibit D, provided to the owner thereof promptly after the registration thereof in the Register by the Registrar.

"Conversion Date" has the meaning assigned to such term in Section 3.7(a).

"Conversion Option" means the option of a Converting Lender to convert all or a portion of the Loans into an equivalent principal amount of Class A-1 Notes pursuant to Section 3.7 hereof and Section 2.5(n) of the Indenture.

"Converting Lender" means any Lender that holds a portion of the Aggregate Outstanding Amount of the Loans and has exercised a Conversion Option hereunder.

"Credit Document" means this Agreement, the Lender Notes, the Confirmation of Registration, the Collateral Documents and any other agreement, instrument or document executed and delivered by or on behalf of either or both Borrowers in connection with the foregoing.

"Custodian" means the Bank, in its capacity as custodian and as document custodian under the Securities Account Control Agreement, together with its successors and assigns, as applicable.

"Default" has the meaning assigned to such term in Section 6.1.

"Dollar" or "$" means dollars in lawful currency of the United States of America.

"Event of Default" has the meaning assigned to such term in Section 6.1.

"Fiduciary" has the meaning assigned to such term in Section 8.18(a)(ii).

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

"Indenture" means that certain Indenture dated as of September 19, 2019 among the Borrower, the Co-Borrower and the Bank, as Trustee and as Collateral Agent.

"Lender" means any of the creditors that are parties to this Agreement, including each initial Lender and each Person which becomes an assignee pursuant to Section 8.4(b).

"Lender Note" has the meaning assigned to such term in Section 3.2.

"Lien" means, with respect to any asset, any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale, sale subject to a repurchase obligation or other title retention agreement relating to such asset, and any financing lease having substantially the same economic effect as any of the foregoing).

"Loan" has the meaning assigned to such term in Section 2.1.

"Loan Agent" has the meaning assigned to such term in the preamble.

"Loan Date" means the Closing Date.

"Majority of the Lenders" means Lenders holding more than 50% of the Aggregate Commitment.

"Mandatory Prepayment" has the meaning assigned to such term in Section 3.3.3.

"Officer's Certificate" means a certificate signed on behalf of the Borrower, the Co-Borrower or the Collateral Manager by one or more officers thereof.

"Percentage" of any Lender means, at any time: (a) with respect to the aggregate amount of Commitments of all Lenders to make Loans at such time, the percentage which such Lender's Commitment to make Loans, if any, is of the aggregate amount of Commitments of all Lenders to make Loans at such time; and (b) with respect to the aggregate amount of Loans which are outstanding at such time, the percentage which the aggregate principal amount of such Lender's Loans is of the total principal amount of Loans at such time; in each case as shown on Schedule 1 to this Agreement (or, in the case of any Lender which becomes a Lender pursuant to any Assignment Agreement, as provided in such Assignment Agreement) and in all cases as changed from time to time as a consequence of Assignment Agreements pursuant to Section 8.4(b) and as reflected in the books and records of the Loan Agent at such time.

"Person" means individual, corporation (including a business trust), partnership, limited liability company, joint venture, association, joint stock company, statutory trust, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"Plan" means any "employee benefit plan" (as defined in Section 3(3) of ERISA) which is subject to Title I of ERISA, any plan that is not subject to ERISA but which is subject to Section 4975 of the Internal Revenue Code, and any entity such as a collective investment fund and separate account whose underlying assets include the assets of such employee benefit plans or plans.

"Rating Agency": Each of S&P and Fitch, or, with respect to Assets generally, if at any time S&P or Fitch ceases to provide rating services with respect to debt obligations, any other nationally recognized investment rating agency selected by the Borrower (or the Collateral Manager on behalf of the Borrower).

"Register" has the meaning assigned to such term in Section 8.16.

"Responsible Officer" means, when used with respect to the Collateral Agent or the Loan Agent, any officer within the Corporate Trust Office of the Collateral Agent or the Loan Agent, as applicable (or any successor group of the Bank) including any vice president, assistant vice president or officer of the Collateral Agent or the Loan Agent, as applicable, customarily performing functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the Corporate Trust Office because of such Person's knowledge of and familiarity with the particular subject and in each case having direct responsibility for the administration of this transaction.

"S&P" means S&P Global Ratings, an S&P Global Ratings Inc. business, and any successor or successors thereto.

"Securities Account Control Agreement" means the Securities Account Control Agreement, dated as of the Closing Date, among the Borrower, the Collateral Agent and U.S. Bank National Association, as custodian and as document custodian.

"Senior Item" shall have the meaning assigned in Section 3.6(b) (Subordination) herein.

"Subsidiary" means at any time, with respect to any Person (the "parent"), any corporation, association, partnership, limited liability company or other business entity (a) of which securities or other ownership interests representing more than 50% of the ordinary voting power to elect the board of directors, general partner, or comparable body of such corporation, association, partnership or other business entity or, in the case of a partnership, ownership interests representing more than 50% of the interests of such partnership (irrespective of whether at the time securities or other ownership interests of any other class or classes of such corporation, association, partnership or other business entity shall or might have voting power solely upon the occurrence of any contingency) are, at such time owned directly or indirectly by the parent, by one or more Subsidiaries of the parent or by the parent and one or more Subsidiaries of the parent and (b) which is also required at such time under GAAP to be consolidated with the parent.

"Transaction Documents" means this Agreement, the other Credit Documents, the Indenture, the Collateral Management Agreement, the Master Loan Sale Agreement, the Collateral Administration Agreement, the Securities Account Control Agreement, the Administration Agreement, the Placement Agreement and the Fiscal Agency Agreement.

"Trustee" means U.S. Bank National Association, as Trustee under the Indenture, and any successor thereto in such capacity.

"United States" or "U.S." means the United States of America, its 50 States, the District of Columbia and the Commonwealth of Puerto Rico.

EXHIBIT A

$_____ New York, New York

_____ ___, _____

FOR VALUE RECEIVED, PennantPark CLO I, Ltd. (the "Borrower"), and PennantPark CLO I, LLC (the "Co-Borrower," and together with the Borrower, the "Borrowers"), hereby promise to pay to _____ or its registered assigns (the "Lender"), in lawful money of the United States of America in immediately available funds, at the Payment Office initially located at c/o _____, on each Payment Date, in accordance with the Priority of Payments set forth in the Indenture (as defined below) the principal sum of _____ DOLLARS ($_____) or, if less, the unpaid principal amount of all Loans made by the Lender pursuant to the Agreement (as defined below), payable at such times and in such amounts as are specified in the Agreement. Terms used but not defined herein shall have their respective meaning set forth in the Agreement and the Indenture, dated as of September 19, 2019 among the Borrower, Co-Borrower and U.S. Bank National Association, as trustee and as collateral agent (as supplemented, amended or otherwise modified from time to time, the "Indenture"), as applicable.

The Borrowers also promise to pay interest on the unpaid principal amount of each Loan made by the Lender in like money at said office from the date hereof until paid at the rates and at the times provided in Article III of the Agreement.

This Lender Note is one of the Lender Notes referred to in the Credit Agreement, dated as of September 19, 2019, among the Borrower, the Co-Borrower, the lenders from time to time party thereto (including the Lender) and U.S. Bank National Association, as loan agent and as collateral agent (as amended, restated, modified and/or supplemented from time to time, the "Agreement") and is entitled to the benefits thereof and of the other Credit Documents. This Lender Note is secured by the Indenture. As provided in the Agreement, this Lender Note is subject to voluntary prepayment and mandatory repayment prior to the final Payment Date, in accordance with the Priority of Payments as provided in Section 3.3 of the Agreement and the Indenture.

In case an Event of Default (as defined in the Agreement) shall occur and be continuing, the principal of and accrued interest on this Lender Note may be declared to be due and payable in the manner and with the effect provided in the Agreement and the Indenture.

The Borrower hereby waives presentment, demand, protest or notice of any kind in connection with this Lender Note.

This Lender Note is subject to Section 8.18 and Section 8.20 of the Agreement.

THIS LENDER NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK (WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES).

EACH PARTY TO THIS AGREEMENT HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY PROCEEDING.

[Remainder of page intentionally left blank]

PennantPark CLO I, Ltd.

By: _____
Name:
Title:

PennantPark CLO I, LLC

By: PennantPark Investment Advisers, LLC, its Manager

By: _____
Name:
Title:

EXHIBIT B

Form of Assignment Agreement

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (this "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [Insert name of Assignee] (the "Assignor") and [Insert name of Assignee] (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Loan Agent as contemplated below (i) all of the Assignor's rights and obligations as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as, the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____

2. Assignee: _____

Address: _____

Contact Information: _____

Wire Instructions: _____

3. Borrower(s): PennantPark CLO I, Ltd. and PennantPark CLO I, LLC.

4. Loan Agent: U.S. Bank National Association, as the Loan Agent under the Credit Agreement.

5. Credit Agreement: The Credit Agreement, dated as of September 19, 2019, among PennantPark CLO I, Ltd., as Borrower, PennantPark CLO I, LLC, as Co-Borrower, the Lenders from time to time party thereto and U.S. Bank National Association, as Loan Agent and as Collateral Agent.

6. Assigned Interest:

Facility Assigned	Aggregate Amount of Commitment for all Lenders	Amount of Commitment Assigned	Percentage Assigned of Commitment[1]
Loans	$	$	%

Effective Date: _____, 20____ (the "Effective Date")[2]

[*Insert if being delivered in connection with an Assignment/Conversion*: This Assignment and Assumption is being entered into in connection with an Assignment/Conversion.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Title: Authorized Signatory

ASSIGNEE

[NAME OF ASSIGNEE]

By: _____
Title:

1 Set forth, to at least 9 decimals, as a percentage of the Commitment of all Lenders thereunder.

2 If delivered in connection with an Assignment/Conversion, the Effective Date must be the same date as the related Conversion Date.

Receipt acknowledged by:

U.S. BANK NATIONAL ASSOCIATION, as Loan Agent

By: _____
Name:
Title:

Consented to:

PENNANTPARK CLO I, LTD. as Borrower

By: _____
Name:
Title:

PENNANTPARK CLO I, LLC, as Co-Borrower

By: PennantPark Investment Advisers, LLC, its Manager

By: _____
Name:
Title:

ANNEX 1 TO ASSIGNMENT AND ASSUMPTION

CREDIT AGREEMENT

STANDARD TERMS AND CONDITIONS FOR

ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1. Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of the Borrowers, any of their respective subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document or (iv) the performance or observance by the Borrowers, any of their respective subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement and, if the Assignment and Assumption is being delivered in connection with an Assignment/Conversion, a Noteholder under the Indenture, (ii) it meets all requirements of an Approved Lender under the Credit Agreement (subject to receipt of such consents as may be required under the Credit Agreement) and, if the Assignment and Assumption is being delivered in connection with an Assignment/Conversion, a Noteholder under the Indenture, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender or, if the Assignment and Assumption is being delivered in connection with an Assignment/Conversion, the Indenture as a Noteholder thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender or Noteholder thereunder, and (iv) it has received a copy of the Credit Agreement, the Indenture and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Loan Agent or any other Lender; and (b) agrees that (i) it will, independently and without reliance on the Loan Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender or, if this Assignment and Assumption is being delivered in connection with an Assignment/Conversion, a Noteholder.

2. Payments. From and after the Effective Date, the Borrower shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Loan Agent for the benefit of (x) the Assignor for amounts which have accrued to but excluding the Effective Date and to (y) the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy or electronic mail shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

4. Waiver of Jury Trial. EACH PARTY TO THIS AGREEMENT HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY PROCEEDING.

EXHIBIT C

Notice of Conversion

U.S. Bank National Association, as Loan Agent
Global Corporate Trust/CDO Department
214 N. Tryon Street, 26th Floor
Charlotte, North Carolina 28202
Attention: Jim Hanley
Ref: PennantPark CLO I, Ltd.
Email: agency.services@usbank.com

U.S. Bank National Association, as Collateral Agent and as Trustee
Global Corporate Trust/CDO Department
One Federal Street, Third Floor
Boston, MA 02110
Attention: Jennifer Vlasuk
Ref: PennantPark CLO I, Ltd.
Email: PennantPark.Team@usbank.com

PennantPark CLO I, Ltd.
c/o Crestbridge Cayman Limited
9 Forum Lane, Camana Bay
P.O. Box 31243
Grand Cayman, KY1-1205
Cayman Islands
Attention: The Directors
Email: george.bashforth@crestbridge.com and jonathan.bain@crestbridge.com

PennantPark CLO I, LLC
c/o PennantPark Investment Advisers, LLC
590 Madison Avenue
New York, New York 10022
Attention: Arthur H. Penn, Chief Executive Officer and Managing Member
Email: penn@pennantpark.com

Reference is hereby made to the Credit Agreement dated as of September 19, 2019, among PennantPark CLO I, Ltd., as borrower, PennantPark CLO I, LLC, as co-borrower, various financial institutions and other Persons which are, or may become, parties thereto as Lenders (the "Lenders"), U.S. Bank National Association, as Loan Agent and as Collateral Agent (the "Credit Agreement"), as the same may be supplemented or amended from time to time in accordance with its terms. Capitalized terms used but not defined herein shall have the meanings given them in the Credit Agreement.

Pursuant to Section 3.7 of the Credit Agreement, the undersigned hereby provides notice to the Collateral Agent, the Trustee, the Loan Agent and the Borrowers that it is exercising the Conversion Option. The undersigned hereby certifies that it holds Aggregate Outstanding Amount of the Loans in the amount of U.S.$ _____ and requests that U.S.$ _____ of the Loans be converted into Class A-1 Notes on _____.[3,4]

Pursuant to Section 3.7(c) of the Credit Agreement, the undersigned hereby provides notice to the Collateral Agent, the Trustee, the Loan Agent and the Borrowers that they are exercising the Conversion Option in connection with an Assignment/Conversion and that they are also concurrently herewith delivering to the Collateral Agent, the Trustee, the Loan Agent and the Borrowers an executed copy of an Assignment Agreement. [Insert name of Assignor] hereby certifies that it holds [Aggregate Outstanding Amount] of the Loans in the amount of U.S.$_____, is assigning U.S.$_____ of the Loans to [Insert name of Assignee] (the "Assignee") and requests that the Aggregate Outstanding Amount of the Loans being assigned be converted into Class A-1 Notes and delivered to the Assignee as Class A-1 Notes on _____.[5,6]

The undersigned agrees to provide reasonable assistance to the Trustee, the Collateral Agent and the Loan Agent in connection with such [conversion][Assignment/Conversion], including, but not limited to, providing instructions to DTC.

[Lender][Assignee] DTC Participant No.: _____

Name of Custodian: _____

Contact Name: _____

Telephone No.: _____

E mail Address: _____

In order to coordinate the DWAC with Transfer Agent Please contact:

U.S. Bank National Association
Global Corporate Trust/CDO Department
One Federal Street, Third Floor
Boston, MA 02110
Attention: Jennifer Vlasuk
Ref: PennantPark CLO I, Ltd.
Email: PennantPark.Team@usbank.com

---

3 No earlier than five Business Days after the delivery of the notice (or such earlier date as may be reasonably agreed to by the Lender, the Collateral Agent, the Loan Agent and the Trustee); *provided* that the Conversion Date shall only occur on a Payment Date.

4 Insert for Conversion Option exercise only.

5 No earlier than five Business Days after the delivery of the notice (or such earlier date as may be reasonably agreed to by the Lender, the Collateral Agent, the Loan Agent and the Trustee); *provided* that the Conversion Date shall only occur on a Payment Date.

6 Insert for Assignment/Conversion.

[Remainder of page intentionally left blank]

[NAME OF LENDER]

By: _____
Name:
Title:

[NAME OF ASSIGNEE]

By: _____
Name:
Title:

EXHIBIT D

CONFIRMATION OF REGISTRATION

PENNANTPARK CLO I, LTD.,
as Borrower,

PENNANTPARK CLO I, LLC,
as Co-Borrower

[DATE]

Re: Credit Agreement, dated as of September 19, 2019 (the "Credit Agreement"), among PennantPark CLO I, Ltd., as borrower (the "Borrower"), PennantPark CLO I, LLC, as co-borrower (the "Co-Borrower") and U.S. Bank National Association, as Loan Agent (the "Loan Agent") and as Collateral Agent (the "Collateral Agent"). Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement

The Registrar hereby confirms that it has registered the principal amount of the Loan in the name specified below, in the Register. This Confirmation of Registration is provided for informational purposes only; ownership of such Loan shall be determined conclusively by the Register. To the extent of any conflict between this Confirmation of Registration and the Register, the Register shall control. This is not a security certificate.

Amount of Loan: U.S.$[_____]

Registered Name of Lender: [_____]

Address of Lender: [_____]
[_____]
[_____]
[_____]

Wire Instructions of Lender: [_____]

Transaction Date	Transaction Description	Loan Amount

U.S. Bank National Association, as Registrar

By: _____
Name: _____
Title: _____

SCHEDULE 1

Commitments and Percentages

Lender	Commitment Percentage	Commitment Amount
Capital One, National Association	77.42%	$ 60,000,000
City National Bank	22.58%	$ 17,500,000
Total:	100%	$ 77,500,000

SCHEDULE 2

Lending Offices and Notice Data

Collateral Agent

U.S. Bank National Association
Global Corporate Trust/CDO Department
One Federal Street, Third Floor
Boston, MA 02110
Attention: Jennifer Vlasuk
Ref: PennantPark CLO I, Ltd.
Email: PennantPark.Team@usbank.com

Loan Agent

U.S. Bank National Association
Global Corporate Trust/CDO Department
214 N. Tryon Street, 26th Floor
Charlotte, North Carolina 28202
Attention: Jim Hanley
Ref: PennantPark CLO I, Ltd.
Email: agency.services@usbank.com

Borrower

PennantPark CLO I, Ltd.
c/o Crestbridge Cayman Limited
9 Forum Lane, Camana Bay
P.O. Box 31243
Grand Cayman, KY1-1205
Cayman Islands
Attention: The Directors
Email: george.bashforth@crestbridge.com and jonathan.bain@crestbridge.com

with a copy to:

Appleby (Cayman) Ltd.
71 Fort Street
Grand Cayman KY1-1104
Cayman Islands
Attention: Liesl Richter and Benjamin Woolf
Email: lrichter@applebyglobal.com and bwoolf@applebyglobal.com

Co-Borrower

PennantPark CLO I, LLC
c/o PennantPark Investment Advisers, LLC
590 Madison Avenue
New York, New York 10022
Attention: Arthur H. Penn, Chief Executive Officer and Managing Member
Email: penn@pennantpark.com

Collateral Manager

PennantPark Investment Advisers, LLC
590 Madison Avenue
New York, New York 10022
Attention: Arthur H. Penn, Chief Executive Officer and Managing Member
Email: penn@pennantpark.com

Rating Agencies

S&P Global Ratings
Email: CDO_Surveillance@spglobal.com

Fitch Ratings, Inc.
Email: cdo.surveillance@fitchratings.com

SCHEDULE 3

Payment Instructions for Lenders

Notice Information **Payment Information**	**Initial Principal Amount (U.S.$)**	**LOANX ID**
Capital One, National Association Notice Information: Portfolio Management Capital One Financial Institutions Group 2 Bethesda Metro Center, 7th Floor Bethesda, MD 20814 Payment Instructions: USD Bank: Capital One, N.A. ABA #: 065000090 Attn: Member Servicing Account No.: 3839514032301 Account Name: Member Services Clearing Account Ref: PennantPark CLO I, Ltd.	60,000,000	N/A
City National Bank Notice Information: 555 S. Flower St. 24th Floor Los Angeles, CA 90071 Payment Instructions: USD Bank: City National Bank ABA #: 122016066 For Account No.: 101306674 Account Name: Wire Transfer Bank Control Attention: Genevieve Zubia Reference: PENNANTPARK CLO I, LTD	17,500,000	N/A

SCHEDULE 4

Loan Agent Wiring Instructions

U.S. Bank National Association, as Loan Agent

Ramp-Up Account Wiring Instructions:

USD
Bank Name: US Bank NA
ABA # : 091000022
For Credit to
Account #: 104794467894
Reference: PennantPark CLO I, Ltd.
FFC: 197505-701

Exhibit 99.4

EXECUTION VERSION

COLLATERAL MANAGEMENT AGREEMENT

dated as of September 19, 2019

by and between

PENNANTPARK CLO I, LTD.,
as Issuer

and

PENNANTPARK INVESTMENT ADVISERS, LLC,
as Collateral Manager

TABLE OF CONTENTS

		Page
1.	DEFINITIONS	1
2.	GENERAL DUTIES AND AUTHORITY OF THE COLLATERAL MANAGER	5
3.	PURCHASE AND SALE TRANSACTIONS; BROKERAGE	10
4.	ADDITIONAL ACTIVITIES OF THE COLLATERAL MANAGER	12
5.	CONFLICTS OF INTEREST	15
6.	RECORDS; CONFIDENTIALITY	16
7.	OBLIGATIONS OF COLLATERAL MANAGER	17
8.	COMPENSATION	18
9.	BENEFIT OF THE AGREEMENT	20
10.	LIMITS OF COLLATERAL MANAGER RESPONSIBILITY	20
11.	NO PARTNERSHIP OR JOINT VENTURE	22
12.	TERM; TERMINATION	22
13.	DELEGATION; ASSIGNMENTS	24
14.	REMOVAL FOR CAUSE	25
15.	OBLIGATIONS OF RESIGNING OR REMOVED COLLATERAL MANAGER	27
16.	REPRESENTATIONS AND WARRANTIES	28
17.	LIMITED RECOURSE; NO PETITION	31
18.	NOTICES	32
19.	BINDING NATURE OF AGREEMENT; SUCCESSORS AND ASSIGNS	33
20.	ENTIRE AGREEMENT; AMENDMENT	33
21.	GOVERNING LAW	34
22.	SUBMISSION TO JURISDICTION	34
23.	WAIVER OF JURY TRIAL	34
24.	CONFLICT WITH THE INDENTURE	34
25.	SUBORDINATION; ASSIGNMENT OF AGREEMENT	34
26.	INDULGENCES NOT WAIVERS	35
27.	COSTS AND EXPENSES	35
28.	THIRD PARTY BENEFICIARY	36
29.	TITLES NOT TO AFFECT INTERPRETATION	36
30.	EXECUTION IN COUNTERPARTS	36
31.	PROVISIONS SEPARABLE; NUMBER AND GENDER	36

COLLATERAL MANAGEMENT AGREEMENT

THIS COLLATERAL MANAGEMENT AGREEMENT (as amended, supplemented or otherwise modified from time to time, this "Agreement"), dated as of September 19, 2019, is entered into by and between PENNANTPARK CLO I, LTD., an exempted company incorporated with limited liability under the laws of the Cayman Islands (the "Issuer"), and PENNANTPARK INVESTMENT ADVISERS, LLC, ("PennantPark") a Delaware limited liability company, as collateral manager (together with its successors and permitted assigns, in such capacity, the "Collateral Manager").

WITNESSETH:

WHEREAS, the Secured Debt will be issued pursuant to (i) an Indenture to be dated on or about the date hereof (the "Indenture"), among the Issuer, PennantPark CLO I, LLC, a Delaware limited liability company (the "Co-Issuer" and, together with the Issuer, the "Co-Issuers") and U.S. Bank National Association, a national banking association, as trustee (the "Trustee") and (ii) a Credit Agreement to be dated on or about the date hereof (the "Credit Agreement"), among the Co-Issuers, as co-borrowers, various financial institutions and other persons, as lenders, U.S. Bank National Association, as loan agent, and U.S. Bank National Association, as collateral agent;

WHEREAS, the Issuer intends to pledge all Collateral Obligations and the other Assets, all as set forth in the Indenture, to the Trustee as security for the Issuer's obligations under the Indenture;

WHEREAS, the Issuer desires to appoint PennantPark as the Collateral Manager to provide the services described herein and PennantPark desires to accept such appointment;

WHEREAS, the Indenture authorizes the Issuer to enter into this Agreement, pursuant to which the Collateral Manager agrees to perform, on behalf of the Issuer, certain investment management duties with respect to the acquisition, administration and disposition of Assets in the manner and on the terms set forth herein and to perform such additional duties as are consistent with the terms of this Agreement and the Indenture as the Issuer may from time to time reasonably request; and

WHEREAS, the Collateral Manager has the capacity to provide the services required hereby and is prepared to perform such services upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements herein set forth and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions.

(a) As used in this Agreement:

"Advisers Act" shall mean the Investment Advisers Act of 1940, as amended.

"Affiliate Transaction" shall have the meaning set forth in Section 5(a).

"Aggregate Collateral Management Fee" shall have the meaning set forth in Section 8(a).

"Agreement" shall have the meaning set forth in the preamble.

"Cause" shall have the meaning set forth in Section 14(a).

"Client" shall mean, with respect to any specified Person, any Person or account for which the specified Person provides investment management services or investment advice.

"Co-Issuer" shall have the meaning set forth in the recitals.

"Collateral Management Fee" shall have the meaning set forth in Section 8(a).

"Collateral Management Fee Shortfall Amount" shall have the meaning set forth in Section 8(a).

"Collateral Manager" shall have the meaning set forth in the preamble.

"Collateral Manager Breaches" shall have the meaning set forth in Section 10(a).

"Collateral Manager Information" shall mean the Collateral Manager Offering Circular Information and any information in any amendment or supplement to the Final Offering Circular that supplements or amends any of the Collateral Manager Offering Circular Information.

"Collateral Manager Notes" shall mean any Notes owned by the Collateral Manager, an Affiliate thereof, or any account, fund, client or portfolio established and controlled by the Collateral Manager or an Affiliate thereof or for which the Collateral Manager or an Affiliate thereof acts as the investment adviser or with respect to which the Collateral Manager or an Affiliate thereof exercises discretionary control thereover.

"Collateral Manager Offering Circular Information" shall mean the information in the Final Offering Circular set forth under the headings "Risk Factors—Risks Relating to the Collateral Manager," "Risk Factors—Risks Relating to Certain Conflicts of Interest—Certain conflicts of interest relating to the Collateral Manager and its Affiliates," "The Collateral Manager" and "The Transferor and the Depositor" (in each case, together with the subheadings thereunder).

"Collateral Manager Standard" shall mean the standard of care set forth in Section 2(a).

"Cumulative Deferred Management Fee" shall have the meaning set forth in Section 8(a).

"Current Deferred Management Fee" shall have the meaning set forth in Section 8(a).

"Expenses" shall have the meaning set forth in Section 10(b).

"Fee Basis Amount" shall mean, as of any date of determination, the sum of (a) the Collateral Principal Amount, (b) the Aggregate Principal Balance of all Defaulted Obligations and (c) the aggregate amount of all Principal Financed Accrued Interest and Principal Financed Capitalized Interest.

"Final Offering Circular" shall mean the final offering circular with respect to the Notes dated September 17, 2019.

"Indemnified Party" shall have the meaning set forth in Section 10(b).

"Indenture" shall have the meaning set forth in the recitals hereto.

"Independent" shall mean, as to any Person, any other Person (including, in the case of an accountant or lawyer, a firm of accountants or lawyers, and any member thereof, or an investment bank and any member thereof) who (i) does not have and is not committed to acquire any material direct or any material indirect financial interest in such Person or in any Affiliate of such Person, and (ii) is not connected with such Person as an officer, employee, promoter, underwriter, voting trustee, partner, manager, director or Person performing similar functions. "Independent" when used with respect to any accountant may include an accountant who audits the books of such Person if in addition to satisfying the criteria set forth above, the accountant is independent with respect to such Person within the meaning of Rule 101 of the Code of Professional Conduct of the American Institute of Certified Public Accountants. For purposes of this definition, no special member, manager, director or independent review party of any Person will fail to be Independent solely because such Person acts as an independent special member, independent manager, independent director or independent review party thereof or of any such Person's Affiliates. Any pricing service, certified public accountant or legal counsel that is required to be Independent of another Person under the Indenture must satisfy the criteria above with respect to the Issuer, the Collateral Manager and their Affiliates.

"Independent Review Party" shall have the meaning set forth in Section 5(b).

"Instrument of Acceptance" shall have the meaning set forth in Section 12(c).

"Internal Policies" shall have the meaning set forth in Section 4.

"Issuer" shall have the meaning set forth in the preamble.

"Losses" shall have the meaning set forth in Section 10(b).

"Material Adverse Effect" shall mean, with respect to any event or circumstance, a material adverse effect on (a) the business, financial condition (other than the performance of the Assets) or operations of the Issuer, taken as a whole, (b) the validity or enforceability of the Indenture or this Agreement or (c) the existence, perfection, priority or enforceability of the Trustee's lien on the Assets.

"Organizational Instruments" shall mean the memorandum and articles of association or certificate of incorporation and bylaws (or the comparable documents for the applicable jurisdiction), in the case of a corporation, or the partnership agreement, in the case of a partnership, or the certificate of formation and limited liability company agreement (or the comparable documents for the applicable jurisdiction), in the case of a limited liability company.

"Owner" shall mean, with respect to any Person, any direct or indirect shareholder, member, partner or other equity or beneficial owner thereof.

"PennantPark" shall have the meaning set forth in the preamble.

"Registered Investment Adviser" shall mean a Person duly registered as an investment adviser (including, for the avoidance of doubt, any Person that is a relying adviser of a Person that has registered as an investment adviser under the Advisers Act) in accordance with and pursuant to Section 203 of the Advisers Act.

"Related Person" shall mean, with respect to any Person, the owners of the equity interests therein, directors, officers, employees, shared personnel, managers, agents and professional advisors thereof.

"Responsible Officer" shall mean, with respect to any Person, any duly authorized director, officer or manager of such Person with direct responsibility for the administration of the applicable agreement and also, with respect to a particular matter, any other duly authorized director, officer or manager of such Person to whom such matter is referred because of such director's, officer's or manager's knowledge of and familiarity with the particular subject. Each party may receive and accept a certification of the authority of any other party as conclusive evidence of the authority of any Person to act, and such certification may be considered as in full force and effect until receipt by such other party of written notice to the contrary.

"Section 28(e)" shall have the meaning set forth in Section 3(b).

"Statement of Cause" shall have the meaning set forth in Section 14(a).

"Supermajority" shall mean, with respect to the Secured Debt, any Class thereof, or the Preferred Shares, the Holders of more than two-thirds of the Aggregate Outstanding Amount of such Class, as the case may be.

"Termination Notice" shall have the meaning set forth in Section 14(a).

"Transaction" shall mean any action taken by the Collateral Manager on behalf of the Issuer with respect to the Assets, including, without limitation, (i) selecting the Collateral Obligations and Eligible Investments to be acquired, sold, terminated or otherwise disposed of by the Issuer, (ii) investing and reinvesting the Assets, (iii) amending, waiving and/or taking any other action relating to managing the Assets and (iv) instructing the Trustee and the Custodian with respect to any acquisition, disposition or tender of, or Offer with respect to, a Collateral Obligation, Equity Security, Eligible Investment, Equity Holder Subsidiary or other Assets received in respect thereof in the open market or otherwise by the Issuer or any Equity Holder Subsidiary.

"Trustee" shall have the meaning set forth in the recitals hereto.

(b) Capitalized terms used but not otherwise defined herein shall have the respective meanings assigned thereto in the Indenture. The following rules apply to the use of defined terms and the interpretation of this Agreement: (i) the singular includes the plural and the plural includes the singular; (ii) "or" is not exclusive (unless preceded by "either") and "include" and "including"

are not limiting; (iii) unless the context otherwise requires, references to agreements shall be deemed to mean and include such agreements as the same may be amended, supplemented and otherwise modified from time to time; (iv) a reference to a law includes any amendment or modification to such law and any rules or regulations issued thereunder or any law enacted in substitution or replacement therefor; (v) a reference to a Person includes its successors and assigns; (vi) a reference to a Section without further reference is to the relevant Section of this Agreement; (vii) the headings of the Sections and subsections are for convenience and shall not affect the meaning of this Agreement; (viii) "writing", "written" and comparable terms refer to printing, typing, photocopying and any other means of reproducing words in a visible form (including telefacsimile and electronic mail); (ix) "hereof", "herein", "hereunder" and comparable terms refer to the entire instrument in which such terms are used and not to any particular article, section or other subdivision thereof or attachment thereto; and (x) references to any gender include any other gender, masculine, feminine or neuter, as the context requires.

2. General Duties and Authority of the Collateral Manager.

(a) PennantPark is hereby appointed as Collateral Manager of the Issuer for the purpose of performing certain investment management functions, including, without limitation, supervising and directing the investment and reinvestment of the Collateral Obligations and Eligible Investments and certain administrative and advisory functions on behalf of the Issuer in accordance with the applicable provisions of this Agreement, the Collateral Administration Agreement, the Master Loan Sale Agreement, the Indenture and the Credit Agreement, and PennantPark hereby accepts such appointment. The Collateral Manager will perform its obligations hereunder and under the Indenture with reasonable care and in good faith, (i) using a degree of skill and attention no less than that which the Collateral Manager exercises with respect to comparable assets that it may manage for itself and its other Clients, and (ii) in accordance with the Collateral Manager's existing practices and procedures with respect to investing in assets of the nature and character of the Assets; *provided* that, in no event shall the Collateral Manager be (i) liable for any loss or damages resulting from any failure to satisfy the foregoing standard of care except to the extent such failure is determined pursuant to a final adjudication by a court of competent jurisdiction to have been incurred as a result of a Collateral Manager Breach, (ii) liable or responsible for the performance of the Assets, (iii) obligated to perform any duties other than such duties as are expressly made applicable to the Collateral Manager herein or in the Indenture (including, for the avoidance of doubt, the Master Loan Sale Agreement), (iv) subject to implicit obligations of any kind or (v) obligated to pursue any particular investment strategy or opportunity with respect to the Assets. To the extent not inconsistent with the foregoing, the Collateral Manager will follow its Internal Policies in performing its duties hereunder and under the Indenture.

(b) Subject to the applicable provisions of the Indenture, the Collateral Manager is hereby authorized to, among other things:

(i) select the Collateral Obligations and Eligible Investments to be acquired, sold, terminated, tendered or otherwise disposed of by the Issuer;

(ii) invest and reinvest the Assets in accordance with the Indenture;

(iii) instruct the Trustee with respect to any acquisition, disposition or tender of, or Offer with respect to, a Collateral Obligation, Equity Security, Eligible Investment, Equity Holder Subsidiary, or other Assets received in respect thereof in the open market or otherwise by the Issuer or any Equity Holder Subsidiary;

(iv) apply or designate (as applicable) any amount or Cash Contribution to any Permitted Use in accordance with the Indenture;

(v) perform all other tasks and take all other actions that any of the Indenture, the Collateral Administration Agreement, the Master Loan Sale Agreement, or this Agreement specify are to be taken by the Collateral Manager; *provided* that, the Collateral Manager may, in its sole discretion, take any other action not inconsistent with an action that such agreements specify be taken by the Collateral Manager.

The Collateral Manager will not be bound to comply with any amendment or supplement to the Indenture or the Collateral Administration Agreement until it has received a copy of any such amendment or supplement from the Issuer or the Trustee and unless the Collateral Manager has consented in writing thereto (which consent may be withheld or granted in its sole discretion), prior to the execution thereof in accordance with the notice requirements set forth in the Indenture.

Notwithstanding anything to the contrary in this Agreement or the Indenture, none of the services performed by the Collateral Manager shall result in or be construed as resulting in an obligation to perform any of the following: (i) the Collateral Manager acting as an intermediary in securities for the Issuer; (ii) the Collateral Manager providing investment banking services to the Issuer; or (iii) the Collateral Manager having direct contact with, or actively soliciting or finding, outside investors to invest in the Issuer.

(c) Subject to the provisions concerning its general duties and obligations as set forth in paragraphs (a) and (b) above and the terms of the Indenture, the Collateral Manager shall provide, and is hereby authorized to provide, the following services to, or on behalf of, the Issuer:

(i) The Collateral Manager shall perform the investment-related duties and functions (including, without limitation, the furnishing of Issuer Orders and Responsible Officer's certificates) as are expressly required hereunder and under the Indenture with regard to acquisitions, sales, repurchases, substitutions or other dispositions of Collateral Obligations, Equity Securities, Eligible Investments and other Assets permitted to be acquired, sold or otherwise disposed of under, and subject to, the Indenture (including any proceeds received by way of Offers, workouts and restructurings or repurchases of Assets owned by the Issuer) and shall comply with the requirements in the Indenture and, with respect to repurchases or substitutions, the Master Loan Sale Agreement. The Collateral Manager shall have no obligation to perform any other duties other than as expressly specified herein, in the Indenture, in the Master Loan Sale Agreement, or in the Collateral Administration Agreement, and the Collateral Manager shall be subject to no implicit obligations of any kind. The Issuer hereby irrevocably (except as provided below) appoints the Collateral Manager as the Issuer's true and lawful agent and attorney-in-fact (with full power of substitution) in its name, place and stead and at its expense, in connection with the performance of the Collateral Manager's duties provided for in this Agreement and in the Indenture, including, without limitation, the following powers: (A) to give or cause to be given

any necessary receipts or acquittance for amounts collected or received hereunder or thereunder; (B) to make or cause to be made all necessary transfers of the Collateral Obligations, Equity Securities and Eligible Investments in connection with any acquisition, sale, termination or other disposition made pursuant to this Agreement, the Indenture, in the Master Loan Sale Agreement or in the Collateral Administration Agreement; (C) to execute (under hand, under seal or as a deed) and deliver or cause to be executed and delivered on behalf of the Issuer all necessary or appropriate bills of sale, assignments, agreements and other instruments in connection with any such acquisition, sale, termination or other disposition; and (D) to execute (under hand, under seal or as a deed) and deliver or cause to be executed and delivered on behalf of the Issuer any consents, votes, proxies, waivers, notices, amendments, modifications, agreements, instruments, orders or other documents in connection with or pursuant to this Agreement or the Indenture and relating to any Collateral Obligation, Equity Security or Eligible Investment. The Issuer hereby ratifies and confirms all that such attorney-in-fact (or any substitute) shall lawfully do hereunder and pursuant hereto and authorizes such attorney-in-fact to exercise full discretion and act for the Issuer in the same manner and with the same force and effect as the members, managers or officers of the Issuer might or could do in respect of the performance of such services, as well as in respect of all other things the Collateral Manager deems necessary or incidental to the furtherance or conduct of such services, subject in each case to the other terms of this Agreement. The Issuer hereby authorizes such attorney-in-fact (or any substitute), in its sole discretion (but subject to applicable law), to take all actions that it considers reasonably necessary and appropriate in respect of the Assets, this Agreement, the Indenture and the other Transaction Documents. Nevertheless, if so requested by the Collateral Manager or by a purchaser of any Collateral Obligation or Eligible Investment, the Issuer shall ratify and confirm any such sale, termination or other disposition by executing and delivering to the Collateral Manager or such purchaser all proper bills of sale, assignments, releases, powers of attorney, proxies, dividends, other orders and other instruments as may reasonably be designated in any such request. Except as otherwise set forth and provided for herein, this grant of power of attorney is coupled with an interest, and it shall survive and not be affected by the subsequent dissolution or bankruptcy of the Issuer. Notwithstanding anything herein to the contrary, the appointment herein of the Collateral Manager as the Issuer's agent and attorney-in-fact shall automatically cease and terminate upon any termination of this Agreement or upon the effective date of the appointment of a successor Collateral Manager following the resignation of the Collateral Manager pursuant to Section 12 or any removal of the Collateral Manager pursuant to Section 14. Each of the Collateral Manager and the Issuer shall take such other actions, and furnish such certificates, opinions and other documents, as may be reasonably requested by the other party hereto in order to effectuate the purposes of this Agreement and to facilitate compliance with applicable laws and regulations and the terms of this Agreement and the Indenture.

(ii) Subject to any applicable terms of the Collateral Administration Agreement and of the Indenture, the Collateral Manager shall monitor the Assets on behalf of the Issuer on an ongoing basis and shall provide or cause to be provided to the Issuer all reports, schedules and other data as is reasonably available to the Collateral Manager that the Issuer is required to prepare and deliver or cause to be prepared and delivered under the Indenture, in such forms and containing such information required thereby, in reasonably sufficient time for such required reports, schedules and data to be reviewed and delivered by or on behalf of the Issuer to the parties entitled thereto under the Indenture. The obligation of the Collateral Manager to furnish such reports, schedules and other data is subject to the Collateral Manager's timely receipt of necessary

information, reports, schedules and other data from the Person responsible for the delivery or preparation thereof (including without limitation, Obligors of the Collateral Obligations, the Rating Agencies, the Trustee, the Collateral Agent, the Loan Agent, the Calculation Agent and the Collateral Administrator) and to any confidentiality restrictions with respect thereto. The Collateral Manager shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing reasonably believed by it to be genuine and to have been signed or sent by a Person that the Collateral Manager has no reason to believe is not duly authorized. The Collateral Manager also may rely upon any statement made to it orally or by other means of communication and made by a Person the Collateral Manager has no reason to believe is not duly authorized, and shall not incur any liability for relying thereon. The Collateral Manager is entitled to rely on any other information furnished to it by third parties that it reasonably believes in good faith to be genuine.

(iii) The Collateral Manager, on behalf of the Issuer, shall be responsible for obtaining, to the extent reasonably practicable and to the extent such information is readily available to it, any information concerning whether a Collateral Obligation is a Discount Obligation or has become a Defaulted Obligation, a Credit Risk Obligation, a Current Pay Obligation or a Credit Improved Obligation.

(iv) The Collateral Manager may, subject to and in accordance with the Indenture, as agent of the Issuer and on behalf of the Issuer, direct the Collateral Agent and the Custodian to take any of the following actions with respect to a Collateral Obligation, Equity Security or Eligible Investment, as applicable:

(1) purchase or otherwise acquire such Collateral Obligation or Eligible Investment;

(2) retain such Collateral Obligation, Equity Security or Eligible Investment;

(3) sell or otherwise dispose of such Collateral Obligation, Equity Security or Eligible Investment (including any assets received by way of Offers, workouts and restructurings on assets owned by the Issuer or any Equity Holder Subsidiary) in the open market or otherwise;

(4) if applicable, tender such Collateral Obligation, Equity Security or Eligible Investment;

(5) if applicable, consent to or refuse to consent to any proposed amendment, modification, restructuring, exchange or waiver;

(6) retain or dispose of any securities or other property (if other than cash) received by the Issuer;

(7) waive any default with respect to any Defaulted Obligation;

(8) vote to accelerate the maturity of any Defaulted Obligation;

(9) participate in a committee or group formed by creditors of an Obligor, issuer or a borrower under a Collateral Obligation, Eligible Investment or Equity Security;

(10) after or in connection with the payment in full of all amounts owed on the Secured Debt and/or the Preferred Shares and the termination without replacement of the Indenture and the Credit Agreement or in connection with any redemption of the Secured Debt and/or Preferred Shares, advise the Issuer as to when, in the view of the Collateral Manager, it would be in the best interest of the Issuer to liquidate the Issuer's investment portfolio (and, if applicable, after discharge of the Indenture and the Credit Agreement) and render such assistance as may be necessary or required by the Issuer in connection with such liquidation or any actions necessary to effectuate a redemption of the Secured Debt and/or Preferred Shares;

(11) advise and assist the Issuer with respect to the valuation of the Assets, to the extent required or permitted by the Indenture;

(12) provide strategic and financial planning (including advice on utilization of assets), financial statements and other similar reports;

(13) negotiate, modify or amend any indebtedness of the Issuer as authorized by the Indenture in connection with a Refinancing (or Re-Pricing); and

(14) exercise any other rights or remedies with respect to such Collateral Obligation, Equity Security or Eligible Investment as provided in (i) the Underlying Documents of the Obligor or issuer of such Assets or the other documents governing the terms of such Assets and (ii) the Master Loan Sale Agreement, or, in either case, take any other action consistent with the terms of this Agreement or the Indenture which the Collateral Manager reasonably determines to be in the best interests of the Issuer.

(v) The Collateral Manager may, upon request of the Issuer, retain accounting, tax, counsel and other professional services on behalf of the Issuer or any Equity Holder Subsidiary as may be needed by the Issuer or such Equity Holder Subsidiary, as applicable.

(vi) In connection with the acquisition of any Collateral Obligation by the Issuer, the Collateral Manager shall prepare, on behalf of the Issuer, the information required to be delivered to the Custodian pursuant to the Indenture.

(vii) Where the Collateral Manager executes on behalf of the Issuer an agreement or instrument pursuant to which any security interest over any assets of the Issuer is created or released, the Collateral Manager shall promptly give written notice thereof to the Issuer and shall provide the Issuer with such information and/or copy documentation in respect thereof as the Issuer may reasonably require.

(viii) Upon its receipt of confirmation from the Retention Holder that the Retention Holder is in compliance with the EU Retention Requirement, as defined in the Retention of Net Economic Interest Letter, the Collateral Manager shall provide written confirmation to the Collateral Administrator and the Trustee, for inclusion in the Monthly Report, that the Retention Holder is in compliance with the EU Retention Requirement.

(d) In performing its duties hereunder and when exercising its discretion and judgment in connection with any transactions involving the Assets, the Collateral Manager shall carry out any reasonable written directions of the Issuer for the purpose of the Issuer's compliance with its Organizational Instruments and the Indenture; *provided* that such directions are not inconsistent with any provision of this Agreement or the Indenture by which the Collateral Manager is bound or prohibited by applicable law.

(e) In providing services hereunder, the Collateral Manager may rely in good faith upon and will be fully protected and incur no liability for acting at the direction of the Issuer (where such direction has been given without direct advice from the Collateral Manager) or for relying upon advice of nationally recognized counsel, accountants or other advisers as the Collateral Manager determines, in its sole discretion, is reasonably appropriate in connection with the services provided by the Collateral Manager under this Agreement. The Collateral Manager may, without the consent of any Person, delegate to third parties (including without limitation its Affiliates) the duties assigned to the Collateral Manager under this Agreement, and employ third parties at the Issuer's expense, including, without limitation, its Affiliates and/or Related Persons, to render advice (including investment advice), to provide services to arrange for trade execution and otherwise provide assistance to the Issuer and to perform any of its duties hereunder; *provided* that, the Collateral Manager shall not (i) delegate investment decision-making responsibilities including, without limitation, asset selection, credit review and the negotiation and determination of the acquisition price of a Collateral Obligation, to non-Affiliates or (ii) be relieved of any of its duties hereunder regardless of the performance of any services by third parties, including Affiliates.

3. Purchase and Sale Transactions; Brokerage.

(a) The Collateral Manager, subject to and in accordance with the Indenture and the Master Loan Sale Agreement, as applicable, hereby agrees that it shall cause any Transaction to be conducted on terms and conditions negotiated on an arm's-length basis (except as otherwise expressly required by the Indenture or the Master Loan Sale Agreement) and in accordance with applicable law. Except as expressly permitted under the Indenture, no Assets (other than any Delayed Drawdown Collateral Obligations or Revolving Collateral Obligations) shall be purchased if such Assets may give rise to any obligation or liability on the Issuer's part to the Obligor or issuer thereof to take any action or make any payment other than at the Issuer's option.

(b) The Collateral Manager will seek to obtain the best execution (but shall have no obligation to obtain the best price available) for all orders placed with respect to any Transaction, in a manner permitted by law and in a manner it believes to be in the best interests of the Issuer. Subject to the preceding sentence, the Collateral Manager may, in the allocation of business, select brokers and/or dealers with whom to effect trades on behalf of the Issuer and may open cash trading accounts with such brokers and dealers (*provided* that none of the Assets may be credited to, held in or subject to the lien of the broker or dealer with respect to any such account). In addition, subject to the first sentence of this paragraph, the Collateral Manager may, in the allocation of business, take into consideration research and other brokerage services furnished to the Collateral Manager or its Affiliates by brokers and dealers which are not Affiliates of the Collateral Manager; *provided* that the Collateral Manager in good faith believes that the compensation for such services rendered by such brokers and dealers complies with the requirements of Section 28(e) of the

Securities Exchange Act of 1934, as amended ("Section 28(e)"), or in the case of principal or fixed income transactions for which the "safe harbor" of Section 28(e) is not available, the amount of the spread charged is reasonable in relation to the value of the research and other brokerage services provided. Such services may be used by the Collateral Manager in connection with its other advisory activities or investment operations. The Collateral Manager may aggregate sales and purchase orders placed with respect to the Assets with similar orders being made simultaneously for other accounts managed by the Collateral Manager or with accounts of the Affiliates of the Collateral Manager, if in the Collateral Manager's reasonable judgment such aggregation shall result in an overall economic benefit to the Issuer, taking into consideration the advantageous selling or purchase price, brokerage commission or other expenses, as well as the availability of such obligations or securities on any other basis. In accounting for such aggregated order price, commissions and other expenses may be apportioned on a weighted average basis. When a Transaction occurs as part of any aggregate sales or purchase orders, the objective of the Collateral Manager will be to use reasonable efforts to allocate the executions among the accounts in a manner that it deems fair and equitable over time and that the Collateral Manager believes, in its reasonable business judgment, to be appropriate and in accordance with its Internal Policies and applicable law.

(c) The Issuer acknowledges and agrees that (i) the determination by the Collateral Manager of any benefit to the Issuer will be subjective and will represent the Collateral Manager's evaluation at the time that the Issuer will be benefited by relatively better purchase or sale prices, lower brokerage commissions, lower transaction costs and expenses and beneficial timing of transactions or any combination of any of these and/or other factors and (ii) the Collateral Manager shall be fully protected with respect to any such determination to the extent the Collateral Manager acts in accordance with the Collateral Manager Standard. The Issuer acknowledges and agrees that an Affiliate of the Collateral Manager owns the Preferred Shares and may hold or beneficially own a portion of the Secured Debt on and, potentially, after the Closing Date and that investment may give rise to conflicts of interest between the Collateral Manager's duties to the Issuer under this Agreement and such Affiliate's interests.

(d) Subject to the Collateral Manager's obligations described in this Section 3 and the covenants set forth in Section 5, the Collateral Manager is hereby authorized to effect Client cross-transactions where the Collateral Manager causes a Transaction to be effected between the Issuer and another account advised by the Collateral Manager or any of its Affiliates; *provided* that, if and to the extent required by the Advisers Act, such authorization is terminable prior to the completion of such cross-transaction at the Issuer's option without penalty. Such termination shall be effective upon receipt by the Collateral Manager of written notice from the Issuer. Subject to the Collateral Manager's execution obligations described in this Section and the covenants set forth in Section 5, the Collateral Manager is hereby authorized to effect principal transactions where the Issuer may invest in Collateral Obligations of Obligors or issuers in which the Collateral Manager and/or its Affiliates have a debt, equity or participation interest, in each case in accordance with applicable law. To the extent that applicable law requires disclosure to and the consent and approval of the Issuer to any such principal transaction, such requirements may be satisfied with respect to the Issuer in any manner that is permitted pursuant to then applicable law. For the avoidance of doubt, the Collateral Manager will not undertake any cross-transaction that it determines would not be in compliance with both the Advisers Act and the 1940 Act.

(e) The Issuer acknowledges and agrees that the Collateral Manager or any of its Affiliates may acquire or sell Assets, for its own account or for the accounts of its customers, without either requiring or precluding the acquisition or sale of such Assets for the account of the Issuer. Such investments may be the same or different from those made on behalf of the Issuer. The Issuer acknowledges that the Collateral Manager and its Affiliates may enter into, for their own accounts or for the accounts of others, credit default swaps relating to Obligors and issuers with respect to the Collateral Obligations and Eligible Investments included in the Assets. The Collateral Manager shall not incur any liability and shall be fully protected for any determinations made or other actions taken or omitted by it in good faith with respect to any determination of value made in accordance with the Transaction Documents. Notwithstanding the foregoing, the Collateral Manager will not undertake any such transaction that it determines would not be in compliance with both the Advisers Act and the 1940 Act.

4. Additional Activities of the Collateral Manager.

Nothing herein shall prevent the Collateral Manager or any of its Affiliates from engaging in other businesses, or from rendering services of any kind to the Issuer, the Trustee, the Collateral Administrator, the Placement Agent, the Co-Structuring Agent, any Holder or their respective Affiliates or any other Person or entity regardless of whether such business is in competition with the Issuer or otherwise. Without prejudice to the generality of the foregoing, partners, members, managers, shareholders, directors, officers, employees, shared personnel and agents of the Collateral Manager, Affiliates of the Collateral Manager, Related Persons of the Collateral Manager, and the Collateral Manager may:

(a) serve as managers or directors (whether supervisory or managing), officers, employees, shared personnel, members, shareholders, partners, agents, nominees or signatories for the Issuer or any Affiliate thereof, or for any Obligor or issuer in respect of any of the Collateral Obligations, Equity Securities or Eligible Investments or any Affiliate thereof, to the extent permitted by their respective Organizational Instruments and Underlying Documents, as from time to time amended, or by any resolutions duly adopted by the Issuer, its Affiliates or any Obligor or issuer in respect of any of the Collateral Obligations, Eligible Investments or Equity Securities (or any Affiliate thereof) pursuant to their respective Organizational Instruments;

(b) receive fees for services of whatever nature, including, without limitation, origination, closing, structuring and other fees, rendered to the Obligor or issuer in respect of any of the Collateral Obligations, Eligible Investments or Equity Securities or any Affiliate thereof;

(c) be retained to provide services unrelated to this Agreement to the Issuer or its Affiliates and be paid therefor, on an arm's-length basis;

(d) be a secured or unsecured creditor of, or hold a debt obligation of or equity interest in, the Issuer or any Affiliate thereof or any Obligor or issuer of any Collateral Obligation, Eligible Investment or Equity Security or any Affiliate thereof;

(e) subject to any applicable provisions in Section 3 or Section 5, sell any Collateral Obligation or Eligible Investment to, or purchase or acquire any Collateral Obligation or Equity Security from, the Issuer while acting in the capacity of principal or agent;

(f) underwrite, arrange, structure, originate, syndicate, act as a distributor of or make a market in any Collateral Obligation, Equity Security or Eligible Investment;

(g) serve as a member of any "creditors' board", "creditors' committee" or similar creditor group with respect to any Collateral Obligation, Defaulted Obligation, Eligible Investment or Equity Security; or

(h) act as collateral manager, portfolio manager, investment manager and/or investment adviser or sub-adviser for Persons issuing securities backed by loans and other assets similar to the Assets, collateralized loan obligation vehicles, separately managed accounts, private funds or other pooled investment vehicles and other similar investment vehicles.

As a result, such individuals and Persons may possess information relating to Obligors and issuers of Collateral Obligations that is (a) not known to or (b) known but restricted as to its use by the individuals at the Collateral Manager responsible for monitoring the Collateral Obligations and performing the other obligations of the Collateral Manager under this Agreement. Each of such ownership and other relationships may result in securities laws restrictions on transactions in such securities by the Issuer and otherwise create conflicts of interest for the Issuer. The Issuer acknowledges and agrees that, in all such instances, the Collateral Manager and its Affiliates may in their discretion make investment recommendations and decisions that may be the same as or different from those made with respect to the Issuer's investments and they have no duty, in making or managing such investments, to act in a way that is favorable to the Issuer.

The Issuer acknowledges that the Collateral Manager does not expect to maintain information barriers with respect to confidential communications which restrict the Collateral Manager from purchasing securities for itself or its Clients. The officers, employees, managers or Affiliates of the Collateral Manager may possess information relating to Obligors and issuers of Collateral Obligations that is not known to the individuals at the Collateral Manager responsible for monitoring the Collateral Obligations and performing the other obligations under this Agreement. The Collateral Manager may from time to time come into possession of material non-public information that limits the ability of the Collateral Manager to effect a transaction for the Issuer, and the Issuer's investments may be constrained as a consequence of the Collateral Manager's inability to use such information for advisory purposes or otherwise to effect transactions that otherwise may have been initiated on behalf of its Clients, including the Issuer.

Unless the Collateral Manager determines in its sole discretion that a Transaction complies with the provisions of Section 5, the Collateral Manager will not direct the Trustee to acquire or sell Collateral Obligations, Equity Securities or Eligible Investments issued by (i) Persons of which the Collateral Manager, any of its Affiliates or any of their officers, directors, employees or shared personnel are directors or officers, (ii) Persons of which the Collateral Manager, or any of its respective Affiliates act as principal or (iii) Persons about which the Collateral Manager or any of its Affiliates have material non-public information which the Collateral Manager deems would prohibit it from advising as to the trading of such obligations or securities in accordance with applicable law.

It is understood that the Collateral Manager and any of its Affiliates may engage in any other business and furnish investment management and advisory services to others, including Persons which may have investment policies similar to those followed by the Collateral Manager with respect to the Assets and which may own obligations or securities of the same class, or which are of the same type, as the Collateral Obligations or the Eligible Investments or other obligations or securities of the Obligors or issuers of the Collateral Obligations or the Eligible Investments. The Collateral Manager will be free, in its sole discretion, to make recommendations to others, or effect transactions on behalf of itself or for others, which may be the same as or different from those effected with respect to the Assets. Nothing in the Indenture and this Agreement shall prevent the Collateral Manager or any of its Affiliates, acting either as principal or agent on behalf of others, from buying or selling, or from recommending to or directing any other account to buy or sell, at any time, obligations or securities of the same kind or class, or obligations or securities of a different kind or class of the same Obligor or issuer, as those directed by the Collateral Manager to be purchased or sold on behalf of the Issuer. It is understood that, to the extent permitted by applicable law, the Collateral Manager, its Owners, their Affiliates or their respective Related Persons or any member of their families or a Person or entity advised by the Collateral Manager may have an interest in a particular transaction or in obligations or securities of the same kind or class, or obligations or securities of a different kind or class of the same Obligor or issuer, as those whose purchase or sale the Collateral Manager may direct hereunder. If, in light of market conditions and investment objectives, the Collateral Manager determines that it would be advisable to purchase the same Collateral Obligation both for the Issuer, and either the proprietary account of the Collateral Manager or any Affiliate of the Collateral Manager or another Client of the Collateral Manager, the Collateral Manager will allocate such investment opportunities across such entities for which such opportunities are appropriate and consistent with (i) its Internal Policies, (ii) any allocation and/or co-investment policy or agreement entered into by the Collateral Manager with any Person, as modified from time to time and (iii) any applicable requirements of the Advisers Act. The Issuer agrees that, in the course of managing the Collateral Obligations held by the Issuer, the Collateral Manager may consider its relationships with other Clients (including Obligors and issuers) and its Affiliates. The Collateral Manager may decline to make a particular investment for the Issuer in view of such relationships. It is understood that, to the extent permitted by applicable law, the Collateral Manager, its Affiliates and/or Related Persons or any member of their families may have an interest in a particular transaction or in an obligation of the same kind or class, or an obligation of a different kind or class of the same issuer, as those whose purchase or sale the Collateral Manager may direct hereunder. In the event that, in light of market conditions and investment objectives, the Collateral Manager determines that it would be advisable to acquire the same Collateral Obligation both for the Issuer and for the account of the Collateral Manager or any of its Affiliates or Related Persons, the Collateral Manager will seek to allocate the executions among the accounts in a manner it deems fair and equitable over time in accordance with its applicable internal policies and procedures (as such policies and procedures may change from time to time in the sole discretion of the Collateral Manager, the "Internal Policies") and applicable law. The Issuer acknowledges and agrees that neither the Collateral Manager nor any of its Affiliates is under any obligation to offer any investment opportunities of which they become aware to the Issuer or to account to the Issuer for (or share with the Issuer or inform the Issuer of) any such transaction or any benefit received from any such transaction by the Collateral Manager or any of its Affiliates. The Collateral Manager and/or its Affiliates may make an investment on their own behalf or on behalf of any Client without offering the investment opportunity or making any investment on behalf of the Issuer and, accordingly, investment opportunities may not be allocated among all such Clients. The Issuer acknowledges that affirmative obligations may arise in the

future, whereby the Collateral Manager and/or its Affiliates are obligated to offer certain investments to Clients before or without the Collateral Manager's offering those investments to the Issuer. The Issuer agrees that the Collateral Manager may make investments on behalf of the Issuer in securities or obligations that it has declined to invest in or enter into for its own account, the account of any of the Collateral Manager or its Affiliates or the account of any other Client.

The Issuer further acknowledges and agrees that the Collateral Manager and its Affiliates may make and/or hold investments on behalf of themselves or on behalf of their respective Clients in an Obligor's or issuer's obligations or securities that may be *pari passu*, senior or junior in ranking to an investment in such Obligor's or issuer's obligations or securities made and/or held by the Issuer, or otherwise may have interests different from or adverse to those of the Issuer and may consider such interests in the course of managing the Collateral Obligations held by the Issuer.

5. Conflicts of Interest.

(a) Subject to compliance with applicable laws and regulations (including the Advisers Act and the 1940 Act) and subject to this Agreement, the Master Loan Sale Agreement, and the Indenture, the Collateral Manager may direct the Trustee and the Custodian to acquire a Collateral Obligation from, or sell a Collateral Obligation or Equity Security to any of its Affiliates or any Client for whom the Collateral Manager or any of its Affiliates serve as investment advisor for fair market value (or as may be otherwise expressly required in the Transaction Documents (but in no event for less than fair market value) in connection with the repurchase or substitution of a Collateral Obligation by the Transferor under the Master Loan Sale Agreement). Fair market value will be determined as follows in connection with any sale by the Issuer to the Collateral Manager, an Affiliate of the Collateral Manager or an Affiliate of the Issuer: any Collateral Obligation or Equity Security sold by the Issuer to an Affiliate shall be sold at a price equal to the value determined either (x) by reference to bids for such Collateral Obligation or Equity Security from three unaffiliated loan market participants (or, if the Collateral Manager is unable to obtain bids from three such participants, then such lesser number of unaffiliated loan market participants from which the Collateral Manager can obtain bids using efforts consistent with the Collateral Manager Standard), or (y) if the Collateral Manager is unable to obtain any bids for such Collateral Obligation or Equity Security from an unaffiliated loan market participant, the value determined as the bid side market value of such Collateral Obligation or Equity Security as reasonably determined by the Collateral Manager (so long as the Collateral Manager is a Registered Investment Adviser) consistent with the Collateral Manager Standard, which value shall be consented to by the Issuer through the Independent Review Party when required pursuant to this Agreement and certified by the Collateral Manager to the Trustee and the Collateral Administrator. The Collateral Manager shall obtain the Issuer's written consent through the Independent Review Party as provided herein if any such transaction requires the consent of the Issuer under Section 206(3) of the Advisers Act (an "Affiliate Transaction"). The Issuer acknowledges that an Affiliate of the Collateral Manager will hold or beneficially own all or a portion of the outstanding Preferred Shares and that Affiliates of the Collateral Manager, or accounts advised or sub-advised by the Collateral Manager or its Affiliates may acquire Debt or Preferred Shares. In certain circumstances, the interests of the Issuer and/or the Holders with respect to matters as to which the Collateral Manager is advising the Issuer may conflict with the interests of the Collateral Manager. The Issuer hereby acknowledges that various potential and actual conflicts of interest may exist with respect to the Collateral Manager as described herein, in any other Transaction Document or in the Final Offering Circular; *provided* that nothing in this Section 5 shall be construed as altering the duties of the Collateral Manager referred to in this Agreement.

(b) The Issuer shall appoint an Independent third party to act on behalf of the Issuer (such party, an "Independent Review Party") with respect to Affiliate Transactions. Decisions of any Independent Review Party shall be binding on the Collateral Manager, the Issuer, the Holders of the Secured Debt and the beneficial owners thereof and the holders of the Preferred Shares.

(c) Any Independent Review Party (i) shall be an Independent Person selected by the Issuer (or at the request of the Issuer, selected by the Collateral Manager), (ii) shall be required to assess the potential conflicts and merits of each applicable Affiliate Transaction and either grant or withhold consent to such Affiliate Transaction in its sole judgment and (iii) shall be Independent with respect to the Issuer, the Collateral Manager and their respective Affiliates and not be (A) affiliated with the Issuer (other than as a Holder or beneficial owner of a Note or as a passive investor in the Issuer or an Affiliate of the Issuer) or the Collateral Manager or (B) involved in the daily management and control of the Issuer or the Collateral Manager.

(d) The Issuer (i) shall be responsible for any fees relating to the services provided by any Independent Review Party and shall reimburse any Independent Review Party for such Independent Review Party's out-of-pocket expenses and (ii) may indemnify such Independent Review Party to the maximum extent permitted by law, subject to terms and conditions satisfactory to the Collateral Manager.

6. Records; Confidentiality.

The Collateral Manager shall maintain or cause to be maintained appropriate books of account and records relating to its services performed hereunder, and such books of account and records shall be accessible for inspection by representatives of the Issuer, the Trustee, the Collateral Administrator, and the Independent accountants appointed by the Collateral Manager on behalf of the Issuer pursuant to Article X of the Indenture at any time during normal business hours and upon not less than five (5) Business Days' prior notice. The Collateral Manager shall keep confidential any and all information obtained in connection with the services rendered hereunder and shall not disclose any such information to non-affiliated third parties (excluding any Holders of the Secured Debt or holders of the Preferred Shares) except (a) with the prior written consent of the Issuer, (b) such information as a Rating Agency shall reasonably request in connection with its rating of the Secured Debt or supplying credit ratings or estimates on any obligation included in the Assets, (c) in connection with establishing trading or investment accounts or otherwise in connection with effecting Transactions on behalf of the Issuer, (d) as required by (i) applicable law, regulation, court order, legal process or a request by a governmental regulatory agency with jurisdiction over the Collateral Manager or any of its Affiliates, (ii) the rules or regulations of any self-regulating organization, body or official having jurisdiction over the Collateral Manager or any of its Affiliates (e) to its professional advisors (including, without limitation, legal, tax and accounting advisors), (f) such information as shall have been publicly disclosed other than in known violation of this Agreement, the Collateral Administration Agreement, the Master Loan Sale Agreement, the Credit Agreement or the provisions of the Indenture or shall have been obtained by the Collateral Manager on a non-confidential basis, (vii) such information as is necessary or appropriate to disclose so that the Collateral Manager may

perform its duties hereunder, under the Collateral Administration Agreement, the Indenture or any other Transaction Document or (viii) general performance information which may be used by the Collateral Manager or its Affiliates in connection with their marketing activities. Notwithstanding the foregoing, it is agreed that the Collateral Manager may disclose (i) that it is serving as collateral manager of the Issuer, (ii) the nature, aggregate principal amount and overall performance of the Issuer's Assets, (iii) the amount of earnings on the Assets, (iv) such other information about the Issuer, the Assets, the Secured Debt and the Preferred Shares as is customarily disclosed by managers of collateralized loan obligations and (v) each of its respective employees, shared personnel, representatives or other agents may disclose to any and all Persons, without limitation of any kind, the United States federal income tax treatment and United States federal income tax structure of the transactions contemplated by the Indenture, this Agreement and the related documents and all materials of any kind (including opinions and other tax analyses) that are provided to them relating to such United States federal income tax treatment and United States federal income tax structure; *provided* that such United States federal income tax treatment and United States federal income tax structure shall be kept confidential to the extent reasonably necessary to comply with applicable United States federal or state laws. For purposes of this Section 6, the Holders of the Secured Debt and the holders of the Preferred Shares shall not be considered "non-affiliated third parties."

7. Obligations of Collateral Manager.

In accordance with the Collateral Manager Standard, the Collateral Manager shall (x) take care to avoid knowingly taking any action that would (a) materially adversely affect the status of the Issuer for purposes of United States federal or state law, or other law applicable to the Issuer, (b) not be permitted by the Issuer's Organizational Instruments, copies of which the Collateral Manager acknowledges the Issuer has provided to the Collateral Manager, (c) violate any law, rule or regulation of any governmental body or agency having jurisdiction over the Issuer, including, without limitation, actions which would violate any United States federal, state or other applicable securities law that is known by the Collateral Manager to be applicable to it and, in each case, the violation of which would have a Material Adverse Effect on the Issuer or have a material adverse effect on the ability of the Collateral Manager to perform its obligations hereunder, (d) require registration of the Issuer or the pool of Assets as an "investment company" under Section 8 of the 1940 Act or (e) knowingly and willfully adversely affect the interests of the Holders of the Secured Debt or the holders of the Preferred Shares in the Assets in any material respect (other than (i) as expressly permitted hereunder, under the Collateral Administration Agreement, the Master Loan Sale Agreement, or under the Indenture or (ii) in connection with any action taken in the ordinary course of business of the Collateral Manager in accordance with its fiduciary duties to its Clients), and (y) comply in all material respects with requirements of the U.S. Risk Retention Rules applicable to it in connection with the performance of its duties under this Agreement and the Indenture, in each case, except in such instances in which (i) such requirement is being contested in good faith by appropriate proceedings diligently conducted or (ii) failure to comply therewith would not have a Material Adverse Effect on the Issuer or a material adverse effect on the ability of the Collateral Manager to perform its obligations hereunder or under the Indenture. If the Collateral Manager is directed by the Issuer or the requisite Holders of the Secured Debt or holders of the Preferred Shares, as applicable, to take any action which would, or could reasonably be expected to, in each case in its reasonable business judgment, have any such consequences, the Collateral Manager shall promptly notify the Issuer and the Rating Agencies that such action

would, or could reasonably be expected to, in each case in its reasonable business judgment, have one or more of the consequences set forth above and shall not take such action unless the initial member of the Issuer then requests the Collateral Manager to do so and both a Majority of the Controlling Class and a Majority of the Preferred Shares have consented thereto in writing. Notwithstanding any such request, the Collateral Manager may, in its sole discretion, choose not to take such action unless (1) arrangements satisfactory to it are made to insure or indemnify the Collateral Manager, Affiliates of the Collateral Manager and members, managers, officers, employees or shared personnel of the Collateral Manager or such Affiliates from any liability and expense it may incur as a result of such action and (2) if the Collateral Manager so requests in respect of a question of law, the Issuer delivers to the Collateral Manager an opinion of counsel (from outside counsel satisfactory to the Collateral Manager) that the action so requested does not violate any law, rule or regulation of any governmental body or agency having jurisdiction over the Issuer or over the Collateral Manager. Neither the Collateral Manager, its Affiliates, nor members, managers, officers, employees or shared personnel of the Collateral Manager or of its Affiliates shall be liable to the Issuer or any other Person, except as provided in Section 10. Notwithstanding anything contained in this Agreement to the contrary, any indemnification or insurance by the Issuer provided for in this Section 7 or Section 10 shall be payable out of the Assets in accordance with the Priority of Payments, and the Collateral Manager may take into account such Priority of Payments in determining whether any proposed indemnity arrangements contemplated by this Section 7 are satisfactory.

8. Compensation.

(a) As compensation for its performance of its obligations as Collateral Manager under this Agreement and the Indenture, the Collateral Manager will be entitled to receive on each Payment Date (in accordance with the Priority of Payments) a fee (the "Collateral Management Fee"). The Collateral Management Fee will be payable on each Payment Date to the extent of the funds available for such purpose in accordance with the Priority of Payments.

The Collateral Management Fee is payable to the Collateral Manager in arrears, on each Payment Date in an amount equal to 0.15% per annum (calculated on the basis of the actual number of days in the applicable Interest Accrual Period divided by 360) of the Fee Basis Amount at the beginning of the Collection Period relating to such Payment Date; *provided* that the Collateral Management Fee payable on any Payment Date shall not include any such fee (or any portion thereof) that has been waived or deferred by the Collateral Manager pursuant to this Section 8(a) or Section 8(b) no later than the Determination Date immediately prior to such Payment Date.

The Collateral Management Fee is payable on each Payment Date only to the extent that sufficient Interest Proceeds or Principal Proceeds are available in accordance with the Priority of Payments. To the extent all or a portion of the Collateral Management Fee is not paid on a Payment Date due to insufficient Interest Proceeds or Principal Proceeds (and such fee was not voluntarily deferred or waived by the Collateral Manager), the Collateral Management Fee due on such Payment Date (or the unpaid portion thereof, as applicable, the "Collateral Management Fee Shortfall Amount") will be automatically deferred for payment on the succeeding Payment Date, with interest, in accordance with the Priority of Payments. Interest on Collateral Management Fee Shortfall Amounts shall accrue at LIBOR for the period beginning on the first Payment Date on which the related Collateral Management Fee was due (and not paid) through the Payment Date on which such Collateral Management Fee Shortfall Amount (including accrued interest) is paid.

At the option of the Collateral Manager, by written notice to the Trustee and the Collateral Administrator, no later than the Determination Date immediately prior to such Payment Date, on each Payment Date, (i) all or a portion of the Collateral Management Fees or the Collateral Management Fee Shortfall Amount (including accrued interest) due and owing on such Payment Date may be deferred for payment on a subsequent Payment Date, without interest (the "Current Deferred Management Fee") and (ii) all or a portion of the previously deferred Collateral Management Fees or Collateral Management Fee Shortfall Amounts (including accrued interest) (collectively, the "Cumulative Deferred Management Fee") may be declared due and payable and will be payable in accordance with the Priority of Payments. At such time as the Secured Debt is redeemed in whole in connection with an Optional Redemption (other than a Refinancing), Clean-Up Call Redemption, or a Tax Redemption, without duplication, all accrued and unpaid Collateral Management Fees, Current Deferred Management Fees and Cumulative Deferred Management Fees, excluding any waived Collateral Management Fee (the "Aggregate Collateral Management Fee") shall be due and payable to the Collateral Manager.

(b) The Collateral Manager may, in its sole discretion (but shall not be obligated to), elect to waive all or any portion of the Collateral Management Fee or the Aggregate Collateral Management Fee payable to the Collateral Manager on any Payment Date. Any such election shall be made by the Collateral Manager delivering written notice thereof to the Trustee and the Collateral Administrator no later than the Determination Date immediately prior to such Payment Date. Any election to waive the Collateral Management Fee or Aggregate Collateral Management Fee may also be made by written standing instructions to the Trustee and the Collateral Administrator. As of the date hereof, PennantPark has informed the Issuer, the Trustee and the Collateral Administrator that it hereby irrevocably waives all of the Collateral Management Fee otherwise payable to it so long as it acts as collateral manager hereunder.

(c) Except as otherwise set forth herein and in the Indenture, the Collateral Manager will continue to serve as collateral manager under this Agreement notwithstanding that the Collateral Manager will not have received amounts due it under this Agreement because sufficient funds were not then available hereunder to pay such amounts in accordance with the Priority of Payments.

(d) If this Agreement is terminated for any reason, or the Collateral Manager resigns or is removed, (i) Collateral Management Fees calculated as provided in Section 8(a) shall be prorated for any partial period elapsing from the last Payment Date on which such Collateral Manager received the Collateral Management Fee to the effective date of such termination, resignation or removal and (ii) any unpaid Cumulative Deferred Management Fees shall be determined as of the effective date of such termination, resignation or removal and, in each case, shall be due and payable on each Payment Date following the effective date of such termination, resignation or removal in accordance with the Priority of Payments until paid in full. Otherwise, such Collateral Manager shall not be entitled to any further compensation for further services but shall be entitled to receive any expense reimbursement accrued to the effective date of termination, resignation or removal and any indemnity amounts owing (or that may become owing) under this Agreement. Any Aggregate Collateral Management Fee, expense reimbursement and indemnities owed to such Collateral Manager or owed to any successor Collateral Manager on any Payment Date shall be paid *pro rata* based on the amount thereof then owing to each such Person, subject to the Priority of Payments.

9. Benefit of the Agreement.

The Collateral Manager agrees and consents to the provisions contained in Section 15.1(f) of the Indenture. In addition, the Collateral Manager acknowledges the pledge of this Agreement under the granting clause of the Indenture.

10. Limits of Collateral Manager Responsibility.

(a) The Collateral Manager assumes no responsibility under this Agreement other than to render the services expressly required to be performed by it hereunder and under the other Transaction Documents in accordance with the Collateral Manager Standard. None of the Collateral Manager's Affiliates, Owners or their respective Related Persons nor any Independent Review Party assumes any responsibility under this Agreement. None of the Collateral Manager, its Affiliates, its Owners or their respective Related Persons nor any Independent Review Party assumes any responsibility under this Agreement other than The Collateral Manager shall not be responsible for any action or inaction of the Issuer or the Trustee in following or declining to follow any advice, recommendation or direction of the Collateral Manager including as set forth in Section 7. The Indemnified Parties (as defined below) shall not be liable to the Co-Issuers, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent, any Holder of Secured Debt, any holder of Preferred Shares, the Placement Agent, the Co-Structuring Agent, any of their respective Affiliates, Owners or Related Persons or any other Persons for any act, omission, error of judgment, mistake of law, or for any claim, loss, liability, damage, judgment, assessment, settlement, cost, or other expense (including attorneys' fees and expenses and court costs) arising out of any investment, or for any other act or omission in the performance of the Collateral Manager's obligations under or in connection with this Agreement or the terms of any other Transaction Document applicable to the Collateral Manager, incurred as a result of actions taken or recommended or for any omissions of the Collateral Manager, or for any decrease in the value of the Assets, except the Collateral Manager shall be liable (i) by reason of acts or omissions constituting bad faith, willful misconduct or gross negligence in the performance of its duties hereunder and under the terms of the Indenture or (ii) with respect to the Collateral Manager Offering Circular Information, as of the date made, containing any untrue statement of a material fact or omitting to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (the preceding clauses (i) and (ii) collectively referred to for purposes of this Section 10 as "Collateral Manager Breaches"). The Collateral Manager shall not be liable for any indirect, incidental, consequential, punitive, exemplary or treble damages or lost profits hereunder or under the Indenture regardless of whether such losses or damages are foreseeable and regardless of the form of action. Nothing contained herein shall be deemed to waive any liability which cannot be waived under applicable state or federal law or any rules or regulations adopted thereunder.

(b) The Issuer shall indemnify and hold harmless the Collateral Manager, its Affiliates and Owners and their respective Related Persons and each Independent Review Party (each, an "Indemnified Party") from and against any and all losses, claims, damages, judgments, assessments, costs or other liabilities (collectively, "Losses") and will promptly reimburse each such Indemnified Party for all reasonable fees and expenses incurred by an Indemnified Party with respect thereto (including reasonable fees and expenses of counsel) (collectively, "Expenses") arising out of or in connection with the issuance of the Secured Debt (including, without limitation, any untrue statement of material fact contained in the Offering Circular or any offering circular which supersedes or supplements the Offering Circular, or omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, other than Collateral Manager Offering Circular Information), the transactions contemplated by the Offering Circular or any offering circular which supersedes or supplements the Offering Circular, the Indenture or this Agreement and any acts or omissions of any such Indemnified Party; *provided* that such Indemnified Party shall not be indemnified for any Losses or Expenses incurred as a result of any Collateral Manager Breach.

(c) Notwithstanding anything contained herein to the contrary, the obligations of the Issuer under this Section 10 to indemnify any Indemnified Party for any Losses or Expenses are non-recourse obligations of the Issuer payable solely out of the Assets in accordance with the Priority of Payments set forth in the Indenture, and shall be subject to the terms of Section 25 hereof.

(d) Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Agreement shall not be construed so as to provide for the exculpation of the Collateral Manager or the indemnification of the Issuer, Co-Issuer or the Collateral Manager for any liability (including liability under United States federal securities laws), to the extent (but only to the extent) that such liability may not be waived, modified or limited under applicable law or such indemnification may not be demanded under applicable law, but shall otherwise be construed so as to effectuate the provisions of this Agreement to the fullest extent permitted by applicable law.

(e) In providing services under this Agreement, the Collateral Manager may rely in good faith upon and will be fully protected and incur no liability for relying upon advice of nationally recognized counsel, accountants or other advisers as the Collateral Manager determines, in its sole discretion, is reasonably appropriate in connection with the services provided by the Collateral Manager under this Agreement.

(f) No Indemnified Party shall, without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, settle or compromise any claim giving rise to a claim for indemnity hereunder, or permit a default or consent to the entry of any judgment in respect thereof, unless such settlement, compromise or consent includes, as an unconditional term thereof, the giving by the claimant to the Indemnifying Party of a release from liability substantially equivalent to the release given by the claimant to such Indemnified Party in respect of such claim.

11. No Partnership or Joint Venture.

The Issuer and the Collateral Manager are not partners or joint venturers with each other and nothing herein shall be construed to make them such partners or joint venturers or impose any liability as such on either of them. The Collateral Manager shall be deemed, for all purposes herein, an independent contractor and shall, except as otherwise expressly provided herein or in the Indenture or authorized by the Issuer from time to time, have no authority to act for or represent the Issuer in any way or otherwise be deemed an agent of the Issuer. It is acknowledged that neither the Collateral Manager nor any of its Affiliates has provided or shall provide any tax, accounting or legal advice or assistance to the Issuer or any other Person in connection with the transactions contemplated hereby.

12. Term; Termination.

(a) This Agreement shall commence as of the date first set forth above and shall continue in force until the first of the following occurs: (i) the final liquidation of the Assets and the final distribution of the proceeds, if any, of such liquidation to the Holders of the Secured Debt and the holders of the Preferred Shares, (ii) the payment in full of the Secured Debt and the satisfaction and discharge of the Indenture and the Credit Agreement in accordance with their terms or (iii) the early termination of this Agreement with respect to the Collateral Manager in accordance with Section 12(c), in connection with the resignation of such Collateral Manager pursuant to Section 12(b) or in connection with the removal of such Collateral Manager pursuant to Section 14.

(b) Subject only to clause (c) below, the Collateral Manager may resign upon ninety (90) days' prior written notice to the Issuer (or such shorter notice as is acceptable to the Issuer), the Holders, the Trustee and the Fiscal Agent; *provided* that the Collateral Manager shall have the right to resign immediately upon the effectiveness of any material change in applicable law or regulations which renders the performance by the Collateral Manager of its duties hereunder or under the Indenture to be a violation of such law or regulation.

(c) Notwithstanding the provisions of clause (b) above, no resignation or removal of the Collateral Manager or termination of this Agreement with respect to such Collateral Manager in connection with such resignation or removal shall be effective until the date as of which a successor Collateral Manager shall have been appointed in accordance with Section 12(d) or Section 12(e) and has accepted all of the Collateral Manager's duties and obligations pursuant to this Agreement in writing (an "Instrument of Acceptance") and has assumed such duties and obligations.

(d) Promptly after notice of any removal under Section 14 or any resignation of the Collateral Manager that is to take place while any Secured Debt is Outstanding, the Issuer shall transmit copies of such notice to the Trustee (which shall forward a copy of such notice to the Holders), the Fiscal Agent and each Rating Agency (*provided*, *however*, in the case of Fitch, only for so long as any Class A-1 Debt remains Outstanding) and shall appoint an institution as Collateral Manager, at the direction of a Majority of the Preferred Shares, which institution (i) has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager hereunder, (ii) is legally qualified and has the capacity to assume all of the responsibilities, duties and obligations of the Collateral Manager hereunder and under the applicable terms of the Indenture, (iii) does not cause or result in the Issuer becoming, or require the pool of Assets to be registered as, an investment company under the 1940 Act, (iv) with respect to which the Global Rating Agency Condition has been satisfied and (v) has been approved by a Majority of the Controlling Class (disregarding any Collateral Manager Notes).

(e) If (i) a Majority of the Preferred Shares fails to nominate a successor within thirty (30) days of initial notice of the resignation or removal of the Collateral Manager or (ii) a Majority of the Controlling Class (disregarding any Collateral Manager Notes) does not approve the proposed successor nominated by the Holders of the Preferred Shares within twenty (20) days of the date of the notice of such nomination, then a Majority of the Controlling Class (disregarding any Collateral Manager Notes) shall, within sixty (60) days of the failure described in clauses (i) or (ii) of this sentence, as the case may be, nominate a successor Collateral Manager that meets the criteria set forth in Section 12(d). If a Majority of the Preferred Shares approves such Controlling Class nominee, such nominee shall become the Collateral Manager. If no successor Collateral Manager is appointed within ninety (90) days (or, in the event of a change in applicable law or regulation which renders the performance by the Collateral Manager of its duties under this Agreement or the Indenture to be a violation of such law or regulation, within thirty (30) days) following the termination or resignation of the Collateral Manager, any of the Collateral Manager, a Majority of the Preferred Shares and a Majority of the Controlling Class (disregarding any Collateral Manager Notes) shall have the right to petition a court of competent jurisdiction to appoint a successor Collateral Manager, in any such case whose appointment shall become effective after such successor has accepted its appointment and without the consent of any Holder of any Secured Debt or any holder of any Preferred Shares.

(f) The successor Collateral Manager shall be entitled to the Collateral Management Fee set forth in Section 8(a) (except such portion of the Collateral Management Fee due and payable to the former Collateral Manager as set forth in Section 8(d)) and no compensation payable to such successor Collateral Manager shall be greater than as set forth in Section 8(a) without the prior written consent of 100% of the Holders of each Class of Secured Debt (in each case including Collateral Manager Notes) and of 100% of the holders of the Preferred Shares. Upon the later of the expiration of the applicable notice periods with respect to termination specified in this Section 12 or in Section 14 and the acceptance of its appointment hereunder by the successor Collateral Manager, all authority and power of the Collateral Manager hereunder, whether with respect to the Assets or otherwise, shall automatically and without action by any Person or entity pass to and be vested in the successor Collateral Manager. The Issuer, the Trustee and the successor Collateral Manager shall take such action (or the Issuer shall cause the outgoing Collateral Manager to take such action) consistent with this Agreement and as shall be necessary to effect any such succession.

(g) In connection with any vote under this Agreement, in determining whether the Holders of the requisite Aggregate Outstanding Amount have given any request, demand, authorization, direction, notice, consent or waiver or made any proposal, if Collateral Manager Notes are disregarded and deemed not to be outstanding in connection with such vote and a Class of Secured Debt entitled to vote is comprised entirely of Collateral Manager Notes, then the most senior Class of Secured Debt that is not comprised entirely of Collateral Manager Notes shall be entitled to exercise the specified voting rights, disregarding any Collateral Manager Notes, in lieu of such other Class of Secured Debt.

(h) If this Agreement is terminated pursuant to this Section 12, such termination shall be without any further liability or obligation of either party to the other, except as provided in clause (i) of this Section 12.

(i) Sections 6, 10, 15, 17, 21, 22, 23 and 25 shall survive any termination of this Agreement pursuant to this Section 12 or Section 14.

13. Delegation; Assignments.

(a) Except as otherwise provided in this Section 13, the Collateral Manager may not assign or delegate (except as provided in Section 2(e)) its rights or responsibilities under this Agreement without (i) satisfaction of the Global Rating Agency Condition with respect thereto and (ii) obtaining the consent of the Issuer and the consent of a Majority of the Controlling Class and a Majority of the Preferred Shares (voting separately). The Collateral Manager shall not be required to obtain such consents or satisfy such condition with respect to a change of control transaction that is deemed to be an assignment within the meaning of Section 202(a)(1) of the Advisers Act at the time of any such transaction; *provided* that, if the Collateral Manager is a Registered Investment Adviser, the Collateral Manager shall obtain the consent of the Independent Review Party on behalf of the Issuer, in a manner consistent with SEC Staff interpretations of Section 205(a)(2) of the Advisers Act, to any such transaction. For the avoidance of doubt, consent by the Independent Review Party shall be presumed to be granted should the Independent Review Party fail to object within a reasonable period following appropriate disclosure by the Collateral Manager of an actual, potential or intended change of control transaction.

(b) The Collateral Manager may without satisfaction of the Global Rating Agency Condition, without obtaining the consent of any Holder and, so long as such assignment does not constitute an "assignment" for purposes of Section 205(a)(2) of the Advisers Act during such time as the Collateral Manager is a Registered Investment Adviser, without obtaining the prior consent of the Independent Review Party on behalf of the Issuer, (1) assign any of its rights or obligations under this Agreement to an Affiliate; *provided* that such Affiliate (i) has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager pursuant to this Agreement, (ii) has the legal right and capacity to act as Collateral Manager under this Agreement and (iii) shall not cause either of the Co-Issuers or the pool of Assets to become required to register under the provisions of the 1940 Act or (2) enter into (or have its parent enter into) any consolidation or amalgamation with, or merger with or into, conversion, or transfer of all or substantially all of its assets to, another entity; *provided* that, at the time of such consolidation, amalgamation, merger, conversion or transfer the resulting, surviving or transferee entity assumes all the obligations of the Collateral Manager under this Agreement generally and the other entity has substantially the same investment personnel managing the Issuer's Assets; *provided*, *further*, that such action does not cause the Issuer to be subject to tax in any jurisdiction; *provided*, *further*, that the Collateral Manager shall deliver prior notice to the Rating Agencies (*provided*, *however*, in the case of Fitch, only for so long as any Class A-1 Debt remains Outstanding) of any assignment or other action made pursuant to this sentence. Upon the execution and delivery of any such assignment by the assignee, the Collateral Manager will be released from further obligations pursuant to this Agreement except with respect to its obligations and agreements arising under Section 10, 12(h), 17, 21 through 23, and 25 in respect of acts or omissions occurring prior to such assignment and except with respect to its obligations under Section 15 after such assignment.

(c) This Agreement shall not be assigned by the Issuer without (i) the prior written consent of (A) the Collateral Manager, (B) a Majority of the Preferred Shares and (C) a Majority of the each Class of Secured Debt (voting separately) and (ii) satisfaction of the Global Rating Agency Condition, except in the case of assignment by the Issuer (1) to an entity which is a successor to the Issuer permitted under the Indenture, in which case such successor organization shall be bound hereunder and by the terms of said assignment in the same manner as the Issuer is bound hereunder or (2) to the Trustee as contemplated by the granting clause of the Indenture. The Issuer has assigned its rights, title and interest in (but not its obligations under) this Agreement to the Trustee pursuant to the Indenture; and the Collateral Manager by its signature below agrees to, and acknowledges, such assignment. Upon assignment by the Issuer, the Issuer shall use reasonable efforts to cause such assignee to execute and deliver to the Collateral Manager such documents as the Collateral Manager shall consider reasonably necessary to effect fully such assignment.

(d) The Issuer shall provide the Rating Agencies (*provided*, *however*, in the case of Fitch, only for so long as any Class A-1 Debt remains Outstanding), the Trustee (who shall provide a copy of such notice to the Controlling Class) and the Fiscal Agent with notice of any assignment pursuant to this Section 13.

14. Removal for Cause.

(a) Removal for Cause. The Collateral Manager may be removed for Cause upon ten (10) Business Days' prior written notice by the Issuer ("Termination Notice") at the direction of a Supermajority of the Controlling Class, disregarding any Collateral Manager Notes. Simultaneous with its direction to the Issuer to remove the Collateral Manager for Cause, a Supermajority of the Controlling Class shall give to the Issuer a written statement setting forth the reason for such removal ("Statement of Cause"). The Issuer shall deliver to the Trustee (who shall forward a copy of such notice to the Holders) and the Fiscal Agent a copy of the Termination Notice and the Statement of Cause within five (5) Business Days of receipt. No such removal shall be effective (A) until the date as of which a successor Collateral Manager shall have been appointed in accordance with Sections 12(d) and (e) and delivered an Instrument of Acceptance to the Issuer and the removed Collateral Manager and the successor Collateral Manager has effectively assumed all of the Collateral Manager's duties and obligations and (B) unless the Statement of Cause has been delivered to the Issuer as set forth in this Section 14(a). "Cause" shall mean any of the following:

(i) the Collateral Manager shall willfully and intentionally violate or breach any material provision of this Agreement or the Indenture applicable to it (not including a willful and intentional breach that results from a good faith dispute regarding reasonable alternative courses of action or interpretation of instructions), if any such breach has had, or could reasonably be expected to have, a material adverse effect on the holders of the Secured Debt, and fails to cure such breach within 30 days of receiving notice of such breach or, if such breach is not capable of cure within 30 days but is capable of being cured within 90 days, the Collateral Manager fails to cure such breach within the period in which a reasonably prudent person could cure such breach (but in no event more than 90 days);

(ii) the Collateral Manager shall breach any provision of this Agreement or any terms of the Indenture expressly applicable to it (other than as covered by clause (i) and it being understood that failure to meet any Concentration Limitation, Collateral Quality Test or Coverage Test is not a breach for purposes of this clause (ii)), which breach would reasonably be expected to have a material adverse effect on any Class of Holders and shall not cure such breach (if capable of being cured) within thirty (30) days after the earlier to occur of a Responsible Officer of the Collateral Manager receiving notice or having actual knowledge of such breach, unless, if such breach is remediable, the Collateral Manager has taken action commencing the cure thereof within such thirty (30) day period that the Collateral Manager believes in good faith will remedy such breach within sixty (60) days after the earlier to occur of a Responsible Officer receiving notice or having actual knowledge thereof;

(iii) the failure of any representation, warranty, certification or statement made or delivered by the Collateral Manager in or pursuant to this Agreement or the Indenture to be correct in any material respect when made which failure (A) would reasonably be expected to have a material adverse effect on any Class of Holders and (B) is not corrected by the Collateral Manager within sixty (60) days of a Responsible Officer of the Collateral Manager receiving notice of such failure, unless, if such failure is remediable, the Collateral Manager has taken action commencing the cure thereof within such thirty (30) day period that the Collateral Manager believes in good faith will remedy such failure within ninety (90) days after the earlier to occur of a Responsible Officer receiving notice thereof or having actual knowledge thereof;

(iv) the Collateral Manager is wound up or dissolved or there is appointed over it or a substantial part of its assets a receiver, administrator, administrative receiver, trustee or similar officer; or the Collateral Manager (A) ceases to be able to, or admits in writing its inability to, pay its debts as they become due and payable, or makes a general assignment for the benefit of, or enters into any composition or arrangement with, its creditors generally; (B) applies for or consents (by admission of material allegations of a petition or otherwise) to the appointment of a receiver, trustee, assignee, custodian, liquidator or sequestrator (or other similar official) of the Collateral Manager or of any substantial part of its properties or assets in connection with any winding up, liquidation, reorganization or other relief under any bankruptcy, insolvency, receivership or similar law, or authorizes such an application or consent, or proceedings seeking such appointment are commenced without such authorization, consent or application against the Collateral Manager and continue undismissed for sixty (60) days; (C) authorizes or files a voluntary petition in bankruptcy, or applies for or consents (by admission of material allegations of a petition or otherwise) to the application of any bankruptcy, reorganization, arrangement, readjustment of debt, insolvency, dissolution, or similar law, or authorizes such application or consent, or proceedings to such end are instituted against the Collateral Manager without such authorization, application or consent and are approved as properly instituted and remain undismissed for sixty (60) days or result in adjudication of bankruptcy or insolvency or the issuance of an order for relief; or (D) permits or suffers all or any substantial part of its properties or assets to be sequestered or attached by court order and the order (if contested in good faith) remains undismissed for sixty (60) days;

(v) the occurrence and continuation of an Event of Default specified under clause (a), (b) or (c) of the definition of such term that results primarily from any material breach by the Collateral Manager of its duties under this Agreement or under the Indenture which breach or default is not cured within any applicable cure period; or

(vi) (A) the occurrence of an act by the Collateral Manager that constitutes fraud or criminal activity in the performance of its obligations under this Agreement (as determined pursuant to a final adjudication by a court of competent jurisdiction) or the Collateral Manager being convicted (after all appeals and the expiration of time to appeal) for a criminal offense materially related to its business of providing asset management services, or (B) any Responsible Officer of the Collateral Manager primarily responsible for the performance by the Collateral Manager of its obligations under this Agreement (in the performance of his or her investment management duties) is convicted (after all appeals and the expiration of time to appeal) of a criminal offense for a criminal offense materially related to the business of the Collateral Manager providing asset management services and continues to have responsibility for the performance by the Collateral Manager under this Agreement for a period of 30 days after the final such appeal (or the expiration of time to appeal).

(b) If any of the events specified in clauses (a)(i) through (vi) of this Section 14 shall occur, the Collateral Manager shall give prompt written notice thereof to the Issuer, the Holders, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent and the Rating Agencies (*provided*, *however*, in the case of Fitch, only for so long as any Class A-1 Debt remains Outstanding); *provided* that if any of the events specified in Section 14(a)(iv) shall occur, the Collateral Manager shall give written notice thereof to the Issuer, the Trustee, the Collateral Agent, the Loan Agent, the Fiscal Agent and the Rating Agencies (*provided*, *however*, in the case of Fitch, only for so long as any Class A-1 Debt remains Outstanding) immediately upon the Collateral Manager's becoming aware of the occurrence of such event. A Majority of each Class of Secured Debt, voting separately by Class (in each case disregarding any Collateral Manager Notes), and a Majority of the Preferred Shares, may waive any event described in Section 14(a)(i), (ii), (iii), (v) or (vi) as a basis for termination of this Agreement and removal of the Collateral Manager under this Section 14. In no event will the Trustee be required to determine whether or not Cause exists for the removal of the Collateral Manager.

(c) If the Collateral Manager is removed pursuant to this Section 14, the Issuer shall have, in addition to the rights and remedies set forth in this Agreement, all of the rights and remedies available with respect thereto at law or equity.

15. Obligations of Resigning or Removed Collateral Manager.

(a) From and after the effective date of any resignation or removal of the Collateral Manager, the Collateral Manager shall not be entitled to compensation for further services hereunder, but shall be paid all compensation to which it is entitled, and shall receive all other amounts for which it is entitled to reimbursement, all as provided in and subject to Section 8 hereof, and shall be entitled to receive any amounts owing under Section 7 and Section 10 hereof. On, or as soon as practicable after, the date any resignation or removal is effective, the Collateral Manager shall (at the Issuer's expense):

(i) deliver to the Issuer or to such other Person as the Issuer shall instruct all property and documents of the Issuer or otherwise relating to the Assets then in the custody of the Collateral Manager;

(ii) deliver to the Trustee and the Collateral Administrator an accounting with respect to the books and records delivered to the Trustee and the Collateral Administrator or the successor Collateral Manager appointed pursuant to Section 12; and

(iii) reasonably cooperate, or agree to reasonably cooperate, with all reasonable requests related to any proceedings, even after its resignation or removal, which arise in connection with this Agreement or the Indenture, assuming the Collateral Manager has received an indemnity in form reasonably satisfactory to the Collateral Manager from an entity reasonably satisfactory to the Collateral Manager, and expense reimbursement reasonably satisfactory to the Collateral Manager.

(b) Notwithstanding such resignation or removal, the Collateral Manager shall remain liable for its obligations under Section 10 and its acts or omissions giving rise thereto and for any expenses, losses, damages, liabilities, demands, charges and claims of any nature whatsoever (including reasonable attorneys' fees) in respect of or arising out of a Collateral Manager Breach, subject to the limitations of liability set forth in Section 10.

16. Representations and Warranties.

(a) The Issuer hereby represents and warrants to the Collateral Manager as follows:

(i) The Issuer has been duly organized and is validly existing under the laws of the jurisdiction of its organization, has the full power and authority to own its assets and the securities proposed to be owned by it and included in the Assets and to transact the business in which it is presently engaged and is duly qualified under the laws of each jurisdiction where its ownership or lease of property, the conduct of its business or the performance of this Agreement, the Indenture, the Credit Agreement, the Master Loan Sale Agreement, the Collateral Administration Agreement and the Secured Debt require such qualification, except for those jurisdictions in which the failure to be so qualified, authorized or licensed would not have a Material Adverse Effect on the Issuer.

(ii) The Issuer has full power and authority to execute, deliver and perform all of its obligations under this Agreement, the Indenture, the Credit Agreement, the Master Loan Sale Agreement, the Collateral Administration Agreement and the Secured Debt and has taken all necessary action to authorize this Agreement and the execution and delivery of this Agreement and the performance of all obligations imposed upon it hereunder, and, as of the Closing Date, will have taken all necessary action to authorize the Indenture, the Credit Agreement, the Master Loan Sale Agreement, the Collateral Administration Agreement and the Secured Debt and the execution, delivery and performance of this Agreement, the Credit Agreement, the Indenture, the Master Loan Sale Agreement, the Collateral Administration Agreement and the Secured Debt and the performance of all obligations imposed upon it thereunder. No consent of any other Person including, without limitation, Holders of the Preferred Shares and creditors of the Issuer, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration,

filing (other than any filings pursuant to the UCC required under the Indenture and necessary to perfect any security interest granted thereunder) or declaration with, any governmental authority is required by the Issuer in connection with the execution, delivery, performance, validity or enforceability of this Agreement, the Indenture, the Credit Agreement, the Master Loan Sale Agreement, the Collateral Administration Agreement or the Secured Debt or the obligations imposed upon the Issuer hereunder and thereunder. This Agreement has been, and each instrument and document to which the Issuer is a party required hereunder or under the Indenture, the Master Loan Sale Agreement, the Collateral Administration Agreement or the Secured Debt will be, executed and delivered by a Responsible Officer of the Issuer, and this Agreement constitutes, and each instrument or document required hereunder to which the Issuer is a party, when executed and delivered hereunder, will constitute, the legally valid and binding obligation of the Issuer enforceable against the Issuer in accordance with its terms, subject, as to enforcement, (A) to the effect of bankruptcy, receivership, insolvency, winding-up or similar laws affecting generally the enforcement of creditors' rights as such laws would apply in the event of any bankruptcy, receivership, insolvency, winding-up or similar event applicable to the Issuer and (B) to general equitable principles (whether enforceability of such principles is considered in a proceeding at law or in equity).

(iii) The execution, delivery and performance of this Agreement and the documents and instruments required hereunder and under the Indenture, the Credit Agreement, the Master Loan Sale Agreement, and the Collateral Administration Agreement will not violate any provision of any existing law or regulation binding on the Issuer, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on the Issuer, or the Organizational Instruments of, or any securities issued by, the Issuer or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which the Issuer is a party or by which the Issuer or any of its assets may be bound, the violation of which would have a Material Adverse Effect on the Issuer, and will not result in or require the creation or imposition of any lien on any of its property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract or other agreement, instrument or undertaking (other than the lien of the Indenture).

(iv) The Issuer is not in violation of its Organizational Instruments or in breach or violation of or in default under any contract or agreement to which it is a party or by which it or any of its property may be bound, or any applicable statute or any rule, regulation or order of any court, government agency or body having jurisdiction over the Issuer or its properties, the breach or violation of which or default under which would have a material adverse effect on the validity or enforceability of this Agreement or the provisions of the Indenture and the Collateral Administration Agreement applicable to the Issuer, or the performance by the Issuer of its duties hereunder or thereunder.

(v) The Issuer acknowledges receipt of the Collateral Manager's Form ADV, Part 2A at or prior to execution of this Agreement, as well as Part 2B reflecting relevant Collateral Manager personnel, as required by the Advisers Act.

(b) The Collateral Manager hereby represents and warrants to the Issuer, as of the date hereof, as follows:

(i) The Collateral Manager is a limited liability company duly organized and validly existing and in good standing under the laws of the jurisdiction of its organization and has full power and authority to own its assets and to transact the business in which it is currently engaged, and is duly qualified to do business and is in good standing under the laws of each jurisdiction where the performance of this Agreement would require such qualification, except for those jurisdictions in which the failure to be so qualified, authorized or licensed would not have a material adverse effect on the ability of the Collateral Manager to perform its obligations under this Agreement and the provisions of the Indenture, the Master Loan Sale Agreement, and the Collateral Administration Agreement applicable to the Collateral Manager, or on the validity or enforceability of this Agreement and the provisions of the Indenture, the Master Loan Sale Agreement, and the Collateral Administration Agreement applicable to the Collateral Manager.

(ii) The Collateral Manager has full power and authority to execute and deliver this Agreement and to perform all of its obligations required hereunder and under the provisions of the Indenture, the Master Loan Sale Agreement, and the Collateral Administration Agreement applicable to the Collateral Manager, and has taken all necessary action to authorize this Agreement on the terms and conditions hereof and the execution and delivery of this Agreement and the performance of all obligations required hereunder and under the terms of the Indenture, the Master Loan Sale Agreement, and the Collateral Administration Agreement applicable to the Collateral Manager. No consent of any other Person, including, without limitation, members and creditors of the Collateral Manager, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority is required by the Collateral Manager hereof in connection with this Agreement or the execution, delivery, performance, validity or enforceability of this Agreement or the obligations imposed on the Collateral Manager hereunder or under the terms of the Indenture, the Master Loan Sale Agreement, and of the Collateral Administration Agreement applicable to the Collateral Manager other than those which have been obtained or made. No representation is made herein with respect to the requirements of state securities laws or regulations. This Agreement has been executed and delivered by a Responsible Officer of the Collateral Manager, and this Agreement constitutes the valid and legally binding obligations of the Collateral Manager enforceable against the Collateral Manager in accordance with its terms, subject, as to enforcement, (A) to the effect of bankruptcy, insolvency, winding-up or similar laws affecting generally the enforcement of creditors' rights as such laws would apply in the event of any bankruptcy, receivership, insolvency, winding-up or similar event applicable to the Collateral Manager and (B) to general equitable principles (whether enforceability of such principles is considered in a proceeding at law or in equity).

(iii) The execution, delivery and performance of this Agreement and the terms of the Indenture and the other Transaction Documents applicable to the Collateral Manager will not violate any provision of any existing law or regulation binding on the Collateral Manager (except that no representation is made herein with respect to the requirements of state securities laws or regulations), or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on the Collateral Manager, or the Organizational Instruments of, or any securities issued by, the Collateral Manager or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which the Collateral Manager is a party or by which the Collateral Manager or any of its assets may be bound, the violation of which would have a material adverse effect on the business, operations, assets or financial condition of the Collateral Manager or which would reasonably be expected to adversely affect in a material manner its ability to perform its obligations hereunder or under the Indenture, the Master Loan Sale Agreement, or the Collateral Administration Agreement.

(iv) There is no charge, investigation, action, suit or proceeding before or by any court pending or, to the actual knowledge of the Collateral Manager, threatened, that, if determined adversely to the Collateral Manager, would have a material adverse effect upon the performance by the Collateral Manager of its duties under this Agreement or the provisions of the Indenture, the Master Loan Sale Agreement, or of the Collateral Administration Agreement applicable to the Collateral Manager.

(v) The Collateral Manager Information, as of its date, and only with respect to the Collateral Manager Offering Circular Information in the Final Offering Circular, as of the date of the Final Offering Circular and the Closing Date, does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) The Collateral Manager makes no representation, express or implied, with respect to the Issuer or the disclosure with respect to the Issuer.

(d) The Collateral Manager is registered as an Investment Adviser pursuant to Section 203 of the Advisers Act.

17. Limited Recourse; No Petition.

The Collateral Manager hereby agrees that it shall not institute against, or join any other Person in instituting against, the Issuer or any Equity Holder Subsidiary any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings or other proceedings under United States federal or state or other bankruptcy or similar laws until at least one year (or, if longer, the applicable preference period then in effect) plus one day after payment in full of all Secured Debt issued under the Indenture and the Credit Agreement; *provided* that nothing in this Section 17 shall preclude the Collateral Manager from (a) taking any action prior to the expiration of such applicable preference period in (i) any case or proceeding voluntarily filed or commenced by the Issuer or any Equity Holder Subsidiary or (ii) any insolvency proceeding filed or commenced against the Issuer or any Equity Holder Subsidiary by any Person other than the Collateral Manager or (b) commencing against the Issuer, any Equity Holder Subsidiary or any of their respective properties any legal action that is not a bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceeding. The Collateral Manager hereby acknowledges and agrees that the Issuer's obligations hereunder will be solely the limited liability company obligations of the Issuer, and that the Collateral Manager will not have any recourse to any of the members, managers, officers, employees, shared personnel, shareholders or Affiliates of the Issuer with respect to any claims, losses, damages, liabilities, indemnities or other obligations in connection with any Transactions contemplated hereby. Notwithstanding any other provisions hereof or of any other Transaction Document, recourse in respect of any obligations of the Issuer to the Collateral Manager hereunder or thereunder will be limited to the Assets as applied in accordance with the Priority of Payments pursuant to the Indenture and, on the exhaustion of the Assets, all claims against the Issuer arising from this Agreement, the Indenture or any other Transaction Document or any Transactions contemplated hereby or thereby shall be extinguished and shall not revive. This Section 17 shall survive the termination of this Agreement for any reason whatsoever.

18. Notices.

Unless expressly provided otherwise herein, all notices, demands, certificates, requests, directions and communications hereunder shall be in writing and shall be effective (a) upon receipt when sent through the U.S. mails, registered or certified mail, return receipt requested, postage prepaid, with such receipt to be effective the date of delivery indicated on the return receipt, (b) one (1) Business Day after delivery to any overnight courier, (c) on the date personally delivered to a Responsible Officer of the party to which sent, (d) on the date transmitted by legible facsimile transmission with a confirmation of receipt, or (e) upon receipt when transmitted by electronic mail transmission (*i.e.*, e-mail), in all cases addressed to the recipient at such recipient's address for notices as set forth below:

(a) If to the Issuer:

PennantPark CLO I, Ltd.
c/o Crestbridge Cayman Limited,
9 Forum Lane, Camana Bay
P.O. Box 31243
Grand Cayman KY1-1205, Cayman Islands
Attention: The Directors,
E-mail: George.bashforth@crestbridge.com and jonathan.bain@crestbridge.com
Facsimile No.: +1 (345) 947-9380

with a copy to:
c/o Appleby (Cayman) Ltd.
71 Fort Street
Grand Cayman KY1-1104, Cayman Islands
Attention: Liesl Richter and Benjamin Woolf
E-mail: lrichter@applebyglobal.com and bwoolf@applebyglobal.com
Facsimile No.: +1 (345) 949-4901

(b) If to the Collateral Manager:

PennantPark Investment Advisers, LLC
590 Madison Avenue
New York, New York 10022
Attention: Arthur H. Penn, Chief Executive Officer and Managing Member
E-mail: penn@pennantpark.com

(c) If to the Holders:

At their respective addresses set forth in the Register, as applicable.

Any party may change the address, facsimile number, or email address to which communications or copies directed to such party are to be sent by giving notice to the other parties of such change of address, telecopy number, or email address in conformity with the provisions of this Section 18 for the giving of notice.

Unless the parties hereto otherwise agree, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor, *provided*, that if any such notice or other communication is not sent or posted during normal business hours, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day; *provided*, *further*, that if in any instance the intended recipient declines or opts out of the receipt acknowledgment, then such notice or communication shall be deemed to have been received on the Business Day sent or posted, if sent or posted during normal business hours on such Business Day, or if otherwise, at the opening of business on the next Business Day.

19. Binding Nature of Agreement; Successors and Assigns.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns as provided herein.

20. Entire Agreement; Amendment.

(a) This Agreement, the Indenture, the Credit Agreement, the Master Loan Sale Agreement, and the Collateral Administration Agreement contain the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersede all prior and contemporaneous agreements, understandings, inducements and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. The express terms hereof and thereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof.

(b) This Agreement may not be modified or amended other than by an agreement in writing executed by each of the parties hereto. Neither the Issuer nor the Collateral Manager will enter into any agreement amending, modifying or terminating this Agreement without satisfaction of the Global Rating Agency Condition and obtaining the consent of a Majority of the Controlling Class and a Majority of the Preferred Shares; *provided* that no such Global Rating Agency Condition or consent will be required in connection with any amendment hereto the sole purpose of which is to (i) correct inconsistencies, typographical or other errors, defects or ambiguities or (ii) conform this Agreement to the Final Offering Circular, the Collateral Administration Agreement, the Master Loan Sale Agreement, or the Indenture (as they may be amended from time to time). The Issuer shall provide the Holders with notice of any amendment of this Agreement.

21. Governing Law.

THIS AGREEMENT SHALL BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS CONFLICTS OF LAWS PROVISIONS (OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW), *provided* that nothing herein shall be construed in a manner that is inconsistent with the Advisers Act to the extent the Advisers Act is applicable.

22. Submission to Jurisdiction.

Each party hereto hereby irrevocably submits to the non-exclusive jurisdiction of any New York State or Federal court sitting in the Borough of Manhattan in The City of New York in any action or proceeding arising out of or relating this Agreement, and hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York State or Federal court. Each party hereto hereby irrevocably waives, to the fullest extent that it may legally do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. The Collateral Manager irrevocably consents to the service of any and all process in any action or proceeding by the mailing or delivery of copies of such process to it the address set forth in Section 18. The Issuer hereby irrevocably designates and appoints Corporation Service Company as the agent of the Issuer to receive on its behalf service of all process brought against it with respect to any such proceeding in any such court, such service being hereby acknowledged by the Issuer to be effective and binding on it in every respect. If for any reason such agent shall cease to be available to act as such, then the Issuer shall promptly designate a new agent in the City of New York. Each party hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

23. Waiver of Jury Trial.

EACH PARTY TO THIS AGREEMENT HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY PROCEEDING.

24. Conflict with the Indenture.

In respect of any conflict between the terms of this Agreement and the Indenture or actions required under the terms of the Indenture and the terms of this Agreement, and such actions are mutually exclusive, the terms of the Indenture shall control.

25. Subordination; Assignment of Agreement.

(a) The Collateral Manager agrees that the payment of all amounts to which it is entitled pursuant to this Agreement shall be subordinated to the extent set forth in, and the Collateral Manager agrees to be bound by the provisions of, Article XI of the Indenture as if the Collateral Manager were a party to the Indenture and hereby consents to the assignment of this Agreement as provided in Section 15.1 of the Indenture.

(b) Notwithstanding any other provision of this Agreement, the obligations of the Issuer and the Co-Issuer hereunder are non-recourse obligations of the Issuer and the Co-Issuer, payable solely from the Assets and only to the extent of funds available from time to time and in accordance with the Priority of Payments, and following exhaustion of Assets, any claims of the Collateral Manager hereunder shall be extinguished and shall not thereafter revive.

(c) The Collateral Manager further agrees (i) not to take any action in respect of any claims hereunder against any officer, director, employee, shareholder, noteholder or administrator of the Issuer or the Co-Issuer, and (ii) not to cause the filing of a petition in bankruptcy against the Issuer or the Co-Issuer for the nonpayment of the fees or other amounts payable by the Issuer or the Co-Issuer to the Collateral Manager under this Agreement until the payment in full of all Notes issued under this Indenture and the expiration of a period equal to one year and a day, or, if longer, the applicable preference period, following such payment.

(d) Nothing in this Section 25 shall preclude, or be deemed to stop, the Collateral Manager (i) from taking any action prior to the expiration of the aforementioned period in (A) any case or Proceeding voluntarily filed or commenced by the Issuer, or (B) any involuntary insolvency Proceeding filed or commenced by a Person other than the Collateral Manager, or (ii) from commencing against the Issuer or the Co-Issuer or any of its properties any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceeding. The provisions of this Section 25 shall survive the termination of this Agreement for any reason whatsoever.

26. Indulgences Not Waivers.

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

27. Costs and Expenses.

Except as otherwise agreed to by the parties hereto, the costs and expenses (including the fees and disbursements of counsel and accountants) of the Collateral Manager and of the Issuer incurred in connection with the negotiation and preparation of and the execution of this Agreement and any amendment hereto, and all matters incidental thereto, shall be borne by the Issuer unless paid on the Closing Date or shortly thereafter by PennantPark Floating Rate Capital Ltd. or from the proceeds of the offering of the Notes, to the extent permitted under the Indenture. The Issuer will pay or reimburse the Collateral Manager for expenses including fees and out-of-pocket expenses reasonably incurred by the Collateral Manager in connection with the services provided by the Collateral Manager under this Agreement, the Indenture, the Collateral Administration Agreement or the Master Loan Sale Agreement, including with respect to (a) legal advisers, consultants, rating agencies, accountants, brokers and other professionals retained by the Issuer or the Collateral Manager (on behalf of the Issuer), (b) asset pricing and asset rating services,

compliance services and software, and accounting, programming and data entry services directly related to the management of the Assets, (c) all taxes, regulatory and governmental charges (not based on the income of the Collateral Manager), insurance premiums or expenses, (d) any and all costs and expenses incurred in connection with the acquisition or disposition of investments on behalf of the Issuer or any Equity Holder Subsidiary (whether or not actually consummated) and management thereof, including attorneys' fees and disbursements, (e) any fees, expenses or other amounts payable to the Rating Agencies, (f) expenses and fees relating to any issuance of additional Secured Debt and/or Preferred Shares, redemption, Refinancing or Re-Pricing, as applicable, by the Issuer or any Equity Holder Subsidiary, (g) any extraordinary costs and expenses incurred by the Collateral Manager in the performance of its obligations under this Agreement and the Indenture and (h) as otherwise agreed upon by the Issuer and the Collateral Manager. In addition, the Issuer will pay or reimburse the costs and expenses (including fees and disbursements of counsel and accountants) of the Collateral Manager and the Issuer incurred in connection with or incidental to the entering into of this Agreement or any amendment thereof. The fees and expenses payable to the Collateral Manager on any Payment Date are payable in accordance with the Priority of Payments.

28. Third Party Beneficiary.

The parties hereto agree that the Trustee on behalf of the Secured Parties shall be a third party beneficiary of this Agreement, and shall be entitled to rely upon and enforce such provisions of this Agreement to the same extent as if it were a party hereto.

29. Titles Not to Affect Interpretation.

The titles of paragraphs and subparagraphs contained in this Agreement are for convenience only, and they neither form a part of this Agreement nor are they to be used in the construction or interpretation hereof.

30. Execution in Counterparts.

This Agreement may be executed by electronic transmission or .pdf signature and in several counterparts, each of which shall be an original and all of which shall together constitute but one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

31. Provisions Separable; Number and Gender.

(a) The provisions of this Agreement are independent of and separable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part; *provided, however*, that if there is no basis for such a construction, such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability and, unless the ineffectiveness of such provision destroys the basis of the bargain for one of the parties to this Agreement, the validity, legality and enforceability of the remaining provisions hereof or thereof shall not in any way be affected or impaired thereby.

(b) Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.

[*REMAINDER OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURE PAGE FOLLOWS.*]

IN WITNESS WHEREOF, the parties hereto have executed this Collateral Management Agreement as of the date first written above.

Executed as a Deed by:

PENNANTPARK CLO I, LTD., as Issuer

By: /s/ Alvin Bhawanie
Name: Alvin Bhawanie
Title: Director

IN WITNESS WHEREOF, the parties hereto have executed this Collateral Management Agreement as of the date first written above.

PENNANTPARK INVESTMENT ADVISERS, LLC, as Collateral Manager

By: /s/ Arthur H. Penn
Name: Arthur H. Penn
Title: Managing Member

Exhibit 99.5

EXECUTION VERSION

MASTER LOAN SALE AGREEMENT

by and among

PENNANTPARK FLOATING RATE CAPITAL LTD.,
as the Seller,

PENNANTPARK CLO I DEPOSITOR, LLC,
as the Intermediate Seller,

and

PENNANTPARK CLO I, LTD.,
as the Buyer

Dated as of September 19, 2019

TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS	1
Section 1.01 Definitions	1
Section 1.02 Other Terms	5
Section 1.03 Computation of Time Periods	5
Section 1.04 Interpretation	5
Section 1.05 References	6
Section 1.06 Calculations	6
ARTICLE II TRANSFER OF LOAN ASSETS	6
Section 2.01 Sale, Transfer and Assignment	6
Section 2.02 Purchase Price	12
Section 2.03 Payment of Purchase Price	12
Section 2.04 Income Collections on Closing Date Participation Interests	13
Section 2.05 Elevation of the Closing Date Participation Interests	14
Section 2.06 Limitation on Sales to Seller and Affiliates	15
Section 2.07 Mandatory Repurchases	15
Section 2.08 Optional Substitution of Collateral Obligations	16
ARTICLE III CONDITIONS PRECEDENT	17
Section 3.01 Conditions Precedent	17
Section 3.02 Conditions Precedent to all Purchases	18
Section 3.03 Release of Excluded Amounts	18
ARTICLE IV REPRESENTATIONS AND WARRANTIES	19
Section 4.01 Representations and Warranties Regarding the Seller	19
Section 4.02 Representations and Warranties of the Seller Relating to the Agreement and the Collateral	22
Section 4.03 Representations and Warranties Regarding the Intermediate Seller	23
Section 4.04 Representations and Warranties of the Intermediate Seller Relating to the Agreement and the Collateral	25
Section 4.05 Representations and Warranties Regarding the Buyer	26
ARTICLE V MISCELLANEOUS	27
Section 5.01 Amendments and Waivers	27
Section 5.02 Notices, Etc.	28
Section 5.03 Severability of Provisions	29

TABLE OF CONTENTS
(continued)

		Page
Section 5.04	GOVERNING LAW; JURY WAIVER	29
Section 5.05	Counterparts	29
Section 5.06	Bankruptcy Non-Petition and Limited Recourse; Claims	29
Section 5.07	Binding Effect; Assignability	29
Section 5.08	Headings and Exhibits	30
Section 5.09	No Waiver; Cumulative Remedies	30
Section 5.10	Merger and Integration	30

EXHIBITS AND SCHEDULES

Exhibit A	Form of Assignment (Schedule 2)
Schedule 1	Collateral Obligations

MASTER LOAN SALE AGREEMENT

THIS MASTER LOAN SALE AGREEMENT, dated as of September 19, 2019 (as amended, modified, supplemented or restated from time to time, this "Agreement"), is among PENNANTPARK FLOATING RATE CAPITAL LTD., a Maryland corporation (in its capacity as seller hereunder, together with its successors and assigns, the "Seller"), PENNANTPARK CLO I DEPOSITOR, LLC, a Delaware limited liability company (together with its successors and assigns in its capacity as the intermediate seller hereunder, the "Intermediate Seller"), and PENNANTPARK CLO I, LTD., an exempted company incorporated with limited liability under the laws of the Cayman Islands (together with its successors and assigns, the "Buyer").

WHEREAS, in the regular course of its business, the Seller originates and/or otherwise acquires Collateral Obligations;

WHEREAS, (i) contemporaneously on the Closing Date, the Seller desires to acquire certain of the Closing Date Participation Interests (as defined below) from PennantPark Floating Rate Funding I, LLC (the "Financing Subsidiary"), (ii) contemporaneously on the Closing Date, the Intermediate Seller desires to acquire from the Seller and the Buyer desires to acquire from the Intermediate Seller the Collateral Obligations, as listed on Schedule 1 hereto (including the Closing Date Participation Interests) and (iii) from time to time after the Closing Date, the Intermediate Seller may acquire from the Seller and the Buyer may acquire from the Intermediate Seller certain additional Collateral Obligations and Substitute Collateral Obligations hereunder, together with certain related property as more fully described herein and included as part of the "Assets" in the Indenture, dated as of September 19, 2019 (as amended, modified, restated or supplemented from time to time, the "Indenture"), among the Buyer, as issuer, PennantPark CLO I, LLC, as co-issuer, and U.S. Bank National Association, as collateral agent (together with its successors and assigns in such capacity, the "Collateral Agent") and as trustee (together with its successors and assigns in such capacity, the "Trustee"); and

WHEREAS, it is the Seller's, Intermediate Seller's and the Buyer's intention that the conveyance of the Collateral Obligations and Substitute Collateral Obligations under this Agreement is a "true sale" for all purposes, such that, upon payment of the purchase price therefor or the making of a contribution, the Collateral Obligations and Substitute Collateral Obligations will constitute property of the Buyer from and after the applicable transfer date.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 **Definitions**.

Capitalized terms used but not defined in this Agreement shall have the meanings attributed to such terms in the Indenture, unless the context otherwise requires. As used herein, the following defined terms shall have the following meanings:

"Affiliate Originated Collateral Obligations" means any Collateral Obligation with respect to which the Intermediate Seller, either itself or through related entities (including without limitation the Seller and the Issuer), directly or indirectly, was involved in the original agreement which created such Collateral Obligation.

"Agreement" has the meaning provided in the first paragraph of this Agreement.

"Authority" means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, public body, administrative tribunal, central bank, public office, court, arbitration or mediation panel, or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of government, including the FINRA, the SEC, the stock exchanges, any Federal, state, territorial, county, municipal or other government or governmental agency, arbitrator, board, body, branch, bureau, commission, court, department, instrumentality, master, mediator, panel, referee, system or other political unit or subdivision or other entity of any of the foregoing, whether domestic or foreign.

"Authorized Officer" means, with respect to the Seller or the Intermediate Seller, as applicable, any Person who is authorized to act for the Seller or the Intermediate Seller, as applicable, in matters relating thereto, and binding thereupon, in connection with the transactions contemplated by this Agreement and the other Transaction Documents to which such Person is a party.

"Buyer" has the meaning provided in the first paragraph of this Agreement.

"Closing Date Participation Interest" has the meaning set forth in Section 2.01(c).

"Collateral" has the meaning provided in Section 2.01(a).

"Collateral Agent" has the meaning provided in the Preamble to this Agreement.

"Elevation" means, with respect to each Closing Date Participation Interest, such Closing Date Participation Interest is elevated to an assignment.

"Elevation Date" means, with respect to each Closing Date Participation Interest, the date of its Elevation.

"Excluded Amounts" means (a) any amount received by, on or with respect to any Collateral Obligation in the Collateral, which amount is attributable to the payment of any tax, fee or other charge imposed by any Authority on such Collateral Obligation, (b) any amount representing escrows relating to taxes, insurance and other amounts in connection with any Collateral Obligation which is held in an escrow account for the benefit of the related Obligor and the secured party (other than the Seller in its capacity as lender with respect to such Collateral Obligation) pursuant to escrow arrangements, (c) any Retained Fee retained by the Person(s) entitled thereto in connection with the origination of any Collateral Obligation and (d) any Equity Security related to any Collateral Obligation that the Seller determines will not be transferred by the Seller in connection with the sale of any related Collateral Obligation hereunder.

"Governmental Authorizations" means all franchises, permits, licenses, approvals, consents, orders and other authorizations of all Authorities.

"Governmental Filings" means all filings, including franchise and similar tax filings, and the payment of all fees, assessments, interests and penalties associated with such fillings with all Authorities.

"Income Collections" has the meaning set forth in Section 2.01(c).

"Indenture" has the meaning provided in the Preamble to this Agreement.

"Ineligible Collateral Obligation" has the meaning set forth in Section 2.07.

"Intermediate Seller" has the meaning provided in the first paragraph of this Agreement.

"Lien" means any grant of a security interest in, mortgage, deed of trust, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including, without limitation, any conditional sale or other title retention agreement, and any financing lease having substantially the same economic effect as any of the foregoing (including any UCC financing statement or any similar instrument filed against a Person's assets or properties).

"Loan List" means the list of Collateral Obligations set forth on Schedule 1, as such list may be amended, supplemented or modified from time to time in accordance with this Agreement.

"Material Adverse Effect" means, with respect to the Person making the related representation and warranty or agreeing to the related covenant, any event that has, or could reasonably be expected to have, a material adverse effect on (a) the business, assets, financial condition or operations of such Person (b) the ability of such Person to perform its obligations under the Transaction Documents to which it is a party or (c) the rights, interests, remedies or benefits (taken as a whole) available to the Trustee or the Collateral Agent under the Transaction Documents.

"Net Purchased Loan Balance" means, as of any date of determination, an amount equal to (a) the sum of (i) the Aggregate Principal Balance of all Collateral Obligations conveyed, directly or indirectly, by the Seller to the Buyer pursuant to this Agreement prior to such date, calculated as of the respective Cut-Off Dates of such Collateral Obligations, and (ii) the Aggregate Principal Balance of all Collateral Obligations acquired by the Buyer other than directly or indirectly from the Seller prior to such date minus (b) the Aggregate Principal Balance of all Collateral Obligations (other than Ineligible Collateral Obligations) repurchased or substituted by the Seller prior to such date.

"Participation Agreement" means the master participation and assignment agreement, dated as of the Closing Date, by and between the Financing Subsidiary and the Buyer and acknowledged by the Seller.

"Payment in Full" means payment in full of the Secured Debt and of all other obligations then due and payable by the Buyer pursuant to and in accordance with the Indenture.

"Payment in Full Date" means the date on which a Payment in Full occurs or the Indenture is otherwise satisfied and discharged in accordance with its terms.

"Permitted Liens" means, with respect to the interest of the Seller, the Intermediate Seller and the Buyer in the Collateral Obligations, as applicable: (i) security interests, liens and other encumbrances in favor of the Intermediate Seller or of the Buyer, as applicable, pursuant to this Agreement, (ii) security interests, liens and other encumbrances in favor of the Collateral Agent created pursuant to the Indenture and/or this Agreement, (iii) with respect to agented Collateral Obligations, security interests, liens and other encumbrances in favor of the lead agent, the collateral agent or the paying agent on behalf of all holders of indebtedness of such Obligor under the related facility, (iv) with respect to any Equity Security, any security interests, liens and other encumbrances granted on such Equity Security to secure indebtedness of the related Obligor and/or any security interests, liens and other rights or encumbrances granted under any governing documents or other agreement between or among or binding upon the Buyer as the holder of equity in such Obligor and (v) security interests, liens and other encumbrances, if any, which have priority over first priority perfected security interests in the Collateral Obligations or any portion thereof under the UCC or any other applicable law.

"Purchase" means, as applicable, (i) a purchase or other acquisition of Collateral by the Buyer from the Intermediate Seller and by the Intermediate Seller from the Seller or (ii) a purchase or other acquisition of Collateral by the Buyer from or as directed or referred by the Seller, in each case under clause (i) or clause (ii) pursuant to Section 2.01, as applicable.

"Purchase Date" means (i) the Closing Date with respect to any Collateral Obligation acquired by the Buyer from the Intermediate Seller and by the Intermediate Seller from the Seller pursuant to the terms of this Agreement and (ii) the Closing Date or any day thereafter on which any Collateral Obligation is acquired by the Buyer from the Seller pursuant to the terms of this Agreement and including, for the avoidance of doubt, any date on which any Collateral Obligation is acquired by the Buyer in a secondary market transaction entered into by the Buyer as provided herein.

"Purchase Price" has the meaning provided in Section 2.02.

"Related Contracts" means all credit agreements, indentures, notes, security agreements, leases, financing statements, guaranties, and other contracts, agreements, instruments and other papers evidencing, securing, guaranteeing or otherwise relating to any Collateral Obligation or Eligible Investment or other investment with respect to any Collateral or proceeds thereof (including the related Underlying Documents), together with all of the Seller's or the Intermediate Seller's, as applicable right, title and interest in, to and under all property or assets securing or otherwise relating to any Collateral Obligation or Eligible Investment or other investment with respect to any Collateral or proceeds thereof or of any Related Contract.

"Repurchase and Substitution Limit" has the meaning provided in Section 2.06(a).

"Retained Fee" means any reasonable origination, structuring or similar closing fee charged by the Person originating a loan on behalf of its lenders for services it has performed in connection with such origination, which is not customarily made available to the lenders as part of their return with respect to such loan, and provided such Person is entitled to retain the same in accordance with applicable law.

"Seller" has the meaning provided in the first paragraph of this Agreement.

"Substitution Period" has the meaning provided in Section 2.08(b).

"Transfer Deposit Amount" means, on any date of determination with respect to any Collateral Obligation, an amount equal to the sum of the outstanding Principal Balance of such Collateral Obligation, together with accrued interest thereon through such date of determination (but in no event less than the fair market value thereof).

"Trustee" has the meaning provided in the Preamble to this Agreement.

Section 1.02 **Other Terms**.

All accounting terms used but not specifically defined herein shall be construed in accordance with generally accepted accounting principles in the United States. The symbol "$" shall mean the lawful currency of the United States of America. All terms used in Article 9 of the UCC in the State of New York, and not specifically defined herein, are used herein as defined in such Article 9.

Section 1.03 **Computation of Time Periods**.

Unless otherwise stated in this Agreement, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including," the words "to" and "until" each mean "to but excluding".

Section 1.04 **Interpretation**.

In this Agreement, unless a contrary intention appears:

(a) the singular number includes the plural number and *vice versa*;

(b) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by the Transaction Documents;

(c) references to "including" means "including, without limitation";

(d) reference to day or days without further qualification means calendar days;

(e) unless otherwise stated, reference to any time means New York, New York time;

(f) references to "writing" include printing, typing, lithography, electronic or other means of reproducing words in a visible form;

(g) reference to any agreement (including any Transaction Document), document or instrument means such agreement, document or instrument as amended, modified, supplemented, replaced, restated, waived or extended and in effect from time to time in accordance with the terms thereof and, if applicable, the terms of the other Transaction Documents, and reference to any promissory note includes any promissory note that is an extension or renewal thereof or a substitute or replacement therefore;

(h) reference to any applicable law means such applicable law as amended, modified, codified, replaced or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder and reference to any Section or other provision of any applicable law means that provision of such applicable law from time to time in effect and constituting the substantive amendment, modification, codification, replacement or reenactment of such Section or other provision; and

(i) reference to any gender includes each other gender.

Section 1.05 **References**.

All section references (including references to the preamble), unless otherwise indicated, shall be to Sections (and the preamble) in this Agreement.

Section 1.06 **Calculations**.

Except as otherwise provided herein, all interest rate and basis point calculations hereunder will be made on the basis of a 360-day year and the actual days elapsed in the relevant period and will be carried out to at least three decimal places.

ARTICLE II

TRANSFER OF LOAN ASSETS

Section 2.01 **Sale, Transfer and Assignment**.

(a) Transfer from the Seller to the Intermediate Seller on the Closing Date. Subject to and upon the terms and conditions set forth in this Agreement (including the conditions to purchase set forth in Article III), on the Closing Date (or, in the case of each Closing Date Participation Interest, the Elevation Date), the Seller hereby sells, transfers, assigns, sets over and otherwise conveys to the Intermediate Seller and the Intermediate Seller hereby purchases and takes from the Seller all right, title and interest (whether now owned or hereafter acquired or arising and wherever located) of the Seller (including all obligations of the Seller as lender to fund any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation conveyed by the Seller to the Intermediate Seller hereunder which obligations the Intermediate Seller hereby assumes) in the property identified in clauses (i)-(v) of this Section 2.01(a) and all accounts, cash and currency, chattel paper, tangible chattel paper, electronic chattel paper, copyrights, copyright licenses, equipment, fixtures, general intangibles, instruments, commercial tort claims, deposit accounts, inventory, investment property, letter-of-credit rights, accessions, proceeds and other property consisting of, arising out of, or related to any of the following (in each case excluding the Excluded Amounts) (collectively, together with any of the following relating to any Collateral Obligation conveyed pursuant to Section 2.01(d) below, the "Collateral"):

(i) the Collateral Obligations (including the Closing Date Participation Interests and any Income Collections thereon) listed on the Loan List delivered on the Closing Date by the Seller to the Intermediate Seller (as set forth on Schedule 1), and all monies due, to become due or paid in respect of such Collateral Obligations on and after the related Purchase Date, including but not limited to all collections on such Collateral Obligations and other recoveries thereon, in each case as they arise after the related Purchase Date;

(ii) all Liens with respect to the Collateral Obligations referred to in clause (i) above;

(iii) all Related Contracts with respect to the Collateral Obligations referred to in clause (i) above;

(iv) all collateral security granted under any Related Contracts; and

(v) all income and proceeds of the foregoing.

(b) Transfers from the Intermediate Seller to the Buyer on the Closing Date. Subject to and upon the terms and conditions set forth in this Agreement (including the conditions to purchase set forth in Article III), on the Closing Date, with respect to the Collateral conveyed by the Seller to the Intermediate Seller as set forth on Schedule 1, the Intermediate Seller hereby sells, transfers, assigns, sets over and otherwise conveys to the Buyer, and the Buyer hereby purchases and takes from the Intermediate Seller all right, title and interest (whether now owned or hereafter acquired or arising and wherever located) of the Intermediate Seller (including all obligations of the Intermediate Seller as lender to fund any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation conveyed by the Intermediate Seller to Buyer hereunder which obligations Buyer hereby assumes) in such Collateral.

(c) Closing Date Participation Interests. It is understood and agreed by the parties hereto that certain of the Collateral Obligations being transferred hereunder from the Seller to the Buyer (through the Intermediate Seller) are not expected to settle on the Closing Date. Therefore, in order to grant the economic benefits associated with such Collateral Obligations to the Buyer on the Closing Date, (i) the Seller agrees to sell, transfer, assign, set over and otherwise convey to the Buyer, without recourse except to the extent specifically provided herein, and the Buyer agrees to purchase from the Seller, a 100% undivided participation interest in the Seller's (and, with respect to the Collateral Obligations held by the Financing Subsidiary on the Closing Date, the Financing Subsidiary's) interests in each Collateral Obligation listed on Schedule 1 and identified as a "participation" (each such Collateral Obligation, a "Closing Date Participation Interest"), which interest shall be understood to include all the Seller's (and, with respect to the Collateral Obligations held by the Financing Subsidiary on the Closing Date, the Financing Subsidiary's) right, title, benefit and interest in and to any interest accruing from and after the Closing Date, any payments, proceeds or other period distributions to the extent provided in Section 2.04 (the "Income Collections"), the legal title to which is held by the Seller (or, with

respect to the Collateral Obligations held by the Financing Subsidiary on the Closing Date, the Financing Subsidiary), and (ii) the Buyer hereby acquires the Closing Date Participation Interests and assumes and agrees to perform and comply with all assumed obligations of the Seller with respect thereto. The parties hereby agree to treat the transfer of the Closing Date Participation Interests by the Seller to the Buyer as a sale and purchase (through the Intermediate Seller and in accordance with the various steps described in this Agreement) on all of their respective relevant books and records. For administrative convenience, the Closing Date Participation Interests held by the Financing Subsidiary on the Closing Date will be transferred directly from the Financing Subsidiary to the Buyer pursuant the Participation Agreement, but such Closing Date Participations shall be deemed to have been distributed (through an intermediate entity) by the Financing Subsidiary to the Seller and sold by the Seller to the Buyer hereunder.

(d) Transfer from the Seller to the Intermediate Seller and from the Intermediate Seller to the Buyer on each Purchase Date after the Closing Date.

(i) Subject to and upon the terms and conditions set forth in this Agreement (including the conditions to purchase set forth in Article III), on each Purchase Date occurring after the Closing Date, with respect to the items of Collateral conveyed on such Purchase Date by the Seller to the Intermediate Seller hereunder, the Seller hereby sells, transfers, assigns, sets over and otherwise conveys to the Intermediate Seller, and the Intermediate Seller hereby purchases and takes from the Seller all right, title and interest (whether now owned or hereafter acquired or arising and wherever located) of the Seller (including all obligations of the Seller as lender to fund any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation conveyed by the Seller to the Intermediate Seller hereunder which obligations the Intermediate Seller hereby assumes) in such Collateral.

(ii) Subject to and upon the terms and conditions set forth in this Agreement (including the conditions to purchase set forth in Article III), on each Purchase Date occurring after the Closing Date, with respect to the items of Collateral conveyed on such Purchase Date by the Intermediate Seller to the Buyer hereunder, the Intermediate Seller hereby sells, transfers, assigns, sets over and otherwise conveys to the Buyer, and the Buyer hereby purchases and takes from the Intermediate Seller all right, title and interest (whether now owned or hereafter acquired or arising and wherever located) of the Intermediate Seller (including all obligations of the Intermediate Seller as lender to fund any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation conveyed by the Intermediate Seller to the Buyer hereunder which obligations the Buyer hereby assumes) in such Collateral.

(e) From and after each Purchase Date, the Collateral listed on the relevant Loan List shall be deemed to be Collateral hereunder.

(f) On any Purchase Date with respect to the Collateral to be acquired by the Buyer on that date, the Seller shall be deemed to, and hereby does, certify to the Buyer and to the Collateral Agent, on behalf of the Secured Parties, as of such Purchase Date, that each of the representations and warranties in Section 4.02 is true and correct in all material respects as of such Purchase Date.

(g) Except as specifically provided in this Agreement, the sale and purchase of Collateral under this Agreement shall be without recourse to the Seller or the Intermediate Seller; it being understood that the Seller and the Intermediate Seller shall be liable (individually and not jointly) to the Buyer for all representations and warranties made by the Seller and the Intermediate Seller, respectively, pursuant to the terms of this Agreement, all of which obligations are limited so as not to constitute recourse to the Seller or the Intermediate Seller for the credit risk of the Obligors.

(h) In connection with each Purchase of Collateral from the Intermediate Seller to the Buyer on and after the Closing Date as contemplated by this Agreement, the Buyer hereby directs the Intermediate Seller to, and the Intermediate Seller hereby directs the Seller to, and the Seller agrees that it will, Deliver in accordance with the Indenture, or cause to be Delivered in accordance with the Indenture (on behalf of the Buyer), to the Custodian or the Collateral Agent, as applicable, each Collateral Obligation being transferred to the Buyer on such Purchase Date in accordance with the applicable provisions of the Indenture.

(i) The Seller and/or the Intermediate Seller, as applicable, shall take such action requested by the Buyer, from time to time hereafter, that may be necessary or appropriate to ensure that the Buyer has an enforceable ownership interest and its assigns under the Indenture have an enforceable and perfected security interest in the Collateral purchased by the Buyer as contemplated by this Agreement.

(j) In connection with the Purchase by the Buyer of the Collateral as contemplated by this Agreement, (i) with respect to the Collateral Purchased on the Closing Date in accordance with this Agreement, each of the Seller and the Intermediate Seller, as applicable, agrees that it will, at its own expense, indicate clearly and unambiguously in its computer files on and after the Closing Date that such Collateral has been purchased by the Intermediate Seller and/or the Buyer, as applicable, (ii) with respect to the Collateral purchased on and after the Closing Date from the Intermediate Seller to the Buyer in accordance with this Agreement, each of the Seller and the Intermediate Seller, as applicable, agrees that it will, at its own expense, indicate clearly and unambiguously in its computer files on and after each such Purchase that such Collateral has been purchased by the Intermediate Seller and/or the Buyer, as applicable, and in each case under clause (i) or clause (ii) of this Section 2.01(j), the Seller agrees that it will indicate clearly and unambiguously on and after the related Purchase Date in its financial statements that such Collateral is owned by the Buyer and is not available to pay creditors of the Seller.

(k) The Seller agrees to deliver to the Intermediate Seller and the Buyer (with a copy to the Custodian and the Collateral Agent) on or before the Closing Date and to the Intermediate Seller and the Buyer (with a copy to the Custodian and the Collateral Agent) on or before each Purchase Date after the Closing Date a computer file containing a true, complete and correct Loan List (which shall contain the related Principal Balance, outstanding principal balance, loan number and Obligor name for each Collateral Obligation) as of the Closing Date or related Purchase Date, as applicable. Such file or list shall be marked as Schedule 1 or Schedule 2, as applicable, to this Agreement, shall be delivered to the Intermediate Seller and/or the Buyer, (with a copy to the Custodian and the Collateral Agent) as applicable, as confidential and proprietary, and is hereby incorporated into and made a part of this Agreement, as such Schedule 1 or Schedule 2 may be supplemented and amended from time to time. In addition,

with respect to each Collateral Obligation sold by the Seller to the Buyer hereunder after the Closing Date (through the Intermediate Seller and in accordance with the various steps described in this Agreement), the Seller shall deliver to the Buyer (through the Intermediate Seller) (with a copy to the Custodian and the Collateral Agent) an assignment of such Collateral Obligation substantially in the form of Exhibit A hereto.

(l) In a series of contemporaneous transactions on the Closing Date (i) the Financing Subsidiary shall, subject to the terms of the applicable credit facility, sell and/or distribute the Closing Date Participation Interests owned by the Financing Subsidiary to the Seller (with respect to any distribution, in its capacity as sole member of the Financing Subsidiary), (ii) the Seller shall transfer the Collateral Obligations (as set forth on Schedule 1) to the Intermediate Seller, (ii) the Intermediate Seller shall transfer the Collateral Obligations listed on Schedule 1 to the Buyer and (iii) as consideration for its acquisition of the Collateral Obligations listed on Schedule 1 from the Intermediate Seller, the Buyer shall convey to the Intermediate Seller all of the Class D Notes, all of the Preferred Shares and the net proceeds from the issuance of the other classes of Secured Debt.

(m) For administrative convenience, (i) Collateral Obligations (including certain of the Closing Date Participation Interests) being transferred first from the Financing Subsidiary to the Seller, second from the Seller to the Intermediate Seller and third from the Intermediate Seller to the Buyer may settle directly from the Financing Subsidiary to the Buyer pursuant to the Participation Agreement, (ii) Collateral Obligations being transferred first from the Seller to the Intermediate Seller and second from the Intermediate Seller to the Buyer may settle directly from the Seller to the Buyer, (iii) Collateral Obligations being acquired by the Seller from any seller and then sold first by such seller to the Seller and second by the Seller to the Intermediate Seller and third from the Intermediate Seller to the Buyer may settle directly from such seller to the Buyer and (iv) any of the steps or transfers of cash or assets described in this clause (m) that take place on the same day may be made on a net basis (any amounts owing by one party may be offset by amounts owed to such party, and vice versa).

(n) It is the intention of the parties hereto that the conveyance of all right, title and interest in and to the Collateral to the Buyer by the Intermediate Seller and to the Intermediate Seller by the Seller as provided in this Section 2.01 is intended and shall, in each and every case, constitute an absolute sale, assignment, conveyance and transfer of ownership of such Collateral conveying good title, free and clear of any Lien (other than Permitted Liens) and that the Collateral shall not be part of the Seller's or the Intermediate Seller's, as applicable, bankruptcy estate in the event of any bankruptcy or insolvency proceedings with respect to the Seller or the Intermediate Seller, as applicable. Furthermore, it is not intended that any such conveyance be deemed a pledge of the Collateral Obligations and the other Collateral to the Intermediate Seller or the Buyer, as applicable, to secure a debt or other obligation of the Intermediate Seller or the Seller, as applicable.

(o) If, however, notwithstanding the intention of the parties set forth in Section 2.01(n), any of the conveyances provided for in this Section 2.01 by the Seller or the Intermediate Seller, as applicable, are determined to be a transfer to secure indebtedness, then this Agreement shall also be deemed to be, and hereby is, a "security agreement" within the meaning of Article 9 of the UCC. With respect to the Collateral related to Schedule 1 hereunder,

(A) the Seller hereby grants to the Intermediate Seller (and the Intermediate Seller hereby assigns to the Buyer), and the Intermediate Seller hereby grants to the Buyer, as the case may be, a duly perfected, first priority "security interest" within the meaning of Article 9 of the UCC in all of its right, title and interest in and to such Collateral, now existing and hereafter created, to secure the prompt and complete payment of a loan deemed to have been made in an amount equal to the aggregate Purchase Price of such Collateral, (B) the Buyer shall have, in addition to the rights and remedies which it may have under this Agreement, all other rights and remedies provided to a secured creditor under the UCC and other applicable law with respect thereto, which rights and remedies shall be cumulative, and (C) the Seller authorizes the Buyer, the Intermediate Seller authorizes the Buyer, and, so long as the Payment in Full Date has not occurred, each of the Seller and Intermediate Seller authorize the Collateral Agent on behalf of the Secured Parties, subject to the terms of Section 7.5 of the Indenture, to file UCC financing statements and amendments, as necessary, naming the Seller as "debtor," the Intermediate Seller as "debtor" or "assignor secured party," as applicable, the Buyer as "assignor secured party" or "assignee secured party" and the Collateral Agent as "assignee secured party" or similar applicable designations, each describing such Collateral, in each jurisdiction that the Buyer deems necessary in order to protect the security interests in the Collateral granted under this Section 2.01(o).

(p) The Seller, the Intermediate Seller and the Buyer hereby acknowledge and agree that (i) the conveyance of the Closing Date Participation Interests is being effectuated pursuant to this Agreement and the Participation Agreement instead of an assignment of the Seller's (and, with respect to the Collateral Obligations held by the Financing Subsidiary on the Closing Date, the Financing Subsidiary's) legal interest in and title to each of the Closing Date Participation Interests (the transfer of which to the Buyer will not be effective until the individual assignments of each Closing Date Participation Interest become effective) because the conditions precedent under the related Underlying Documents to the transfer, assignment and conveyance of the Seller's (and, with respect to the Collateral Obligations held by the Financing Subsidiary on the Closing Date, the Financing Subsidiary's) legal interest in and title to the Closing Date Participation Interests may otherwise not be fully satisfied as of the Closing Date and (ii) the conveyance of the Closing Date Participation Interests hereunder shall have the consequence that the Seller does not have an equitable interest in the Closing Date Participation Interests and the Buyer holds 100% of the equitable interest in the Closing Date Participation Interests. The Buyer has prepared individual assignments consistent with the requirements of the related Underlying Documents and provided them to the Persons required under such Underlying Documents, which assignments will become effective in accordance with such Underlying Documents upon obtaining certain consents thereto or upon the passage of time or both. Upon receipt by the Seller or the Buyer of the effective assignment of any Closing Date Participation Interest participated pursuant to this Section 2.01, the Seller, for value received, hereby sells to the Intermediate Seller, and the Intermediate Seller hereby purchases from the Seller, and the Intermediate Seller, for value received, hereby sells to the Buyer, and the Buyer hereby purchases from the Intermediate Seller, all of the Seller's or Intermediate Seller's), as applicable (and, with respect to the Collateral Obligations held by the Financing Subsidiary on the Closing Date, the Financing Subsidiary's), right, title and interest in, to and under such Closing Date Participation Interest.

Section 2.02 **Purchase Price**.

The purchase price for each Collateral Obligation sold pursuant to this Master Loan Sale Agreement shall be a dollar amount equal to the fair market value thereof as determined by the Seller, the Intermediate Seller and/or the Buyer, as applicable, and shall be on terms no less favorable to the buyer than such buyer would then obtain in a comparable arm's length transaction with a person that is not an Affiliate (in each case, the "Purchase Price").

Section 2.03 **Payment of Purchase Price**.

(a) The Purchase Price for any Collateral related to Schedule 1 acquired by the Buyer from the Intermediate Seller (including the Closing Date Participations) on the Closing Date shall be paid by a combination of cash and the issuance of each of the Class D Notes and the Preferred Shares by the Buyer to the Intermediate Seller and by subsequent transfer of such cash from the Intermediate Seller to the Seller. With respect to any Purchase Date after the Closing Date, to the extent the value of the Collateral transferred by the Seller to the Intermediate Seller and from the Intermediate Seller to the Buyer exceeds the value of the cash received by the Intermediate Seller for such assets, such excess shall be deemed to constitute a capital contribution from the Seller to the Intermediate Seller and from the Intermediate Seller to the Buyer. The Purchase Price for any Collateral acquired by the Buyer from the Intermediate Seller on any Purchase Date after the Closing Date pursuant to this Agreement shall be paid in a combination of (i) immediately available funds in cash and by subsequent transfer of such cash from the Intermediate Seller to the Seller and (ii) if the Buyer does not have sufficient funds in cash to pay the full amount of the Purchase Price, by means of a capital contribution by the Seller to the Intermediate Seller and by a subsequent capital contribution by the Intermediate Seller to the Buyer.

(b) The Purchase Price for any Collateral purchased by the Buyer to be settled directly with a subsidiary of the Seller on any Purchase Date after the Closing Date shall be paid in immediately available funds, which may comprise, if the Buyer does not have sufficient funds in cash to pay the full amount of the Purchase Price, amounts contributed by the Seller to Intermediate Seller and by the Intermediate Seller to the Buyer.

(c) Notwithstanding any provision herein to the contrary, the Seller may on any Purchase Date occurring after the Closing Date elect to designate all or a portion of the Collateral proposed to be transferred to the Buyer on such date as a capital contribution to the Intermediate Seller and in turn a capital contribution by the Intermediate Seller to the Buyer. In such event, the cash portion of the Purchase Price payable with respect to such transfer shall be reduced by that portion of the Purchase Price of the Collateral that was so contributed; *provided* that Collateral contributed to the Buyer as capital shall constitute Collateral for all purposes of this Agreement.

(d) The Seller, in connection with each Purchase hereunder relating to any Collateral, shall be deemed to have certified, and hereby does certify, with respect to the Collateral to be purchased by the Buyer on such day, that its representations and warranties contained in Article IV are true and correct on and as of such day, with the same effect as though made on and as of such day.

(e) Upon the payment of the Purchase Price for any Purchase, title to the Collateral included in such Purchase shall vest in the case of Collateral related to Schedule 1 initially in the Intermediate Seller and then in the Buyer as provided herein, whether or not the conditions precedent to such Purchase and the other covenants and agreements contained herein were in fact satisfied; *provided* that the Intermediate Seller and the Buyer, as applicable, shall not be deemed to have waived any claim it may have under this Agreement for the failure by the Seller or the Intermediate Seller, as applicable, in fact to satisfy any such condition precedent, covenant or agreement.

(f) Collateral Obligations may be purchased or acquired from time to time by the Buyer from the Seller or any of its Affiliates hereunder only if (i) the terms and conditions thereof are no less favorable to the Buyer than the terms it would obtain in a comparable, timely purchase or acquisition with a non-Affiliate and (ii) the transactions are effected in accordance with all applicable laws.

Section 2.04 **Income Collections on Closing Date Participation Interests**.

(a) With respect to each Closing Date Participation Interest, the Buyer shall acquire all rights to Income Collections that, as of the Closing Date, are accrued but unpaid with respect to the period from and after the Closing Date.

(b) If at any time after the Closing Date the Seller receives any Income Collections, the Seller shall deliver such Income Collection promptly to the Buyer. If at any time after the Closing Date the Seller receives any other payment (including principal, interest (to the extent relating to the period from and after the Closing Date) or any other amount) with respect to a Closing Date Participation Interest, the Seller shall deliver such payment promptly to the Buyer, and in the case of any such payment of interest, the Seller shall provide a written notice to the Buyer at the time of such delivery setting forth calculations and certifying as to the portion of any interest received that relates to the period from and after the Closing Date.

(c) Without limiting the foregoing, the Seller agrees (and pursuant to the Participation Agreement the Financing Subsidiary has agreed) (i) until the Elevation of each Closing Date Participation Interest has been completed, to maintain its existing custodial arrangements and bank accounts established to receive proceeds of such Closing Date Participation Interest and (ii) to remit to the Buyer, promptly (but not more than three Business Days) after receipt of such payment and identification thereof, each payment received in connection with each Closing Date Participation Interest to which the Buyer is entitled in accordance with Section 2.01 (which, for the avoidance of doubt, shall not include any Excluded Amounts). The Seller acknowledges that from and after the Closing Date it shall have no equitable or beneficial interest in any payment received by it with respect to any Closing Date Participation Interest (other than any accrued and unpaid interest with respect to the period of time prior to and excluding the Closing Date). If the Seller modifies or amends (or directs the Financing Subsidiary to modify or amend) the standing instructions delivered to the Seller's (or the Financing Subsidiary's) custodian on the date hereof in connection with this clause (c), the Seller shall notify the Buyer of such modification or amendment.

Section 2.05 **Elevation of the Closing Date Participation Interests**.

(a) Subject to the terms and provisions of the applicable Closing Date Participation Interest and of applicable law, the Seller shall use commercially reasonable efforts to effect an Elevation, as soon as reasonably practicable, with respect to each such Closing Date Participation and take such action (including the execution and delivery of an assignment agreement) as shall be mutually agreeable in connection therewith and in accordance with the terms and conditions of each such Closing Date Participation Interest and consistent with the terms of this Agreement. The Seller and Intermediate Seller shall pay any transfer fees and other expenses payable in connection with an Elevation and the Buyer will reimburse the Seller for half of such fees and expenses after receipt of an invoice therefor from the Seller detailing such amounts. The Buyer shall be responsible for any expenses of administering each Closing Date Participation Interest prior to its Elevation. At Elevation, the Seller shall deliver such assignment and the credit documentation with respect to the related Closing Date Participation Interest in its possession to or as directed by the Buyer.

(b) If the Seller has not effected an Elevation of a Closing Date Participation Interest on or before the day that is 90 days from the Closing Date for whatever reason or if at any time prior thereto the Seller is dissolved prior to effecting an Elevation, the Seller and the Buyer agree that the Participation Interests in each of the Closing Date Participation Interests shall elevate automatically and immediately to an assignment and all of the Seller's (or, with respect to the Collateral Obligations held by the Financing Subsidiary on the Closing Date, the Financing Subsidiary's) rights, title, interests and ownership of such Closing Date Participations shall vest in Buyer. The Seller shall be deemed to have consented and agreed to Elevation for each of the Closing Date Participations upon the execution of this Agreement. The Seller agrees that, following any such date, the Buyer shall be permitted to take any and all action necessary to effectuate an Elevation and/or finalize an assignment of any of the Closing Date Participation Interests, and in furtherance of the foregoing, effective immediately upon such date, the Seller hereby makes, constitutes and appoints the Buyer, with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead, to sign, execute, certify, swear to, acknowledge, deliver, file, receive and record any and all documents that the Buyer reasonably deems appropriate or necessary in connection with any Elevation or finalization of an assignment of any of the Closing Date Participation Interests. In addition, the Seller, effective as of the date hereof, hereby makes, constitutes and appoints the Buyer, with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead, to sign, execute, certify, swear to, acknowledge, deliver, file, receive and record any and all documents that the Buyer reasonably deems appropriate or necessary to direct the obligor or agent bank with respect to any Closing Date Participation Interests to deposit Income Collections directly into an account chosen by the Buyer. The foregoing powers of attorney are hereby declared to be irrevocable and a power coupled with an interest, and shall survive and not be affected by the bankruptcy or insolvency or dissolution of the Seller.

Section 2.06 **Limitation on Sales to Seller and Affiliates**.

(a) At all times, (i) the Aggregate Principal Balance of all Collateral Obligations that are Substitute Collateral Obligations *plus* (ii) the Aggregate Principal Balance related to all Collateral Obligations that have been repurchased by the Seller hereunder pursuant to its right of optional repurchase or substitution and not subsequently applied to purchase a Substitute Collateral Obligation may not exceed an amount equal to 15% of the Net Purchased Loan Balance; *provided* that notwithstanding the foregoing, clause (ii) of this Section 2.06(a) shall not include (A) if such calculation is made during the Reinvestment Period only, the Principal Balance related to any Collateral Obligation that is repurchased by the Seller in connection with a proposed Specified Amendment to such Collateral Obligation so long as (x) the Seller certifies in writing to the Collateral Manager, the Trustee, the Collateral Agent and the Loan Agent that such purchase is, in the commercially reasonable business judgment of the Seller, necessary or advisable in connection with the restructuring of such Collateral Obligation and such restructuring is expected to result in a Specified Amendment to such Collateral Obligation, and (y) the Collateral Manager certifies in writing to the Trustee, the Collateral Agent and the Loan Agent that the Collateral Manager either would not be permitted to or would not elect to enter into such Specified Amendment pursuant to the Collateral Manager Standard or any provision of the Indenture or the Collateral Management Agreement, (B) the purchase price of any Collateral Obligations or, for the avoidance of doubt, any Equity Securities sold by and at the option of the Buyer to the Seller pursuant to Section 12.1(d) of the Indenture or Section 12.1(h) of the Indenture as determined described in Section 12.1(h)(i) of the Indenture and (C) the Principal Balance related to any Ineligible Collateral Obligation that is repurchased or substituted by the Seller in connection with a mandatory repurchase or substitution pursuant to Section 2.08. The foregoing provisions in this paragraph constitute the "Repurchase and Substitution Limit".

(b) The Seller agrees to identify to the Buyer each Affiliate Originated Collateral Obligation. Notwithstanding any other provisions herein, the Buyer, so long as the EU Acquisition Test and the other applicable conditions set forth in the Indenture are met, may also purchase Collateral Obligations that are not Affiliate Originated Collateral Obligations directly from third parties or may acquire Collateral Obligations as a lender at the closing thereof.

Section 2.07 **Mandatory Repurchases**.

Upon discovery by a Responsible Officer of the Collateral Manager of a breach of the representation set forth in Section 4.02 which materially and adversely affects the value of the Collateral Obligations or the interest therein of the Noteholders or the Class A-1 Lenders or which materially and adversely affects the interests of the Noteholders or the Class A-1 Lenders in the related Collateral Obligations in the case of a representation and warranty relating to a particular Collateral Obligation (each such Collateral Obligation, an "Ineligible Collateral Obligation"), the Collateral Manager shall give prompt written notice of such breach or failure to the parties hereunder, the Trustee and the Collateral Agent. Within 30 days of the earlier of the discovery by a Responsible Officer of the Seller of any such breach or its receipt of notice of any such breach from the Collateral Manager or the Buyer, the Seller shall (a) promptly cure such breach in all material respects, (b) purchase the Collateral Obligation by depositing in the Collection Account, within such 30-day period, an amount equal to the Transfer Deposit Amount of such Collateral Obligation or (c) remove such Collateral Obligation from the Buyer and substitute therefor one or more Substitute Collateral Obligations satisfying the criteria listed under Section 2.08 of this Agreement and Section 12.3 of the Indenture by not later than 30 days after notice or discovery of such breach. The Repurchase and Substitution Limit will not apply to any Ineligible Collateral Obligation that is repurchased or substituted by the Seller in connection with a mandatory repurchase or substitution. Such repurchase and substitution obligations constitute the sole remedy available for a breach of Section 3.02.

Section 2.08 **Optional Substitution of Collateral Obligations**.

(a) Subject to any applicable provisions of Sections 12.3 and 12.4 of the Indenture, this Section 2.08, and the Repurchase and Substitution Limit set forth in Section 2.06 of this Agreement, with respect to any Collateral Obligation as to which a Substitution Event has occurred, the Seller may (but shall not be obligated to) either (i) convey to the Intermediate Seller and cause the Intermediate Seller to contemporaneously convey to the Buyer one or more Collateral Obligations in exchange for such Collateral Obligation or (ii) deposit into the Principal Collection Subaccount the Transfer Deposit Amount with respect to such Collateral Obligation and then, prior to the expiration of the Substitution Period, convey to the Intermediate Seller and cause the Intermediate Seller to contemporaneously convey to the Buyer one or more Collateral Obligations in exchange for the funds so deposited or a portion thereof.

(b) Any substitution pursuant to this Section 2.08 shall be initiated by delivery of a Notice of Substitution, as set forth in the Indenture, by the Seller to the Trustee, the Collateral Agent, the Loan Agent, the Intermediate Seller, the Buyer and the Collateral Manager that the Seller intends to substitute a Collateral Obligation pursuant to this Section 2.08 and shall be completed prior to the earliest of: (i) the expiration of ninety (90) days after delivery of such notice; or (ii) in the case of a Collateral Obligation which has become subject to a Specified Amendment, the effective date set forth in such Specified Amendment (such period described in clause (i) or (ii) of this Section 2.08(b), as applicable, being the "Substitution Period").

(c) Each Notice of Substitution shall specify the Collateral Obligation to be substituted, the reasons for such substitution and the Transfer Deposit Amount with respect to the Collateral Obligation. On the last day of any Substitution Period, any amounts previously deposited in accordance with Section 2.08(a)(ii) which relate to such Substitution Period that have not been applied to purchase one or more Substitute Collateral Obligations or to fund the Revolver Funding Account if necessary with respect thereto shall be deemed to constitute Principal Proceeds; *provided* that prior to the expiration of the related Substitution Period any such amounts shall not be deemed to be Principal Proceeds and shall remain in the Principal Collection Subaccount until applied to acquire Substitute Collateral Obligations or to fund the Revolver Funding Account if necessary with respect thereto. The price paid (or deemed paid, in the case of a contemporaneous conveyance of a Substitute Collateral Obligation pursuant to Section 2.08(a)(i)) by the Buyer to the Intermediate Seller and by the Intermediate Seller to the Seller, as applicable, for any Substitute Collateral Obligation shall be an amount equal to the Market Value thereof, as determined by the Collateral Manager in accordance with the Collateral Manager Standard (but in no event less than the fair market value thereof). To the extent any cash or other property received by the Buyer from the Intermediate Seller and by the Intermediate Seller from the Seller in connection with a Substitution Event as set forth herein and in the Indenture exceeds the fair market value of the replaced Collateral Obligation, such excess shall be deemed a capital contribution from the Seller to the Intermediate Seller and from the Intermediate Seller to the Buyer.

(d) The substitution of any Substitute Collateral Obligation will be subject to the satisfaction of the Substitute Collateral Obligations Qualification Conditions as of the related Cut-Off Date for each such Collateral Obligation (after giving effect to such substitution).

(e) With respect to any Substitute Collateral Obligations to be conveyed to the Intermediate Seller by the Seller as described in this Section 2.08, (i) the Seller hereby sells, transfers, assigns, sets over and otherwise conveys to the Intermediate Seller, without recourse other than as expressly provided herein (and the Intermediate Seller shall purchase through cash payment and/or by exchange of one or more related Collateral Obligations released by the Buyer to the Intermediate Seller and by the Intermediate Seller to the Seller on the related Cut-Off Date), all the right, title and interest of the Seller in and to the Substitute Collateral Obligation and (ii) the Intermediate Seller hereby sells, transfers, assigns, sets over and otherwise conveys to the Buyer without recourse other than as expressly provided herein (and the Buyer shall purchase through cash payment and/or by exchange of one or more related Collateral Obligations released by the Buyer to the Intermediate Seller on the related Cut-Off Date), all the right, title and interest of the Intermediate Seller in and to the Substitute Collateral Obligation. To the extent any cash or other property received by the Buyer from the Intermediate Seller and by the Intermediate Seller from the Seller in connection with a Substitute Collateral Obligation exceeds the fair market value of the replaced Collateral Obligation, such excess shall be deemed a capital contribution from the Seller to the Intermediate Seller and from the Intermediate Seller to the Buyer.

(f) The Seller and Intermediate Seller shall execute and deliver to the Buyer and the Collateral Agent a Subsequent Transfer Agreement with respect to each Substitute Collateral Obligation and shall cooperate with the Collateral Manager and the Buyer so that they may satisfy their respective obligations with respect to any substitution of Collateral Obligations pursuant to the Indenture.

(g) The Seller shall bear all transaction costs incurred in connection with a substitution of Collateral Obligations effected pursuant to this Agreement and the Indenture.

ARTICLE III

CONDITIONS PRECEDENT

Section 3.01 **Conditions Precedent**.

This Agreement is subject to the conditions precedent that on or prior to the Closing Date each of the conditions precedent to the execution, delivery and effectiveness of each other Transaction Document (other than a condition precedent in any such other Transaction Document relating to the effectiveness of this Agreement) shall have been fulfilled, and:

(a) Counterparts of this Agreement shall have been executed and delivered by or on behalf of the Seller, the Intermediate Seller and the Buyer; and

(b) The Seller shall have delivered to the Buyer filed UCC-1 financing statements as required by Section 2.01(o) describing the applicable Collateral and meeting the requirements of the laws of each jurisdiction in which it is necessary or reasonably desirable, or in which the Seller is required by applicable law, and in such manner as is necessary or reasonably desirable, to perfect the back-up security interest granted under Section 2.01(o).

Section 3.02 **Conditions Precedent to all Purchases**.

(a) The obligation of the Intermediate Seller to purchase the Collateral from the Seller and the obligation of the Buyer to purchase the Collateral from the Intermediate Seller, in each case on the Closing Date, shall be subject to the satisfaction of the following conditions precedent that:

(i) all representations and warranties (A) of the Seller contained in Sections 4.01 and 4.02 and (B) of the Intermediate Seller contained in Sections 4.03 and 4.04, as applicable, shall be true and correct in all material respects on and as the Closing Date (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date); and

(ii) the Seller shall have delivered to the Intermediate Seller and the Buyer duly completed Loan Lists that are true, accurate and complete in all respects as of the Closing Date, which lists are made a part of this Agreement.

(b) The obligation of the Intermediate Seller to purchase the Collateral from the Seller and the obligation of the Buyer to purchase the Collateral from the Intermediate Seller on any Purchase Date after the Closing Date shall be subject to the satisfaction of the following conditions precedent that:

(i) all representations and warranties (A) of the Seller contained in Sections 4.01 and 4.02 and (B) of the Intermediate Seller contained in Sections 4.03 and 4.04, as applicable, shall be true and correct in all material respects on and as of such date as though made on and as of such date and shall be deemed to have been made on and as of such date (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date); and

(ii) the Seller shall have delivered to the Intermediate Seller and the Buyer a duly completed Loan List that is true, accurate and complete in all respects as of the related Purchase Date, which list shall be as of such date incorporated into and made a part of this Agreement and an assignment substantially in the form of Exhibit A hereto, as applicable.

Section 3.03 **Release of Excluded Amounts**.

The parties acknowledge and agree that each of the Intermediate Seller and the Buyer has no interest in the Excluded Amounts. Promptly upon the receipt by or release to the Intermediate Seller or the Buyer, as applicable, of any Excluded Amounts, each of the Intermediate Seller and the Buyer hereby irrevocably agrees to deliver and release to (or as directed by) the Seller such Excluded Amounts, which release shall be automatic and shall require no further act by the Intermediate Seller or the Buyer, as applicable; *provided* that each of the Intermediate Seller and the Buyer respectively agrees that it will execute and deliver such instruments of release and assignment or other documents, or otherwise confirm the foregoing release of such Excluded Amounts, as may be reasonably requested by the Seller in writing.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.01 **Representations and Warranties Regarding the Seller**.

The Seller makes the following representations and warranties, on which each of the Intermediate Seller and the Buyer relies in acquiring the Collateral purchased hereunder and each of the Secured Parties relies upon in entering into the Indenture, purchasing the Notes or extending the Class A-1 Loans, as applicable. As of the Closing Date and each Purchase Date (unless a specific date is specified below), the Seller represents and warrants to the Intermediate Seller and the Buyer for the benefit of the Intermediate Seller and the Buyer and each of their successors and assigns that:

(a) Organization and Good Standing. The Seller has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Maryland, with all requisite corporate power and authority to own or lease its properties and to conduct its business as such business is presently conducted, and had at all relevant times, and now has, all necessary power, authority and legal right to acquire and own each Collateral Obligation and to sell or contribute such Collateral Obligation to the Intermediate Seller hereunder.

(b) Due Qualification. The Seller is duly qualified to do business and has obtained all necessary licenses and approvals, in all jurisdictions in which the ownership or lease of its property or the conduct of its business requires such qualification, licenses and/or approvals as required in each jurisdiction in which the failure to be so qualified or obtain such license or approval, is likely to have a Material Adverse Effect.

(c) Power and Authority; Due Authorization; Execution and Delivery. The Seller (i) has all necessary corporate power, authority and legal right to (a) execute and deliver this Agreement and (b) carry out the terms of this Agreement and (ii) has duly authorized by all necessary corporate action the execution, delivery and performance of this Agreement and the sale and assignment of an ownership interest in each Collateral Obligation on the terms and conditions herein provided. This Agreement has been duly executed and delivered by the Seller.

(d) Valid Conveyance; Binding Obligations. This Agreement will be duly executed and delivered by the Seller, and this Agreement, other than for accounting and tax purposes, shall effect valid sales of each Collateral Obligation, enforceable against the Seller and creditors of and purchasers from the Seller, and this Agreement shall constitute legal, valid and binding obligations of the Seller enforceable against the Seller in accordance with their respective terms, except as enforceability may be limited by the Bankruptcy Code and all other applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, receivership, insolvency, reorganization, suspension of payments, or similar debtor relief laws from time to time in effect affecting the rights of creditors generally and general principles of equity (whether such enforceability is considered in a suit at law or in equity).

(e) No Violation. The execution, delivery and performance of this Agreement and all other agreements and instruments executed and delivered or to be executed and delivered by the Seller pursuant hereto or thereto in connection with the sale of any Collateral Obligation will not (i) conflict with, result in any breach of any of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under, the Seller's organizational documentation or any contractual obligation of the Seller, (ii) result in the creation or imposition of any Lien (other than Permitted Liens) upon any of the Seller's properties pursuant to the terms of any such contractual obligation, other than this Agreement, or (iii) violate any applicable law in any material respect.

(f) No Proceedings. There is no litigation, proceeding or investigation pending or, to the knowledge of the Seller, threatened against the Seller, before any Authority (i) asserting the invalidity of this Agreement, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or (iii) seeking any determination or ruling that could reasonably be expected to have a Material Adverse Effect.

(g) All Consents Required. All approvals, authorizations, consents, orders, licenses or other actions of any Person or of any Authority (if any) required for the due execution, delivery, performance, validity or enforceability of this Agreement to which the Seller is a party have been obtained.

(h) State of Organization, Etc. The Seller has not changed its name since its incorporation. Except as permitted hereunder, the chief executive office of the Seller (and the location of the Seller's records regarding the Collateral Obligations (other than those delivered to the Custodian)) is at the address of the Seller set forth in Section 5.02. The Seller's only jurisdiction of incorporation is Maryland, and, except as permitted hereunder, the Seller has not changed its jurisdiction of incorporation.

(i) Solvency. The Seller is not the subject of any bankruptcy proceedings. The Seller is solvent and will not become insolvent after giving effect to the transactions contemplated by this Agreement and the other Transaction Documents. The Seller, after giving effect to the transactions contemplated by this Agreement and the other Transaction Documents, will have an adequate amount of capital to conduct its business.

(j) Compliance with Laws. The Seller has complied in all material respects with all applicable law to which it may be subject.

(k) Taxes. The Seller has filed or caused to be filed all tax returns that are required to be filed by it (subject to any extensions to file properly obtained by the same). The Seller has paid or made adequate provisions for the payment of all Taxes and all assessments made against it or any of its property (other than any amount of Tax the validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in accordance with GAAP have been provided on the books of the Seller), and no tax lien has been filed and, to the Seller's knowledge, no claim is being asserted, with respect to any such Tax, assessment or other charge.

(l) Exchange Act Compliance; Regulations T, U and X. None of the transactions contemplated herein or in the other Transaction Documents (including, without limitation, the use of the proceeds from the sale of any Collateral Obligation) will violate or result in a violation of Section 7 of the Exchange Act, or any regulations issued pursuant thereto, including, without limitation, Regulations T, U and X of the Board of Governors of the Federal Reserve System, 12 C.F.R., Chapter II. The Seller does not own or intend to carry or purchase, and no proceeds from the sale of the Collateral Obligations will be used to carry or purchase, any Margin Stock or to extend "purpose credit" within the meaning of such Regulation U.

(m) No Liens, Etc. Each Collateral Obligation or participation interest therein to be acquired by the Intermediate Seller or the Buyer, as applicable, hereunder is owned by the Seller free and clear of any Lien, security interest, charge or encumbrance (subject only to Permitted Liens), and the Seller has the full right, corporate power and lawful authority to sell the same and interests therein and, upon the sale thereof hereunder, the Buyer will have acquired good and marketable title to and a valid and perfected ownership interest in such Collateral Obligation or participation interests therein, free and clear of any Lien, security interest, charge or encumbrance (subject only to Permitted Liens).

(n) Information True and Correct. All written information (other than projections, other forward-looking information, information of a general economic or general industry nature and pro forma financial information) heretofore (as of each date when this representation and warranty is made) furnished by or on behalf of the Seller to the Intermediate Seller or the Buyer, as applicable, or any assignee thereof in connection with this Agreement or any transaction contemplated hereby is true and accurate in all material respects (to the best knowledge of the Seller, in the case of information obtained by the Seller from Obligors or other unaffiliated third parties), and, taken as a whole, contained as of the date of delivery thereof no untrue statement of a material fact (to the best knowledge of the Seller, in the case of information obtained by the Seller from Obligors or other unaffiliated third parties) and did not omit to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which such information was furnished (to the best knowledge of the Seller, in the case of information obtained by the Seller from Obligors or other unaffiliated third parties) as of the date such information was furnished. The projections and pro forma financial information contained in the materials referenced above are based upon good faith estimates and assumptions believed by management of the Seller to be reasonable at the time made, it being recognized by the Intermediate Seller and the Buyer that such projections and pro forma financial information as it relates to future events are not to be viewed as fact and that actual results during the period or periods covered by such projections and pro forma financial information may differ from the projected and pro forma results set forth therein by a material amount.

(o) Intent of the Seller. The Seller has not sold, contributed, transferred, assigned or otherwise conveyed any interest in any Collateral Obligation or participation interest therein to the Intermediate Seller or the Buyer, as applicable, with any intent to hinder, delay or defraud any of the Seller's creditors.

(p) Value Given. The Seller has received reasonably equivalent value from the Intermediate Seller or the Buyer, as applicable, in exchange for the sale of such Collateral Obligations sold hereunder. No such sale has been made for or on account of an antecedent debt owed by the Seller and no such transfer is or may be voidable or subject to avoidance under any section of the Bankruptcy Code.

(q) Value Given. The Seller shall not make statements or disclosures, or treat the transactions contemplated by this Agreement (other than for consolidated accounting purposes) in any manner other than as a "true sale" of the title to and sole record and beneficial ownership interest of the Collateral Obligations and the Substitute Collateral Obligations conveyed or purported to be conveyed hereunder; provided that the Seller may consolidate the Buyer and/or its properties and other assets for accounting purposes in accordance with GAAP if any consolidated financial statements of the Seller contain footnotes disclosing that the Collateral Obligations or the Substitute Collateral Obligations have been sold to the Buyer.

Section 4.02 **Representations and Warranties of the Seller Relating to the Agreement and the Collateral**.

The Seller makes the following representations and warranties, on which each of the Intermediate Seller and the Buyer relies in acquiring each Collateral Obligation purchased hereunder and each of the Secured Parties relies upon in entering into the Indenture, purchasing the Notes or extending the Class A-1 Loans, as applicable. As of the Closing Date and each Purchase Date, the Seller represents and warrants to the Intermediate Seller and the Buyer, as applicable, for the benefit of the Intermediate Seller and the Buyer and each of their successors and assigns that:

(a) Valid Transfer and Security Interest. This Agreement constitutes a valid transfer to the Intermediate Seller or Buyer, as applicable, of all right, title and interest in, to and under each Collateral Obligation, free and clear of any Lien of any Person claiming through or under the Seller or its Affiliates, except for Permitted Liens. If the conveyances contemplated by this Agreement are determined to be a transfer for security, then this Agreement constitutes a grant of a security interest in each Collateral Obligation to the Intermediate Seller or Buyer, as applicable, which upon the delivery of the Collateral Obligation, in accordance with the definition of "Deliver" under the Indenture, to the Custodian on behalf of the Collateral Agent, for the benefit of the Secured Parties) and the filing of the financing statements shall be a first priority perfected security interest in each such Collateral Obligation, subject only to Permitted Liens.

(b) Eligibility of Sale Portfolio. (i) Schedule 1 is an accurate and complete listing of each Collateral Obligation transferred to the Intermediate Seller as of the Closing Date and the information contained therein with respect to the identity of such Collateral Obligations and the amounts owing thereunder is true and correct as of the Closing Date, (ii) with respect to each Collateral Obligation, all consents, licenses, approvals or authorizations of or registrations or declarations of any governmental authority or any Person required to be obtained, effected or given by the Seller in connection with the transfer of an ownership interest or security interest in each Collateral Obligation to the Intermediate Seller or the Buyer, as applicable, have been duly obtained, effected or given and are in full force and effect and (iii) each Collateral Obligation conveyed by the Transferor hereunder, as of the Closing Date or related Cut-Off Date, as applicable, satisfies the definition of "Collateral Obligation".

It is understood and agreed that the representations and warranties provided in this Section 4.02 shall survive (x) the sale of the Collateral Obligations to the Intermediate Seller or the Buyer, as applicable, (y) the grant of a first priority perfected security interest in, to and under each Collateral Obligation pursuant to the Indenture by the Buyer and (z) the termination of this Agreement and the Indenture. Upon discovery by the Seller, the Intermediate Seller or the Buyer of a breach of any of the foregoing representations and warranties, the party discovering such breach shall give prompt written notice thereof to the other, to the Trustee and to the Collateral Agent immediately upon obtaining knowledge of such breach.

Section 4.03 **Representations and Warranties Regarding the Intermediate Seller**.

As of the Closing Date, the Intermediate Seller represents and warrants to the Buyer for the benefit of the Buyer and each of its successors and assigns that:

(a) Due Organization. The Intermediate Seller is a limited liability company duly formed and validly existing under the laws of the State of Delaware, with full power and authority to own and operate its assets and properties, conduct the business in which it is now engaged and to execute and deliver and perform its obligations under this Agreement.

(b) Due Qualification and Good Standing. The Intermediate Seller is in good standing in the State of Delaware. The Intermediate Seller is duly qualified to do business and, to the extent applicable, is in good standing and has obtained all material governmental licenses and approvals as required in Delaware and each other jurisdiction in which the failure to be so qualified, maintain good standing or obtain such license or approval, is likely to have a Material Adverse Effect.

(c) Due Authorization; Execution and Delivery; Legal, Value and Binding; Enforceability; Valid Sale. The execution and delivery by the Intermediate Seller of, and the performance of its obligations under this Agreement and the other instruments, certificates and agreements contemplated hereby are within its powers and have been duly authorized by all requisite action by it and have been duly executed and delivered by it and constitute its legal, valid and binding obligations enforceable against it in accordance with its terms, subject, as to enforcement, (i) to the effect of bankruptcy, insolvency or similar laws affecting generally the enforcement of creditors' rights as such laws would apply in the event of any bankruptcy, receivership, insolvency or similar event applicable to the Intermediate Seller and (ii) to general equitable principles (whether enforceability of such principles is considered in a proceeding at law or in equity). This Agreement shall effect a valid sale, transfer and assignment of each of the Intermediate Seller to the Buyer of its right, title and interest in the Collateral Obligations sold by the Intermediate Seller to the Buyer on or after the Closing Date as set forth herein, enforceable against each of the Intermediate Seller, its creditors and purchasers from the Intermediate Seller, subject, as to enforcement, (x) to the effect of bankruptcy, insolvency or similar laws affecting generally the enforcement of creditors' rights as such laws would apply in the event of any bankruptcy, receivership, insolvency or similar event applicable to the Intermediate Seller and (y) to general equitable principles (whether enforceability of such principles is considered in a proceeding at law or in equity).

(d) Non-Contravention. None of the execution and delivery by each of the Intermediate Seller of this Agreement, the consummation of the transactions herein contemplated, or performance and compliance by it with the terms, conditions and provisions hereof, will (i) contravene in any material respect the terms of the certificate of formation of each of the Intermediate Seller or its limited liability company operating agreement, or any amendment of either thereof, (ii) (A) contravene in any material respect any applicable law, (B) conflict in any material respect, with or result in any breach of, any of the terms and provisions of, or constitute a default under, any indenture, loan, agreement, mortgage, deed of trust or other contractual restriction binding on or affecting it or any of its assets, or (C) contravene in any material respect any order, writ, injunction or decree binding on or affecting it or any of its assets or properties or (iii) result in a breach or violation of, or constitute a default under, any contractual obligation or any agreement or document to which it is a party or by which it or any of its assets are bound (or to which any such obligation, agreement or document relates), in each case under this Section 4.03(d) which would have a Material Adverse Effect.

(e) Governmental Authorizations; Governmental Filings. The Intermediate Seller has obtained, maintained and kept in full force and effect all Governmental Authorizations which are necessary for the execution and delivery by it of this Agreement and the performance by it of its obligations under this Agreement, and no Governmental Authorization or Governmental Filing which has not been obtained or made is required to be obtained or made by it in connection with the execution and delivery by it of this Agreement or the performance of its obligations under this Agreement.

(f) Solvency. The Intermediate Seller, after giving effect to the conveyance by the Intermediate Seller of Collateral Obligations hereunder to the Buyer on or after the Closing Date and after giving effect to the transactions contemplated hereunder and under the other Transaction Documents on such date, is solvent on and as of the Closing Date or the Purchase Date.

(g) Organizational Documents. The Intermediate Seller shall not amend, supplement or otherwise modify the special purpose provisions contained in its organizational documents, except in accordance therewith and with the prior written consent of the Buyer (which consent shall not be unreasonably withheld, delayed or conditioned).

(h) Investment Company Status. The Intermediate Seller is not required to be registered as an “investment company” within the meaning of the Investment Company Act.

(i) Sale Treatment. The Intermediate Seller has treated the transfer of Collateral Obligations by the Intermediate Seller to the Buyer hereunder on the Closing Date for all purposes as a “true sale” by the Intermediate Seller and purchase by the Buyer on all of its relevant books and records (other than for tax and accounting purposes).

(j) Value Given. The cash payments, if any, received by the Intermediate Seller and the Class D Notes and the Preferred Shares issued by the Buyer to the Intermediate Seller in respect of the Purchase Price of the Collateral Obligations sold hereunder by the Intermediate Seller to the Buyer on the Closing Date or any Purchase Date constitute reasonably equivalent value in consideration for the transfer by the Intermediate Seller to the Buyer of such Collateral Obligations under this Agreement, such transfer was not made for or on account of an antecedent debt owed by the Intermediate Seller to the Buyer and such transfer was not and is not voidable or subject to avoidance under any applicable bankruptcy laws.

(k) Lack of Intent to Hinder, Delay or Defraud. The Intermediate Seller has not sold any interest in any Collateral Obligations conveyed by the Intermediate Seller to the Buyer on the Closing Date hereunder with any intent to hinder, delay or defraud its creditors.

(l) No Proceedings. There is no action, suit or proceeding pending against or, to the actual knowledge of an Authorized Officer of the Intermediate Seller, after due inquiry, threatened against or adversely affecting (i) the Intermediate Seller or (ii) the transactions contemplated by this Agreement, before any court, arbitrator or any governmental body, agency or official, in each case, which has had or would reasonably be expected to have a Material Adverse Effect.

The representations and warranties set forth in this Section 4.03 shall survive the sale, transfer and assignment of the Collateral Obligations by the Intermediate Seller to the Buyer on or after the Closing Date.

Section 4.04 **Representations and Warranties of the Intermediate Seller Relating to the Agreement and the Collateral**.

The Intermediate Seller hereby represents and warrants to the Buyer, as of the Closing Date that:

(a) Valid Transfer. This Agreement constitutes a valid transfer to the Buyer of all right, title and interest of the Intermediate Seller in, to and under all of the Collateral transferred by the Intermediate Seller to the Buyer on or after the Closing Date, free and clear of any Lien of any Person claiming through or under the Intermediate Seller or any of its Affiliates, except for Permitted Liens.

(b) No Fraud. Each Collateral Obligation sold by the Intermediate Seller to the Buyer on or after the Closing Date hereunder, to the best of the Intermediate Seller's knowledge, was originated without any fraud or material misrepresentation by the Seller or on the part of the Obligor.

(c) Ordinary Course of Business. Any sale of Collateral Obligations by the Intermediate Seller to the Buyer on or after the Closing Date pursuant to this Agreement is in the ordinary course of business and financial affairs of the Intermediate Seller. Each remittance of collections on such Collateral Obligations by the Intermediate Seller to the Buyer as transferee under this Agreement, will have been made in the ordinary course of business or financial affairs of the Intermediate Seller and the Buyer.

Section 4.05 **Representations and Warranties Regarding the Buyer**.

By its execution of this Agreement, the Buyer represents and warrants to the Intermediate Seller and the Seller that:

(a) Due Organization. The Buyer is an exempted company duly formed and validly existing under the laws of the Cayman Islands, with full power and authority to own and operate its assets and properties, conduct the business in which it is now engaged and to execute and deliver and perform its obligations under this Agreement and the other Transaction Documents to which it is a party.

(b) Due Qualification and Good Standing. The Buyer is in good standing under the laws of the Cayman Islands. The Buyer is duly qualified to do business and, to the extent applicable, is in good standing and has obtained or will obtain all material governmental licenses and approval in the Cayman Islands and in each other jurisdiction in which the nature of its business, assets and properties, including the performance of its obligations under this Agreement and the other Transaction Documents to which it is a party requires such qualification, except where the failure to be so qualified, maintain good standing or obtain such license or approval would not reasonably be expected to have a Material Adverse Effect.

(c) Due Authorization; Execution and Delivery; Legal, Valid and Binding; Enforceability. The execution and delivery by the Buyer of, and the performance of its obligations under this Agreement, the other Transaction Documents to which it is a party and the other instruments, certificates and agreements contemplated hereby or thereby are within its powers and have been duly authorized by all requisite action by it and have been duly executed and delivered by it and constitute its legal, valid and binding obligations enforceable against it in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally or general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(d) Non-Contravention. None of the execution and delivery by the Buyer of this Agreement or the other Transaction Documents to which it is a party, the consummation of the transactions herein or therein contemplated, or performance and compliance by it with the terms, conditions and provisions hereof or thereof, will (i) contravene in any material respect or result in any breach of, any of the terms and provisions of, its articles of incorporation and memorandum of association, (ii) conflict with or contravene (A) any applicable law, (B) any indenture, agreement or other contractual restriction binding on or affecting it or any of its assets, including any Related Contract, or (C) any order, writ, judgment, award, injunction or decree binding on or affecting it or any of its assets or properties or (iii) result in a breach or violation of, or constitute a default under, or permit the acceleration of any obligation or liability in, or but for any requirement of the giving of notice or the passage of time (or both) would constitute such a conflict with, breach or violation of, or default under, or permit any such acceleration in, any contractual obligation or any agreement or document to which it is a party or by which it or any of its assets are bound (or to which any such obligation, agreement or document relates), in each case under this Section 4.05(d) which would have a Material Adverse Effect.

(e) Governmental Authorizations; Private Authorizations; Governmental Filings. No order, consent, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, any governmental or public body or authority, or any subdivision thereof, is required to authorize, or is required in connection with the execution, delivery and performance of any Transaction Documents to which the Buyer is a party or the consummation of any of the transactions contemplated thereby other than those that have already been duly made or obtained and remain in full force and effect or those recordings and filings in connection with the Liens granted to the Collateral Agent under the Transaction Documents, except for any order, consent, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption, that, if not obtained, would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(f) Place of Business; No Changes. The Buyer's location (within the meaning of Article 9 of the UCC) is the District of Columbia. The Buyer has not changed its name nor its location, within the four months preceding the Closing Date.

(g) Sale Treatment. Other than for consolidated accounting and tax purposes, the Buyer has treated the transfer of Collateral Obligations hereunder to the Buyer for all purposes as a sale by the Seller or the Intermediate Seller, as applicable, and purchase by the Buyer on all of its relevant books and records and other applicable documents.

ARTICLE V

MISCELLANEOUS

Section 5.01 **Amendments and Waivers**.

(a) This Agreement may be amended or waived from time to time by the parties hereto by written agreement; *provided* that no such amendment or waiver shall reduce the amount of, or delay the timing of, any amounts received on Collateral Obligations which are required to be distributed with respect to any Class of Secured Debt without the consent of the Holders of each Class materially and adversely affected thereby, or change the rights or obligations of any other party hereto without the consent of such party. Failure of Holders to object within ten Business Days of notice being given of any proposed amendment shall constitute consent for all purposes hereunder. Notwithstanding the foregoing, the Loan Lists may be amended and modified by the Seller at any time in accordance with this Agreement by providing updated Loan Lists to the Buyer and the Collateral Agent.

(b) Prior to the execution of any such amendment or waiver, the Buyer shall furnish to the Collateral Manager and the Collateral Agent (and the Collateral Agent shall furnish to each Rating Agency and each Holder five Business Days prior to the execution thereof) written notification of the substance of such proposed amendment or waiver, together with a copy thereof.

(c) Promptly after the execution of any such amendment or waiver, the Buyer shall furnish (or cause the Collateral Agent to furnish at the expense of the Borrower) a copy of such amendment or waiver to the Collateral Agent (if applicable), the Collateral Manager, each Rating Agency and to each Holder. It shall not be necessary for the consent of any Holders pursuant to Section 5.01(a) to approve the particular form of any proposed amendment or consent, but it shall be sufficient if such consent shall approve the substance thereof.

(d) Prior to the execution of any amendment to this Agreement, the Buyer, the Trustee and the Collateral Agent shall be entitled to receive and rely upon an Opinion of Counsel (which Opinion of Counsel may rely upon one or more certificates from an Authorized Officer of the Seller, the Intermediate Seller, the Buyer and/or the Collateral Manager with respect to factual matters and of the Buyer and/or the Collateral Manager with respect to the effect of any such amendment or waiver on the economic interests of the Buyer or the Holders) stating that the execution of such amendment is authorized or permitted by this Agreement and that all conditions precedent thereto have been satisfied. The Trustee and the Collateral Agent shall not be liable for any reliance made in good faith upon such an Opinion of Counsel.

Section 5.02 **Notices, Etc**.

All demands, notices and other communications hereunder shall, unless otherwise stated herein, be in writing (which shall include facsimile communication and communication by e-mail in portable document format (.pdf)) and faxed, e-mailed or delivered, to each party hereto, at its address set forth below or at such other address as shall be designated by such party in a written notice to the other parties hereto, and to the Trustee, the Collateral Agent or each Rating Agency, at its address set forth in the Indenture or at such other address as shall be designated by such Person in a written notice to the other parties hereto. Notices and communications by facsimile and e-mail shall be effective when sent (and shall be followed by hard copy sent by regular mail), and notices and communications sent by other means shall be effective when received. Notices and other communications relating to this Agreement to be delivered by the Buyer (or the Collateral Agent on its behalf) to any Holder shall be delivered as provided in the Indenture.

The address for the Seller is the following:

PennantPark Floating Rate Capital Ltd.
590 Madison Avenue, 15th Floor
New York, NY 10022

The address for the Intermediate Seller is the following:

PennantPark CLO I Depositor, LLC
c/o PennantPark Investment Advisers, LLC
590 Madison Avenue, 15th Floor
New York, NY 10022

The address for the Buyer is the following:

PennantPark CLO I, Ltd.
c/o Crestbridge Cayman Limited
9 Forum Lane, Camana Bay
P.O. Box 31243
Grand Cayman, KY1-1205
Cayman Islands
Attention: The Directors

Section 5.03 **Severability of Provisions**.

If any one or more of the covenants, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such covenants, provisions or terms shall be deemed severable from the remaining covenants, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.

Section 5.04 **GOVERNING LAW; JURY WAIVER**.

THIS AGREEMENT SHALL, IN ACCORDANCE WITH SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK. EACH OF THE PARTIES HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING DIRECTLY OR INDIRECTLY OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREUNDER.

Section 5.05 **Counterparts**. For the purpose of facilitating the execution of this Agreement and for other purposes, this Agreement may be executed simultaneously in any number of counterparts, each of which counterparts shall be deemed to be an original, and all of which counterparts shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or e-mail in portable document format (.pdf) shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 5.06 **Bankruptcy Non-Petition and Limited Recourse; Claims**.

Each of the parties hereto hereby agrees that it will not institute against, or join any other Person in instituting against, the other party hereto any bankruptcy or similar proceeding so long as there shall not have elapsed one year and one day (or such longer preference period as shall then be in effect and one day) after payment in full of all Secured Debt. In addition, none of the parties hereto shall have any recourse for any amounts payable or any other obligations arising under this Agreement against any officer, member, director, employee, partner, Affiliate or security holder of the other party or any of its successors or assigns. The terms of this Section 5.06 shall survive termination of this Agreement.

Section 5.07 **Binding Effect; Assignability**.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No third party (other than the Collateral Agent and the other Secured Parties) shall be third-party beneficiaries of this Agreement.

Section 5.08 **Headings and Exhibits**.

The headings herein are for purposes of references only and shall not otherwise affect the meaning or interpretation of any provision hereof. The schedules and exhibits attached hereto and referred to herein shall constitute a part of this Agreement and are incorporated into this Agreement for all purposes.

Section 5.09 **No Waiver; Cumulative Remedies**.

No waiver to exercise and no delay in exercising, on the part of the Buyer, the Seller or the Trustee, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privilege provided by law.

Section 5.10 **Merger and Integration**.

Except as specifically stated otherwise herein, this Agreement sets forth the entire understanding of the parties relating to the subject matter hereof, and all prior understandings, written or oral, are superseded by this Agreement.

[Remainder of Page Intentionally Left Blank. Signature Pages Follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

PENNANTPARK FLOATING RATE CAPITAL LTD.,
as the Seller

By: /s/ Arthur H. Penn
Name: Arthur H. Penn
Title: Chief Executive Officer

PENNANTPARK CLO I DEPOSTOR, LLC,
as the Intermediate Seller

By: PennantPark Investment Advisers, LLC
as the Designated Manager

By: /s/ Arthur H. Penn
Name: Arthur H. Penn
Title: Managing Member

PENNANTPARK CLO I, LTD.,
as the Buyer

By: /s/ Alvin Bhawanie
Name: Alvin Bhawanie
Title: Director

Exhibit A

Form of Assignment (Schedule 2)

[Date]

In accordance with the Master Loan Sale Agreement (together with all amendments and modifications from time to time thereto, the "Agreement"), dated as of September 19, 2019, made by and among the undersigned, PENNANTPARK FLOATING RATE CAPITAL LTD., as the Seller (together with its successors and permitted assigns, the "Seller"), PENNANTPARK CLO I DEPOSITOR, LLC, as the Intermediate Seller (together with its successors and permitted assigns, the "Intermediate Seller"), and PENNANTPARK CLO I, LTD., as the Buyer (together with its successors and permitted assigns, the "Buyer"), the Seller does hereby sell, transfer, convey and assign, set over and otherwise convey to the Intermediate Seller, all of the Seller's right, title and interest in and to the following (including, without limitation, all obligations of the lender to fund any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation conveyed by the undersigned to the Intermediate Seller hereunder which obligations the Intermediate Seller hereby assumes), and the Intermediate Seller does hereby sell, transfer, convey and assign, set over and otherwise convey to the Buyer, all of the Intermediate Seller's right, title and interest in and to the following (including, without limitation, all obligations of the lender to fund any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation conveyed by the undersigned to the Buyer hereunder which obligations the Buyer hereby assumes):

(i) the Collateral Obligations listed on Schedule 2 attached hereto (which Schedule 2 is hereby incorporated by reference in and shall become part of the Loan List referred to as Schedule 1 in the Agreement), all payments paid in respect thereof and all monies due, to become due or paid in respect thereof accruing on and after the Purchase Date and all collections on the Collateral Obligations and other recoveries thereon, in each case as they arise after the Purchase Date;

(ii) all Liens with respect to the Collateral Obligations referred to in clause (i) above;

(iii) all Related Contracts with respect to the Collateral Obligations referred to in clause (i) above;

(iv) all collateral security granted under any Related Contracts; and

(v) all income, payments, proceeds and other benefits of any and all of the foregoing, including but not limited to, all accounts, cash and currency, chattel paper, electronic chattel paper, tangible chattel paper, copyrights, copyright licenses, equipment, fixtures, general intangibles, instruments, commercial tort claims, deposit accounts, inventory, investment property, letter of credit rights, software, supporting obligations, accessions, proceeds and other property consisting of, arising out of, or related to the foregoing, but excluding any Excluded Amount with respect thereto.

Capitalized terms used herein have the meaning given such terms in the Agreement.

This assignment is made pursuant to and in reliance upon the representations and warranties on the part of the undersigned contained in Article IV of the Agreement and no others.

THIS ASSIGNMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be duly executed on the date written above.

PENNANTPARK FLOATING RATE CAPITAL LTD.,
as the Seller

By: _____
Name: _____
Title: _____

PENNANTPARK CLO I DEPOSTOR, LLC,
as the Intermediate Seller

By: PennantPark Investment Advisers, LLC
as the Designated Manager

By: _____
Name: _____
Title: _____

PENNANTPARK CLO I, LTD.,
as the Buyer

By: _____
Name: _____
Title: _____

Schedule 2

Loan List

[To be attached]

Collateral Obligations

Loan List

Assets	Asset Type	Consolidated Par Transferred	Price	Consolidated Cost Transferred
18 Fremont Street Acquisition, LLC	First Lien	6,697,697.03	98.01	6,564,589.70
American Auto Auction Group, LLC	First Lien	5,813,286.64	98.77	5,742,068.03
American Insulated Glass, LLC	First Lien	6,697,697.03	98.28	6,582,761.14
API Holdings III Corp.	First Lien	6,000,000.00	99.50	5,970,245.92
By Light Professional IT Services, LLC	First Lien	6,697,697.03	97.85	6,553,456.45
Cano Health, LLC	First Lien	5,830,099.85	99.15	5,780,382.08
CHA Holdings, Inc.—DDTL	First Lien	598,589.90	100.00	598,589.90
CHA Holdings, Inc.—Term Loan	First Lien	6,099,107.13	99.57	6,072,902.13
Confluent Health, LLC	First Lien	4,000,000.00	99.00	3,960,045.92
DecoPac, Inc.	Second Lien	6,697,697.03	98.95	6,627,175.08
Deva Holdings, Inc.	First Lien	947,304.34	98.52	933,320.11
Digital Room Holdings, Inc.	First Lien	6,697,697.03	98.51	6,597,894.78
Douglas Products and Packaging Company LLC	First Lien	6,697,697.03	98.73	6,612,607.71
East Valley Tourist Development Authority	First Lien	6,697,697.03	99.15	6,641,072.26
eCommission Financial Services, Inc.	First Lien	6,697,697.03	100.00	6,697,697.03
Education Networks of American, Inc.	First Lien	6,697,697.03	100.00	6,697,697.03
Efficient Collaborative Retail Marketing Company, LLC	First Lien	6,697,697.03	99.58	6,669,308.19
GCOM Software LLC	First Lien	6,697,697.03	98.16	6,574,138.69
Good2Grow LLC	First Lien	6,697,697.03	99.11	6,638,410.73
GSM Holdings, Inc.	First Lien	1,175,873.52	99.57	1,170,850.92
GSM Holdings, Inc.	First Lien	5,521,823.51	99.54	5,496,646.49
HW Holdco, LLC	First Lien	6,697,697.03	99.07	6,635,512.09
Integrative Nutrition, LLC	First Lien	6,697,697.03	99.17	6,641,830.63
KHC Holdings, Inc.	First Lien	6,697,697.03	99.11	6,638,251.07
LAV Gear Holdings, Inc.	First Lien	3,531,427.20	99.12	3,500,212.03
LAV Gear Holdings, Inc.—DDTL	First Lien	3,166,269.83	100.00	3,166,269.83
Lombart Brothers, Inc.	First Lien	6,697,697.03	98.93	6,626,308.18
Long’s Drugs Incorporated	First Lien	6,697,697.03	99.31	6,651,294.04
LSF9 Atlantis Holdings, LLC	First Lien	6,697,697.03	99.28	6,649,632.58
Manna Pro Products, LLC	First Lien	5,690,197.03	98.94	5,630,096.20
Manna Pro Products, LLC—DDTL	First Lien	1,007,500.00	100.00	1,007,500.00
MeritDirect, LLC	First Lien	6,697,697.03	98.58	6,602,475.54
Nuvei Technologies Corp.	First Lien	6,697,697.03	98.50	6,597,502.11
Ox Two, LLC	First Lien	6,697,697.03	100.00	6,697,697.03
Pestell Minerals and Ingredients, Inc.	First Lien	6,697,697.03	99.20	6,644,413.37
PlayPower, Inc.	First Lien	5,600,000.00	99.02	5,545,013.53
PRA Events, Inc.	First Lien	2,598,605.92	98.38	2,556,499.94
Quantum Spatial, Inc.	First Lien	6,697,697.03	98.51	6,597,786.93
Questex, LLC	First Lien	6,697,697.03	98.27	6,582,066.50
Research Now Group, Inc. and Survey Sampling International LLC	First Lien	6,697,697.03	95.97	6,427,741.01
Riverpoint Medical, LLC	First Lien	5,000,000.00	99.02	4,951,086.09
Schlesinger Global, Inc.	First Lien	6,697,697.03	98.53	6,599,123.14
Signature Systems Holding Company	First Lien	6,697,697.03	98.57	6,602,163.63
Solutionreach, Inc.	First Lien	6,697,697.03	98.22	6,578,534.72
TeleGuam Holdings, LLC	First Lien	6,697,697.03	98.92	6,625,651.57
Teneo Holdings LLC	First Lien	5,000,000.00	96.00	4,800,000.00
The Infosoft Group, LLC	First Lien	5,647,900.77	99.52	5,620,543.06
TVC Enterprises, LLC	First Lien	5,943,737.58	98.22	5,838,041.05
TWS Acquisition Corporation	First Lien	6,697,697.03	97.61	6,537,345.18
Tyto Athene, LLC	First Lien	6,697,697.03	98.68	6,609,327.47
Ubeo, LLC	First Lien	4,715,658.77	99.16	4,676,212.77
Ubeo, LLC—DDTL	First Lien	1,982,038.26	100.00	1,982,038.26
Totals		**293,498,028.18**	**98.81**	**290,000,029.83**

Exhibit 99.6

EXECUTION VERSION

MASTER PARTICIPATION AGREEMENT

Master Participation and Assignment Agreement (as amended from time to time, this "Agreement"), dated as of September 19, 2019, between PennantPark Floating Rate Funding I, LLC, a Delaware limited liability company (the "Financing Subsidiary"), and PennantPark CLO I, Ltd., an exempted company incorporated in the Cayman Islands (the "Issuer").

RECITALS

WHEREAS, the Financing Subsidiary owns certain loans (the "Collateral Obligations") and the Issuer desires to purchase certain of such Collateral Obligations and/or portions thereof as set forth on Annex A hereto;

WHEREAS, the Transferor has made or will make, on or prior to the date hereof, a capital contribution to the Financing Subsidiary, and the Financing Subsidiary intends to distribute the Transferred Assets (as defined herein) to PennantPark Floating Rate Capital Ltd. (the "Transferor") as an equity distribution in the form of a dividend (through an intermediate entity) (the "Dividend"), in each case pursuant to (i) that certain fourth amended and restated revolving credit and security agreement, dated as of October 30, 2018 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among the Financing Subsidiary, as borrower, PennantPark Investment Advisers, LLC, as collateral manager, the lenders from time to time party thereto (the "Lenders"), SunTrust Bank, as administrative agent (in such capacity, the "Administrative Agent"), SunTrust Robinson Humphrey, Inc., as lead arranger, and U.S. Bank National Association, in its capacities as collateral agent (the "Revolver Collateral Agent"), collateral administrator, backup collateral manager and custodian, and (ii) the Request for Waiver and Consent to Lien Release Dividend, dated as of August 15, 2019 (the "Lien Release Dividend"), by the Financing Subsidiary, consented to by the Administrative Agent, the Lenders and PennantPark Investment Advisers, LLC, as collateral manager, and acknowledged and agreed to by U.S. Bank National Association, as the collateral administrator;

WHEREAS, the Issuer and the Transferor have entered into a master loan sale agreement (as amended from time to time, the "Loan Sale Agreement"), dated as of September 19, 2019, pursuant to which the Transferor has agreed to sell certain loans, including the Transferred Assets, to the Issuer, subject to the conditions precedent to each such sale set forth in the Loan Sale Agreement and, with respect to the Transferred Assets that will be Closing Date Participation Interests until elevated to assignments, as set forth herein and subject to the terms of the Indenture;

WHEREAS, the settlement of the acquisition of the Transferred Assets by the Transferor from the Financing Subsidiary and by the Issuer from the Transferor shall occur, solely for administrative convenience, pursuant to and in accordance with this Agreement whereby the Financing Subsidiary will (i) grant a participation interest in each Transferred Asset directly to the Issuer pursuant to Section 2.01 and (ii) thereafter cause an assignment of each such Transferred Asset to be delivered to the Issuer so that the Issuer becomes the record owner of such Transferred Asset pursuant to Section 2.05;

WHEREAS, such grant by the Financing Subsidiary and acquisition by the Issuer of such participation interest in each Transferred Asset is referred to herein as the "Transfer" of such Transferred Asset; and

WHEREAS, with respect to any Transferred Asset, the Financing Subsidiary and the Issuer will cause the relevant participation to be elevated to an assignment as soon as practicable, pursuant to the provisions of Section 2.05, after the Settlement Date. Such elevation is referred to herein as the "Elevation" with respect to any Transferred Asset, and the date of any Elevation of such Transferred Asset is referred to herein as the related "Elevation Date".

AGREEMENT

Accordingly, in consideration of the mutual agreements set forth herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows.

ARTICLE I
Definitions

SECTION 1.01 Certain Definitions; Interpretation.

(a) Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Loan Sale Agreement or, if not defined therein, in the Indenture. In addition, as used herein, the following defined terms, unless the context otherwise requires, shall have the following meanings (to the extent not otherwise defined herein):

"Administrative Agent" has the meaning specified in the *Recitals*.

"Agreement" has the meaning specified in the *Preamble*.

"Business Day" has the meaning specified in the Indenture.

"Collateral Manager" means PennantPark Investment Advisers, LLC, in its capacity as collateral manager under the Collateral Management Agreement, dated as of September 19, 2019, by and between the Issuer and the Collateral Manager.

"Collateral Obligations" has the meaning specified in the *Recitals*.

"Credit Agreement" has the meaning specified in the *Recitals*.

"Dividend" has the meaning specified in the *Recitals*.

"Elevation" has the meaning specified in the *Recitals*.

"Elevation Date" has the meaning specified in the *Recitals*.

"Excluded Amounts" means (a) any amount received by, on or with respect to any Collateral Obligation, which amount is attributable to the payment of any tax, fee or other charge imposed by any Authority on such Collateral Obligation, (b) any amount representing escrows relating to taxes, insurance and other amounts in connection with any Collateral Obligation which is held in an escrow account for the benefit of the related Obligor and the secured party (other than the Financing Subsidiary in its capacity as lender with respect to such Collateral Obligation) pursuant to escrow arrangements, (c) any Retained Fee retained by the Person(s) entitled thereto in connection with the origination of any Collateral Obligation, (d) any accrued and unpaid interest on any Collateral Obligation with respect to the period of time prior to and excluding the Closing Date and (e) any Equity Security related to any Collateral Obligation that the Financing Subsidiary determines will not be transferred by the Financing Subsidiary in connection with the sale of any related Collateral Obligation hereunder.

"Financing Subsidiary" has the meaning specified in the *Preamble*.

"Indenture" means the Indenture, dated as of September 19, 2019 (as amended, modified, restated or supplemented from time to time), between the Issuer, PennantPark CLO I, LLC, as co-issuer and U.S. Bank National Association, as trustee (together with its successors and assigns in such capacity, the "Trustee") and as collateral agent (together with its successors and assigns in such capacity, the "Indenture Collateral Agent").

"Issuer" has the meaning specified in the *Preamble*.

"Lenders" has the meaning specified in the *Recitals*.

"Lien Release Dividend" has the meaning specified in the *Recitals*.

"Loan Sale Agreement" has the meaning specified in the *Recitals*.

"Participation Interest" and "Participation Interests" have the meanings specified in Section 2.01.

"Participation Percentage" means, with respect to each Collateral Obligation, the percentage set forth on Annex A hereto representing the percentage portion of such Collateral Obligation conveyed to the Issuer by the Financing Subsidiary pursuant to the terms of this Agreement.

"Proceeding" means any suit in equity, action at law or other judicial or administrative proceeding thereof.

"Pro Rata Share" means, with respect to any amount, as of any date of determination, the product obtained by *multiplying* such amount by the applicable Participation Percentage.

"Representing Party" has the meaning specified in Section 3.01.

"Revolver Collateral Agent" has the meaning specified in the *Recitals*.

"Settlement Date" means September 19, 2019.

"Transfer" has the meaning specified in the *Recitals*.

"Transferor" has the meaning specified in the *Recitals*.

"Transferred Assets" means the Collateral Obligations (excluding any Excluded Amounts) or portions thereof (if less than 100%) equal to the applicable Participation Percentage of each such Collateral Obligation conveyed by the Financing Subsidiary to the Issuer hereunder, in each case as set forth on Annex A hereto.

(b) In this Agreement, unless a contrary intention appears:

(i) the singular number includes the plural number and vice versa;

(ii) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by the Transaction Documents;

(iii) reference to any gender includes each other gender;

(iv) reference to day or days without further qualification means calendar days;

(v) unless otherwise stated, reference to any time means New York, New York time;

(vi) references to "writing" include printing, typing, lithography, electronic or other means of reproducing words in a visible form;

(vii) reference to any agreement (including any Transaction Document), document or instrument means such agreement, document or instrument as amended, modified, supplemented, replaced, restated, waived or extended and in effect from time to time in accordance with the terms thereof and, if applicable, the terms of the other Transaction Documents, and reference to any promissory note includes any promissory note that is an extension or renewal thereof or a substitute or replacement therefor;

(viii) reference to any requirement of law means such requirement of law as amended, modified, codified, replaced or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder and reference to any Section or other provision of any requirement of law means that provision of such requirement of law from time to time in effect and constituting the substantive amendment, modification, codification, replacement or reenactment of such Section or other provision; and

(ix) references to "including" means "including, without limitation".

(c) The titles of Articles and Sections hereof are for convenience only, and they neither form a part of this Agreement nor are to be used in the construction or interpretation hereof.

ARTICLE II
Transfer

SECTION 2.01 Transfer. Upon the terms and subject to the conditions hereof on the Settlement Date, the Financing Subsidiary hereby irrevocably grants to the Issuer, and the Issuer hereby acquires from the Financing Subsidiary, an undivided participation interest in each Transferred Asset, which interest shall be understood to include all of the Financing Subsidiary's right, title, benefit and interest in and to the Pro Rata Share of any interest accruing from and after the Settlement Date, any Interest Proceeds and Principal Proceeds to the extent provided in Section 2.02 and, to the extent permitted to be transferred under applicable law and under the applicable transfer document or assignment agreement (or, in the case of any Underlying Document that is in the form of a note, any chain of endorsement) executed and delivered in connection with a Transferred Asset, all claims, causes of action and any other right of the Financing Subsidiary (in its capacity as a lender under such documentation), whether known or unknown, against any Obligor or any of its affiliates, agents, representatives, contractors, advisors or other Person arising under or in connection with such documentation or that is in any way based on or related to any of the foregoing or the loan transactions governed thereby, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and purchased pursuant to this Agreement (each, a "Participation Interest" and, collectively, the "Participation Interests"), upon the terms and subject to the conditions set forth in this Agreement. The Issuer hereby assumes all obligations and liabilities of the Financing Subsidiary as lender with respect to or in connection with each related Participation Interest arising or occurring on or after the Settlement Date. The consideration for the transfer of the Participation Interests from the Financing Subsidiary to the Issuer shall consist of cash paid to the Financing Subsidiary by the Issuer. The purchase price for each Collateral Obligation sold pursuant to this Agreement shall be a dollar amount equal to the fair market value thereof as determined by the Financing Subsidiary and the Issuer and shall be on terms no less favorable to the Issuer than the Issuer would then obtain in a comparable arm's length transaction with a person that is not an Affiliate. The parties hereto agree that, solely for administrative convenience, any amount paid in cash by the Issuer to the Financing Subsidiary pursuant to this Agreement on account of its purchase of a Participation Interest to be conveyed hereunder shall be treated for all purposes hereunder and under the Loan Sale Agreement as if such amount had been paid by the Issuer to the Transferor, in partial or full satisfaction of its obligations to pay the purchase price of such initial Transferred Assets under the Loan Sale Agreement and/or a capital contribution (through an intermediate entity) by the Transferor to the Financing Subsidiary and the corresponding Dividend by the Financing Subsidiary to the Transferor; *provided* that the Issuer, the Financing Subsidiary and the Transferor may agree to net certain amounts payable hereunder with other amounts paid in connection with the closing of the notes issued under the Indenture and the distribution of the proceeds thereof. The Participation Interests are certain of the "Closing Date Participation Interests" referred to in the Loan Sale Agreement and in the Indenture.

SECTION 2.02 Interest Proceeds and Principal Proceeds; Payments of Interest Proceeds and Principal Proceeds and Other Payments Received After the Settlement Date.

(a) With respect to each Transferred Asset, the Issuer shall acquire its Pro Rata Share of all rights to Interest Proceeds and Principal Proceeds that, as of the Settlement Date, are accrued but unpaid with respect to the period from and after the Settlement Date (which, for the avoidance of doubt, shall not include any Excluded Amounts).

(b) If at any time after the Settlement Date the Financing Subsidiary receives any Interest Proceeds or Principal Proceeds (in each case, other than any Excluded Amounts) in respect of the Transferred Assets, the Financing Subsidiary shall deliver (or cause to be delivered) promptly to the Issuer its Pro Rata Share of such Interest Proceeds and Principal Proceeds. If at any time after the Settlement Date the Financing Subsidiary receives any other payment (including principal, interest (to the extent relating to the period from and after the Settlement Date) or any other amount) with respect to a Transferred Asset, the Financing Subsidiary shall deliver (or cause to be delivered) promptly to the Issuer its Pro Rata Share of such payment, and in the case of any such payment of interest, the Financing Subsidiary shall provide (or cause to be provided) a written notice to the Issuer at the time of such delivery setting forth calculations and certifying as to the portion of any interest received that relates to the period from and after the Settlement Date.

(c) Without limiting the foregoing, the Financing Subsidiary agrees (a) until the Elevation of each Transferred Asset has been completed, to maintain its existing custodial arrangements and bank accounts established to receive proceeds of such Transferred Asset and (b) to remit (or cause to be remitted) to the Issuer, promptly (but not more than two Business Days) after receipt of such payment and identification thereof, the Issuer's Pro Rata Share of each payment received in connection with each Transferred Asset to which the Issuer is entitled in accordance with Section 2.01. The Financing Subsidiary acknowledges that from and after the Settlement Date it shall have no equitable or beneficial interest in the Pro Rata Share of any payment received by it with respect to any Transferred Asset (other than any Excluded Amounts). If the Financing Subsidiary modifies or amends the standing instructions delivered to the Financing Subsidiary's custodian under the Credit Agreement on the date hereof in connection with this clause (c), the Financing Subsidiary shall notify the Issuer of such modification or amendment.

SECTION 2.03 Treatment of Transfer; Backup Grant of Security Interest.

(a) Each party hereto (i) agrees that each Transfer shall be a sale or contribution of a participation interest in the relevant Transferred Asset for all relevant purposes (other than tax and accounting purposes) and (ii) intends, and has as its business objective, that each Transfer be an absolute transfer and not be a transfer as security for a loan. The relationship between the Financing Subsidiary and the Issuer shall be that of seller and buyer. Neither party is a trustee or agent for the other party, nor does either party have any fiduciary obligations to the other party. This Agreement shall not be construed to create a partnership or joint venture between the parties hereto.

(b) If, notwithstanding such intention, any Transfer is characterized by a court of competent jurisdiction as a transfer as security for a loan rather than a sale of a participation interest in the relevant Transferred Asset, or any Transfer shall for any reason be ineffective to transfer to the Issuer all of the Financing Subsidiary's right, title and interest in any Transferred Asset (including the Interest Proceeds and Principal Proceeds by it with respect to such Transferred Asset), then the Financing Subsidiary shall be deemed to have granted to the Issuer,

and the Financing Subsidiary hereby grants to the Issuer, a security interest in and lien on all the Financing Subsidiary's right, title and interest in and to such Transferred Asset (including the Issuer's Pro Rata Share of any Interest Proceeds and Principal Proceeds received by the Financing Subsidiary with respect to such Transferred Asset), whether now existing or hereafter acquired, in order to secure such loan and all other obligations of the Financing Subsidiary hereunder.

(c) After the Settlement Date, the Financing Subsidiary shall record in the Financing Subsidiary's books and records the fact that the Financing Subsidiary is no longer the beneficial owner of the Transferred Assets conveyed to the Issuer hereunder and, after the relevant Elevation Date with respect to any Transferred Asset, the Financing Subsidiary shall record in the Financing Subsidiary's books and records the fact that the Financing Subsidiary is no longer the record owner or beneficial owner of such Transferred Asset. After the Settlement Date, the Issuer shall record in the Issuer's books and records that fact that the Issuer is the beneficial owner of the Transferred Assets and, after the relevant Elevation Date with respect to any Transferred Asset, the Issuer shall record in the Issuer's books and records the fact that the Issuer is the record owner and beneficial owner of such Transferred Asset.

SECTION 2.04 Documents; Exercise of Rights and Remedies; Indemnification.

(a) Prior to Elevation, the Financing Subsidiary shall furnish to the Issuer (or its collateral administrator) copies of any Underlying Documents and applicable credit documentation in its possession in respect of a Transferred Asset and, as and when available to the Financing Subsidiary (without prejudice to Section 2.05(b)), a copy of each transfer document or assignment agreement (or, in the case of any Underlying Document that is in the form of a note, any chain of endorsement), amendment, consent or waiver in connection with any such documentation, provided that the Financing Subsidiary is not prohibited from doing so under the related Underlying Documents or applicable credit documentation after taking into account the next sentence. The Issuer agrees that it shall maintain the confidentiality of any such documents to the extent required therein and to the same extent as if it were a party thereto and shall, upon the Financing Subsidiary's request, provide to the Financing Subsidiary a confidentiality undertaking to such effect in accordance with the terms of the such documentation prior to the delivery thereof.

(b) From and after the Settlement Date, the Financing Subsidiary agrees to promptly forward to the Issuer and the Collateral Manager all notices, requests, reports and communications of any nature received from any Person with respect to each Transferred Asset. Unless restricted or prohibited under applicable law, rule, order or the relevant Underlying Documents and/or credit documentation, the Financing Subsidiary will not exercise any voting, consent or other right or remedy, or take or refrain from taking any action, in each case with respect to any Transferred Asset, except as directed by the Issuer; *provided* that the consent of the Financing Subsidiary shall be required (which consent shall be subject to the terms and conditions set forth in the Credit Agreement, including terms requiring consent of Lenders or Administrative Agent thereunder) in connection with any such action that (1) increases the funding obligations of the Financing Subsidiary with respect to such Transferred Asset or (2) would subject the Financing Subsidiary, the Lenders or the Administrative Agent under the

Credit Agreement to additional liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements. With respect to the exercise of any such voting, consent or other right or remedy, or the taking or refraining from taking any action with respect to any Transferred Asset, pursuant to the sentences in this clause (b) not directed by the Collateral Manager on behalf of the Issuer, the Financing Subsidiary will consult with the Issuer with respect thereto and the Financing Subsidiary will take such action or refrain from taking such action as the Financing Subsidiary would take if such Transferred Asset were beneficially owned by the Financing Subsidiary for its own account (but subject to the terms and conditions set forth in the Credit Agreement, including terms requiring consent of Lenders or Administrative Agent thereunder).

(c) Provided that the Collateral Manager on behalf of the Issuer has directed the Financing Subsidiary to take such action and the Financing Subsidiary does so, the Issuer shall reimburse the Financing Subsidiary for any and all liabilities, obligations, actual losses, actual damages, penalties, actions, judgments, suits, costs, expenses, and disbursements, including legal fees, which may be incurred or made by the Financing Subsidiary in connection with any such action so taken by the Financing Subsidiary for which the Financing Subsidiary is not reimbursed at any time by or on behalf of any Obligor under any applicable Underlying Documents or credit documentation (other than any amounts thereof resulting from the Financing Subsidiary's gross negligence or willful misconduct). In no event will the Issuer reimburse the Financing Subsidiary for any special, indirect, consequential or punitive damages in respect to any claim hereunder, whether or not known or suspected, unless any such special, indirect, consequential or punitive damages are actually incurred by or are payable by the Financing Subsidiary. In no event will the Financing Subsidiary reimburse the Issuer for any special, indirect, consequential or punitive damages in respect to any claim hereunder, whether or not known or suspected, unless any such special, indirect, consequential or punitive damages are actually incurred by or are payable by the Issuer.

SECTION 2.05 Elevation.

(a) Subject to the terms and provisions of the applicable Transferred Assets and of applicable law, the Financing Subsidiary shall use commercially reasonable efforts to effect an Elevation, as soon as reasonably practicable, with respect to each such Transferred Asset and take such action (including the execution and delivery of any transfer document or assignment agreement (or, in the case of any Underlying Document that is in the form of a note, any chain of endorsement)) as shall be reasonably necessary in connection therewith and in accordance with the terms and conditions of each such Transferred Asset and consistent with the terms of this Agreement. The Financing Subsidiary has prepared, or will prepare on or following the Closing Date, individual assignments (or a master assignment) consistent with the requirements of the related Underlying Documents and provided them to the Persons required under such Underlying Documents, which assignments will become effective in accordance with such Underlying Documents upon obtaining certain consents thereto or upon the passage of time or both. The Financing Subsidiary shall pay any transfer fees and other expenses payable in connection with an Elevation and the Issuer will reimburse the Financing Subsidiary for half of such fees and expenses after receipt of an invoice therefor from the Financing Subsidiary detailing such amounts. The Issuer shall be responsible for any expenses of administering each Transferred Asset prior to its Elevation. At Elevation, the Financing Subsidiary shall deliver

such assignment and the credit documentation with respect to the related Transferred Asset in its possession to or as directed by the Issuer. The Issuer and the Financing Subsidiary acknowledge and agree that, solely for administrative convenience, any transfer document or assignment agreement (or, in the case of any Underlying Document that is in the form of a note, any chain of endorsement) required to be executed and delivered in connection with the transfer of a Transferred Asset in accordance with the terms of any related Underlying Documents may reflect that (i) the Financing Subsidiary is assigning such Transferred Asset directly to the Issuer or (ii) the Issuer is acquiring such Transferred Asset at the closing of such Transferred Asset. Nothing in any such transfer document or assignment agreement (or, in the case of any Underlying Document that is in the form of a note, nothing in such chain of endorsement) shall be deemed to impair the transfers of the Transferred Assets by the Financing Subsidiary to the Issuer in accordance with the terms of this Agreement.

(b) The Financing Subsidiary shall (so far as the same is within its power and control) maintain its existence as a Delaware limited liability company until an Elevation has been effected with respect to each Transferred Asset. If the Financing Subsidiary has not effected an Elevation of a Transferred Asset on or before the day that is 90 days from the Settlement Date for whatever reason or if at any time prior thereto the Financing Subsidiary is dissolved prior to effecting an Elevation, the Financing Subsidiary and the Issuer agree that the Participation Interests in each of the Transferred Assets shall elevate automatically and immediately to an assignment and all of Financing Subsidiary's rights, title, interests and ownership of such Transferred Assets shall vest in the Issuer. Upon the execution of this Agreement, the Financing Subsidiary shall be deemed to have consented and agreed to the Elevation with respect to each of the Transferred Assets. The Financing Subsidiary agrees that, following any such date, the Issuer shall be permitted to take any and all action necessary to effectuate an Elevation and/or finalize an assignment of any of the Transferred Assets, and in furtherance of the foregoing, effective immediately upon such date, the Financing Subsidiary hereby makes, constitutes and appoints the Issuer, with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead, to sign, execute, certify, swear to, acknowledge, deliver, file, receive and record any and all documents that the Issuer reasonably deems appropriate or necessary in connection with any Elevation or finalization of an assignment of any of the Transferred Assets. In addition, the Financing Subsidiary, effective as of the Settlement Date, hereby makes, constitutes and appoints the Issuer, with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead, to sign, execute, certify, swear to, acknowledge, deliver, file, receive and record any and all documents that the Issuer reasonably deems appropriate or necessary to direct the applicable Obligor or agent bank with respect to any Transferred Asset to deposit directly into the Collection Account the Issuer's Pro Rata Share of Interest Proceeds and Principal Proceeds in respect of any Transferred Asset. The foregoing powers of attorney are hereby declared to be irrevocable and a power coupled with an interest, and shall survive and not be affected by the bankruptcy or insolvency or dissolution of the Financing Subsidiary.

SECTION 2.06 Release of Excluded Amounts. The parties acknowledge and agree that the Issuer has no interest in the Excluded Amounts. Promptly upon the receipt by or release to the Issuer of any Excluded Amounts, the Issuer hereby irrevocably agrees to deliver and release to (or as directed by) the Financing Subsidiary such Excluded Amounts, which

release shall be automatic and shall require no further act by the Issuer; *provided* that the Issuer agrees that it will execute and deliver such instruments of release and assignment or other documents, or otherwise confirm the foregoing release of such Excluded Amounts, as may be reasonably requested by the Financing Subsidiary in writing.

SECTION 2.07 Conduct of Business. The Financing Subsidiary represents, warrants and agrees that, from and after the Settlement Date, it will not engage in any activities with respect to the Transferred Assets other than holding record ownership of the Transferred Assets, receiving payments in respect of the Transferred Assets and remitting (or causing to be remitted) to the Issuer its Pro Rata Share of such payments as required hereunder, effecting Elevations with respect to the Transferred Assets and performing its other agreements hereunder with respect to such Transferred Assets. The Financing Subsidiary represents, warrants and agrees that, from and after the date hereof, it shall not sell, grant a security interest in or lien on, or otherwise pledge, mortgage, hypothecate or encumber (or permit such to occur or suffer such to exist other than any security interest therein which will be released contemporaneously with the Transfer of such Transferred Asset hereunder and the grant of the security interest therein granted by the Financing Subsidiary to the Issuer hereunder), any part of the Transferred Assets except for (i) the transfer to the Transferor (by way of Dividend) and (ii) the grant of the Participation Interests to the Issuer as provided herein.

SECTION 2.08 Further Assurances. Each party agrees to execute and deliver all such further documents as may be reasonably requested by the other party in order to effect each Transfer and each Elevation as contemplated hereby.

ARTICLE III
Representations and Warranties

SECTION 3.01 Representations and Warranties of Each Party. Each party hereto (each, the "Representing Party") represents and warrants to the other party as follows:

(a) the Representing Party is duly incorporated or formed, as applicable, and validly existing as an entity and is in good standing under the laws of its jurisdiction of incorporation or formation, as applicable;

(b) the Representing Party has the requisite power and authority to enter into and perform this Agreement;

(c) this Agreement has been duly authorized by all necessary action on the part of the Representing Party, has been duly executed by the Representing Party and is the valid and binding agreement of the Representing Party enforceable against such party in accordance with its terms;

(d) the Representing Party is adequately capitalized in light of its contemplated business or activities;

(e) no Transfer will be a transfer of property in connection with any preexisting indebtedness owed by the Financing Subsidiary to the Issuer;

(f) there are no agreements or understandings between the Representing Parties (other than this Agreement) relating to or affecting the Transfer or the Transferred Assets and the proceeds thereof;

(g) the Representing Party conducts its business or activities solely in its own name;

(h) the Representing Party provides for the payment of its expenses and liabilities from its own funds;

(i) the Representing Party has not guaranteed and is not otherwise contractually liable for the payment of any liability of the other party;

(j) neither the assets nor the creditworthiness of the Representing Party is generally held out as being available for the payment of any liability of the other party;

(k) the Representing Party maintains an arm's-length relationship with the other party;

(l) the Representing Party maintains separate financial records that enable its assets to be readily ascertained as separate and apart from those of the other party;

(m) the Representing Party's funds are not commingled with those of the other party; and

(n) none of the execution, delivery and performance of this Agreement by the Representing Party will:

(i) conflict with, result in any breach of or constitute a default (or an event which, with the giving of notice or passage of time, or both, would constitute a default) under, any term or provision of the organizational documents of the Representing Party or any indenture, agreement, order, decree or other instrument to which the Representing Party is a party or by which the Representing Party is bound, which conflict, breach or default would have a material adverse effect with respect to the Representing Party; or

(ii) violate any provision of any law, rule or regulation applicable to the Representing Party of any regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Representing Party or its properties, which violation would have a material adverse effect with respect to the Representing Party.

SECTION 3.02 Representations and Warranties of the Financing Subsidiary. The Financing Subsidiary represents and warrants to the Issuer as follows:

(a) Each Transferred Asset in which Issuer shall be granted a participation interest on the Settlement Date hereunder is owned by the Financing Subsidiary free and clear of any Lien, security interest, charge or encumbrance (subject only to Permitted Liens), and the Financing Subsidiary has the full right, corporate power and lawful authority to sell the same and interests therein and, upon the Elevation on the relevant Elevation Date with respect to any Transferred Asset, the Issuer will receive good and marketable title to such Transferred Asset, free and clear of any pledge, lien, investment interest, charge, claim, equity or encumbrance of any kind created by the Financing Subsidiary or any Person claiming through the Financing Subsidiary. The participation in each Transferred Asset granted hereunder will be granted by the Financing Subsidiary to the Issuer free and clear of any encumbrance, equity, participation interest, lien, pledge, charge, claim or security interest (other than any security interest therein which will be released contemporaneously with the Transfer of such Transferred Asset hereunder, the security interest granted hereunder by the Financing Subsidiary to the Issuer and Financing Subsidiary's record ownership of the related Transferred Asset which, from and after the Settlement Date to and including the Elevation Date with respect thereto will be and remain free and clear of any encumbrance, equity, participation interest, lien, pledge, charge, claim or security interest). There is no funding obligation in respect of the Transferred Assets that the Issuer is or shall be required to pay or otherwise perform that the Financing Subsidiary has not paid or otherwise performed in full.

(b) None of the execution, delivery and performance by the Financing Subsidiary of this Agreement will adversely affect the nature of the title to any Transferred Asset received by the Issuer as provided in Section 3.02(i).

(c) No consent, license, approval or authorization from, or registration or qualification with, any governmental body, agency or authority, nor any consent, approval, waiver or notification of any creditor or lessor is required in connection with the execution, delivery and performance by the Financing Subsidiary of this Agreement, except (A) such as have been obtained and are in full force and effect or (B) those with respect to which the failure to obtain them would not have a material adverse effect with respect to the Financing Subsidiary.

(d) The Financing Subsidiary has valid business reasons for transferring the Transferred Assets to the Issuer rather than obtaining a secured loan with the Transferred Assets as collateral. The Financing Subsidiary is not effecting any Transfer in contemplation of the Financing Subsidiary's insolvency or with any actual intent to hinder, delay or defraud any of its creditors.

(e) All limited liability company actions of the Financing Subsidiary, with respect to the transactions contemplated hereby, have been and will continue to be reflected in any minutes of the Financing Subsidiary. This Agreement is and will continue to be an official record of the Financing Subsidiary.

(f) The Financing Subsidiary has been solvent at all relevant times before each Transfer and will not be rendered insolvent by any Transfer. Before the date hereof, the Financing Subsidiary did not engage in or have plans to engage in any business or transaction as a result of which the total assets remaining with the Financing Subsidiary would constitute an unreasonably small amount of capital. The Financing Subsidiary has not incurred and does not intend to incur, debts that would be beyond its ability to pay as they mature.

SECTION 3.03 No Liability. The Financing Subsidiary makes no representation or warranty, express or implied, and assumes no responsibility, with respect to the genuineness, authorization, execution, delivery, validity, legality, value, sufficiency, perfection, priority, enforceability or collectability of any Underlying Documents or credit documentation executed and delivered in connection with a Transferred Asset. The Financing Subsidiary assumes no responsibility for (except as otherwise expressly provided herein) (a) any representation or warranty made by, or the accuracy, completeness, correctness or sufficiency of any information (or the validity, completeness or adequate disclosure of assumptions underlying any estimates, forecasts or projections contained in such information) provided directly or indirectly by, any obligor in respect of a Transferred Asset or any Underlying Documents or credit documentation thereof or by any other Person, (b) the performance or observance by any obligor of any of the provisions of any Underlying Documents or credit documentation in respect of a Transferred Asset (whether on, before or after the Settlement Date), (c) the filing, recording, or taking of any action with respect to any Underlying Documents or credit documentation in respect of a Transferred Asset, (d) the financial condition of any obligor in respect of a Transferred Asset or of any other Person or (e) any other matter whatsoever relating to any obligor in respect of a Transferred Asset, any other Person or the Transferred Assets. In making, managing, handling and transferring the Transferred Assets, the Financing Subsidiary shall exercise the same care as it normally exercises with respect to loans held for its own account, but the Financing Subsidiary shall have no further responsibility to the Issuer except as expressly provided herein and except for its own gross negligence or willful misconduct which results in actual loss to the Issuer.

SECTION 3.04 Survival of Representations and Warranties. All representations and warranties shall survive the Transfer and Elevation of each Transferred Asset.

ARTICLE IV
Miscellaneous

SECTION 4.01 Amendments. This Agreement may not be amended, altered, supplemented or otherwise modified, except by the execution and delivery of a written agreement by each of the parties hereto and the Administrative Agent. Each of the Financing Subsidiary and Issuer acknowledges that this Agreement sets forth the entire agreement and understanding of the Transfer and Elevation of the Transferred Assets.

SECTION 4.02 Governing Law; Waiver of Trial by Jury; Jurisdiction.

(a) This Agreement shall be construed in accordance with the law of the State of New York, and this Agreement, and all matters arising out of or relating in any way whatsoever to this Agreement (whether in contract, tort or otherwise), shall be governed by such law without reference to its conflicts of laws provisions (other than Section 5-1401 of the New York General Obligations Law).

(b) EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. Each party hereto (i) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other parties hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 4.02(b).

(c) Each party hereto hereby irrevocably submits to the non-exclusive jurisdiction of any New York State or Federal court sitting in the Borough of Manhattan in The City of New York in any action or proceeding arising out of or relating this Agreement, and hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York State or Federal court. Each party hereto hereby irrevocably waives, to the fullest extent that it may legally do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. Each party hereto irrevocably consents to the service of any and all process in any action or proceeding by the mailing or delivery of copies of such process to it the address set forth in Section 4.02. Each party hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

SECTION 4.03 Communications. Except as may be otherwise agreed between the parties, all communications hereunder shall be made in writing to the relevant party by personal delivery or by courier or first-class mail by facsimile or email transmission as follows:

To the Financing Subsidiary:

PennantPark Floating Rate Funding I, LLC
c/o PennantPark Investment Advisers, LLC
590 Madison Avenue, 15th Floor
New York, NY 10022
Attention: Arthur Penn
Telephone No.: +1 (212) 905-1010
Facsimile No.: +1 (212) 905-1075
Email: Penn@pennantpark.com

To the Issuer:

PennantPark CLO I, Ltd.
c/o Crestbridge Cayman Limited
9 Forum Lane, Camana Bay
P.O. Box 31243
Grand Cayman, KY1-1205
Cayman Islands
Attention: The Directors
Facsimile No.: +1 (345) 947-9380
Email: george.bashforth@crestbridge.com and jonathan.bain@crestbridge.com

with a copy to:

c/o Appleby (Cayman) Ltd.

71 Fort Street
Grand Cayman KY1-1104
Cayman Islands
Attention: Liesl Richter and Benjamin Woolf
Facsimile no.: +1 (345) 949 4901
Email: lrichter@applebyglobal.com and bwoolf@applebyglobal.com

or to such other address, telephone number or facsimile number as either party may notify to the other party in accordance with the terms hereof from time to time. Any communications hereunder shall be effective upon receipt.

SECTION 4.04 Non-Petition; Limited Recourse.

(a) Notwithstanding any other provision of this Agreement, the Financing Subsidiary agrees that it may not, prior to the date which is one year and one day (or if longer, any applicable preference period then in effect plus one day) after the payment in full of all Notes and any other debt obligations of the Issuer that have been rated upon issuance by any rating agency at the request of the Issuer, institute against, or join any other Person in instituting against, the Issuer any bankruptcy, reorganization, arrangement, insolvency, winding-up, moratorium or liquidation Proceedings, or other Proceedings under U.S. federal or state bankruptcy or similar laws. Nothing in this Section 4.04(a) shall preclude, or be deemed to stop, the Financing Subsidiary:

(i) from taking any action prior to the expiration of the aforementioned period in (A) any case or Proceeding voluntarily filed or commenced by the Issuer or (B) any involuntary insolvency Proceeding filed or commenced by a Person other than the Issuer; or

(ii) from commencing against the Issuer or any of its properties any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, winding-up, moratorium or liquidation Proceeding.

(b) Notwithstanding any other provision of this Agreement, the Issuer agrees that it may not, prior to the date which is one year and one day (or if longer, any applicable preference period then in effect plus one day) after the payment in full of all “Obligations” (as defined in the Credit Agreement) of the Financing Subsidiary under the Credit Agreement, institute against, or join any other Person in instituting against, the Financing Subsidiary any bankruptcy, reorganization, arrangement, insolvency, winding-up, moratorium or liquidation Proceedings, or other Proceedings under U.S. federal or state bankruptcy or similar laws. Nothing in this Section 4.04(b) shall preclude, or be deemed to stop, the Issuer:

(i) from taking any action prior to the expiration of the aforementioned period in (A) any case or Proceeding voluntarily filed or commenced by the Financing Subsidiary or (B) any involuntary insolvency Proceeding filed or commenced by a Person other than the Financing Subsidiary; or

(ii) from commencing against the Financing Subsidiary or any of its properties any legal action which is not a bankruptcy, reorganization, arrangement, insolvency, winding-up, moratorium or liquidation Proceeding.

(c) Notwithstanding any other provision of this Agreement:

(i) The obligations of the parties under this Agreement are at all times limited recourse obligations of such party payable solely from such party's assets available at such time, and, following realization of such assets and application of the proceeds thereof (including, in the case of the Issuer, in accordance with the applicable priority of payments under the Indenture and, in the case of the Financing Subsidiary, in accordance with the applicable priority of payments under the Credit Agreement), all obligations of and any claims against such party hereunder or in connection herewith after such realization shall be extinguished and shall not thereafter revive.

(ii) No recourse shall be had against any officer, director, employee, shareholder, member, manager, beneficial owner, trustee, authorized person or incorporator of either party or its manager or their respective affiliates, successors or assigns for any amounts payable under this Agreement.

(iii) The foregoing provisions of this Section 4.04(c) shall not:

(A) prevent recourse to such party's assets for the sums due or to become due under any security, instrument or agreement that is part of such assets;

(B) constitute a waiver, release or discharge of any indebtedness or obligation evidenced by this Agreement until all such assets have been realized; or

(C) limit the right of either party to name the other party as a party defendant in any Proceeding or in the exercise of any other remedy under this Agreement, so long as no judgment in the nature of a deficiency judgment or seeking personal liability shall be asked for or (if obtained) enforced against any Person referred to in Section 4.04(c)(ii).

(d) This Section 4.04 shall survive the termination of this Agreement and the issuance of the Notes pursuant to the Indenture and the payment in full of all "Obligations" (as defined in the Credit Agreement) of the Financing Subsidiary under the Credit Agreement.

SECTION 4.05 Parties Benefited.

(a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither this Agreement nor any right or obligation in or under this Agreement may be transferred (whether by way of security or otherwise) or delegated by either party without the prior written consent of the other party, except that (i) a party may make a transfer of all (but not less than all) of its rights and obligations under this Agreement pursuant to a consolidation or amalgamation with, or merger with or into, or transfer of all or substantially all its assets to, another entity, and (ii) the Issuer may assign and transfer its rights hereunder to the Trustee under the Indenture. Any purported transfer that is not in compliance with this provision will be void.

(b) Except for the Trustee, the Indenture Collateral Agent, the Lenders, the Administrative Agent and the Revolver Collateral Agent (each of whom is an express third party beneficiary hereof) and each of their respective successors and assigns, no Person shall directly or indirectly be a third party beneficiary of this Agreement.

SECTION 4.06 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any term, provision, covenant or condition of this Agreement, or the application thereof to the Financing Subsidiary or the Issuer or any circumstance, is held to be unenforceable, invalid or illegal (in whole or in part) for any reason (in any relevant jurisdiction), the remaining terms, provisions, covenants and conditions of this Agreement, modified by the deletion of the unenforceable, invalid or illegal portion (in any relevant jurisdiction), will continue in full force and effect, and such unenforceability, invalidity, or illegality will not otherwise affect the enforceability, validity or legality of the remaining terms, provisions, covenants and conditions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the Financing Subsidiary and the Issuer as to the subject matter hereof and the deletion of such portion of this Agreement will not substantially impair the respective expectations of the Financing Subsidiary and the Issuer or the practical realization of the benefits hereof that would otherwise be conferred upon the Financing Subsidiary and the Issuer. The Financing Subsidiary and the Issuer will endeavor in good faith to replace the prohibited or unenforceable provision with a valid provision, the economic effect of which comes as close as possible to that of the prohibited or unenforceable provision.

SECTION 4.07 Counterparts. This Agreement (and each amendment, modification and waiver in respect of it) may be executed in any number of counterparts (including by facsimile transmission or other form of electronic transmission), each of which shall be an original, but all of which together shall constitute one and the same agreement. Delivery of an executed counterpart signature page of this Agreement by facsimile transmission or by electronic mail transmission (.pdf) shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 4.08 Headings Have No Legal Effect. The headings and captions of this Agreement are for convenience of reference only, and have no legal effect, and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions of this Agreement.

[*REMAINDER OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURE PAGE FOLLOWS.*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as a deed as of the date first written above.

PENNANTPARK FLOATING RATE FUNDING I, LLC,
as Financing Subsidiary

By: PennantPark Floating Rate Capital Ltd., as
Designated Manager

By: /s/ Arthur Penn
Name: Arthur Penn
Title: Chief Executive Officer

PENNANTPARK CLO I, LTD.,
as Issuer

By: /s/ Alvin Bhawanie
Name: Alvin Bhawanie
Title: Director

ACKNOWLEDGED:

PENNANTPARK FLOATING RATE CAPITAL LTD.,
as Transferor

By: /s/ Arthur Penn
Name: Arthur Penn
Title: Chief Executive Officer

ANNEX A

SCHEDULE OF TRANSFERRED ASSETS

[Attached]

Assets	Asset Type	Consolidated Par Transferred	Price	Consolidated Cost Transferred
18 Fremont Street Acquisition, LLC	First Lien	6,697,697.03	98.01	6,564,589.70
American Auto Auction Group, LLC	First Lien	5,813,286.64	98.77	5,742,068.03
American Insulated Glass, LLC	First Lien	6,697,697.03	98.28	6,582,761.14
API Holdings III Corp.	First Lien	6,000,000.00	99.50	5,970,245.92
By Light Professional IT Services, LLC	First Lien	6,697,697.03	97.85	6,553,456.45
Cano Health, LLC	First Lien	5,830,099.85	99.15	5,780,382.08
Confluent Health, LLC	First Lien	4,000,000.00	99.00	3,960,045.92
DecoPac, Inc.	Second Lien	6,697,697.03	98.95	6,627,175.08
Deva Holdings, Inc.	First Lien	947,304.34	98.52	933,320.11
Digital Room Holdings, Inc.	First Lien	6,697,697.03	98.51	6,597,894.78
Douglas Products and Packaging Company LLC	First Lien	6,697,697.03	98.73	6,612,607.71
East Valley Tourist Development Authority	First Lien	6,697,697.03	99.15	6,641,072.26
eCommission Financial Services, Inc.	First Lien	6,697,697.03	100.00	6,697,697.03
Education Networks of American, Inc.	First Lien	6,697,697.03	100.00	6,697,697.03
Efficient Collaborative Retail Marketing Company, LLC	First Lien	6,697,697.03	99.58	6,669,308.19
GCOM Software LLC	First Lien	6,697,697.03	98.16	6,574,138.69
Good2Grow LLC	First Lien	6,697,697.03	99.11	6,638,410.73
GSM Holdings, Inc.	First Lien	5,521,823.51	99.54	5,496,646.49
HW Holdco, LLC	First Lien	6,697,697.03	99.07	6,635,512.09
Integrative Nutrition, LLC	First Lien	6,697,697.03	99.17	6,641,830.63
KHC Holdings, Inc.	First Lien	6,697,697.03	99.11	6,638,251.07
LAV Gear Holdings, Inc.	First Lien	3,531,427.20	99.12	3,500,212.03
Lombart Brothers, Inc.	First Lien	6,697,697.03	98.93	6,626,308.18
Long’s Drugs Incorporated	First Lien	6,697,697.03	99.31	6,651,294.04
LSF9 Atlantis Holdings, LLC	First Lien	6,697,697.03	99.28	6,649,632.58
Manna Pro Products, LLC	First Lien	5,690,197.03	98.94	5,630,096.20
MeritDirect, LLC	First Lien	6,697,697.03	98.58	6,602,475.54
Nuvei Technologies Corp.	First Lien	6,697,697.03	98.50	6,597,502.11
Ox Two, LLC	First Lien	6,697,697.03	100.00	6,697,697.03
Pestell Minerals and Ingredients, Inc.	First Lien	6,697,697.03	99.20	6,644,413.37
PlayPower, Inc.	First Lien	5,600,000.00	99.02	5,545,013.53
PRA Events, Inc.	First Lien	2,598,605.92	98.38	2,556,499.94
Quantum Spatial, Inc.	First Lien	6,697,697.03	98.51	6,597,786.93
Questex, LLC	First Lien	6,697,697.03	98.27	6,582,066.50
Research Now Group, Inc. and Survey Sampling International LLC	First Lien	6,697,697.03	95.97	6,427,741.01
Riverpoint Medical, LLC	First Lien	5,000,000.00	99.02	4,951,086.09
Schlesinger Global, Inc.	First Lien	6,697,697.03	98.53	6,599,123.14
Signature Systems Holding Company	First Lien	6,697,697.03	98.57	6,602,163.63
Solutionreach, Inc.	First Lien	6,697,697.03	98.22	6,578,534.72
TeleGuam Holdings, LLC	First Lien	6,697,697.03	98.92	6,625,651.57
Teneo Holdings LLC	First Lien	5,000,000.00	96.00	4,800,000.00
The Infosoft Group, LLC	First Lien	5,647,900.77	99.52	5,620,543.06
TVC Enterprises, LLC	First Lien	5,943,737.58	98.22	5,838,041.05
TWS Acquisition Corporation	First Lien	6,697,697.03	97.61	6,537,345.18
Tyto Athene, LLC	First Lien	6,697,697.03	98.68	6,609,327.47
Ubeo, LLC	First Lien	4,715,658.77	99.16	4,676,212.77
Totals		**279,468,649.54**	**98.76**	**276,001,878.79**